

Pollinate Group Limited and controlled entities

ABN: 96 161 067 492

Consolidated Financial report

For the year ended 30 June 2023

Pitcher Partners

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POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

DIRECTORS' REPORT

The Directors present their report together with the financial report of the group, being company and its controlled entities "the Group", for the year ended 30 June 2023 and auditor's report thereon.

Directors names

The names of the Directors in office at any time during or since the end of the year are:

Scott Watkins

Elena Bondareva

Anya Cherneff

Bill Scull

Adrian Scott

Subir Basak

Manita Ray (Resigned 23rd Jan 2024)

Kamala Srinivasan

Marni Oaten

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

Significant changes in state of affairs

There were no significant changes in the group's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

Mission

To create a world where women are equipped to lead their communities out of poverty.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Short-term and long-term objectives and strategies

Pollinate Group brings life-changing products to people who need them most – from solar powered lights to improved cook stoves to water filters. For the urban and rural poor, we are the missing link in the chain, allowing them to access, understand, and afford household products that make daily life better and safer. We do all this whilst creating jobs for women and people from disadvantaged backgrounds, giving them the skills and tools to generate a sustainable income to support their local communities.

The group's short-term objectives are to:

- Build a network of skilled women entrepreneurs who work within their local communities to understand their needs and bring life changing products to bear in a sustainable way
- Increase fundraising efforts to continue to support the growth of our operations delivering much needed technologies to people in poverty
- Increase fellowship programs to impact more students and professionals by showcasing our work and enabling them to discover the potential of social impact careers
- Develop more opportunities for women and other marginalised groups within our team, and explore new products that improve quality of life for these groups

The group's long-term objectives are to provide much needed access to high quality, sustainable and life-improving technologies to communities across the globe through replication of our model into regions that are underserved, and partnerships with other global partners whom we can support with our skills and expertise to reach their own local communities.

To achieve its short-term and long-term objectives, the group has adopted the following strategies:

- Increasing numbers of fellowship programs, and aligning programs to core strategic goals to ensure that our fellows are helping us accelerate our core objectives;
- Provide relevant and regular training to managers and leaders enabling higher success rates across field teams;
- Implementing new and improved training and on-boarding programs for Suryamukhis in all locations;
- Independent impact assessment on our new product lines focussing on the impact across family members, and utilising this information to better identify valued products for families; and
- Implementing new distribution models across the communities we serve to provide access to a greater range of products and deepen our impact.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Principal activities

To carry out the group's strategies and to achieve its short-term and long-term objectives, the group engaged in the following principal activities during the year.

The Group's principal activities are:

- Bringing life-changing products to people who need them most through distribution and affordable payment plans;
- Training and developing women and others from low-resource communities to improve their access to employment and ability to generate income;
- Raising funds and advocating for better support for disempowered communities and access to life changing products; and
- Delivering high quality leadership programs for students and professionals to accelerate our impact and motivate the next generation of social entrepreneurs.

Key performance indicators

To help evaluate whether the activities the group established during the year have achieved its short-term and long-term objectives, the group uses the following key performance indicators to measure, analyse and monitor its performance:

The Group's key performance indicators are:

- Number of products distributed to families
- Number of Suryamukhis (entrepreneurs) active and their incomes
- Payment plan default rates and performance
- Customer satisfaction on product and service provided
- Monthly revenue (from products and from fundraising efforts)
- Corporate sponsorship satisfaction and renewal
- Number of fellows participating on programs
- Fellowship satisfaction

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Information on Directors

Scott Watkins

Experience

Scott is currently the Chief Sustainability Officer for KISCO, a Korean chemical company that he joined in 2015. His role is to lead KISCO's ESG strategy and help develop new business areas. In 2020, Scott negotiated KISCO's strategic partnership with and investment into Boron Molecular. Scott also represents KISCO in discussions with other industry partners including the Sustainable Chemistry for the Textiles Industry (SCTI) alliance.

Scott has been a company director since 2015 and is also a non-executive director and chair of parkrun Australia. In 2021 Scott became a Graduate of the Australian Institute of Company Directors. Scott has a PhD in Chemistry from the University of New South Wales and spent four years in the UK working for two start-up companies in the area of Organic Light Emitting Diodes (OLEDs). Scott spent ten years with CSIRO, Australia's national science agency, where he was the Research Leader for Thin Film Photovoltaics in CSIRO's Manufacturing Flagship. In this role, Scott managed the research directions of his team and had responsibility for planning the commercialisation of their work. Scott managed projects on both OLEDs and solar cells and coordinated CSIRO's involvement in a number of national and international consortia aimed at developing applications of flexible electronics by linking industry with research.

Elena Bondareva

Experience

Elena is Russian by birth and upbringing, a naturalised Australian and a graduate of a US university with a knack for global trends and new-generation business models. She is passionate about mobilising individuals to create realities that far exceed their experience, and about methodically catalysing systemic change in societies, and has worked, taught and helped establish not-for-profits across five continents. She is proud to support Pollinate Group in its pioneering, brave and game-changing work.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Information on Directors (Continued)

Anya Cherneff

Experience

Masters Human Rights (University of Denver), BA Anthropology (Columbia University). After fighting human trafficking and modern slavery for over five years, Anya decided to try a market-based approach to gender and development with Empower Generation. Her experience includes Founder and Associate Director of the Human Trafficking Clinic and a Princeton-in-Asia fellow in Malaysia.

Anya now has over 12 years of experience leading nonprofit programs and social enterprises in both domestic and international contexts. Anya is a creative manager known for using community-based design practices to implement social change initiatives, deploying innovative business models to solve development and equity challenges in new ways, breaking down diversity and inclusion barriers in the workplace. Anya has experience in a range of programmatic areas including women's economic and political leadership, energy access, environment, human trafficking and forced labor, rural and youth economic development and social entrepreneurship.

Bill Scull

Experience

After a 25-year Silicon Valley career as a marketing and strategy executive, Bill pivoted to focus upon mentoring and coaching entrepreneurs. He has mentored executive teams at over 20 African and Asian enterprises. Bill lived in West Africa for eight months mentoring companies at Stanford University's Innovation Center and mentors Social Enterprises for Santa Clara University's Miller Center. Bill also coaches teams at Stanford for two Design Thinking courses and mentors companies at Singularity University's accelerator. Bill has an MBA from Stanford and a Masters in Engineering from MIT.

Adrian Scott

Experience

Adrian is a retired Senior Executive, having spent almost 30 years at Accenture helping public and private organisations apply technology to improve their performance. Adrian led large scale project teams implementing solutions for major clients across a wide range of industries and has worked extensively in Asia, Europe and North America. He established and operates his family philanthropic foundation in honor of his father where he is focused on social impact investing, aligned with his deep and abiding interest in making a positive impact both locally and across the developing world in access to energy and finance, education and health.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Information on Directors (Continued)

Subir Basak

Experience

Dr Subir Basak is a Senior Industry Specialist with IFC/World Bank Group. Subir built a career in the pharmaceutical and biotechnology industry over 25 years in roles of increasing responsibility from Merck Research Fellow, Global Operations Leader, General Manager, and CEO/President/Board member. Prior to IFC, Subir was a Management Advisor working with Generic Pharmaceutical Manufacturers in India as well as the Government of India Investment Fund and the Department of International Trade in UK. Prior to this, He was the President at Jubilant Life Sciences JDDS, CEO of Intas (Biotech) and Global Head of Oncology SBU at Dr Reddys Laboratories. Within the US, Subir had responsibility in strategy and business development, R&D, manufacturing, and commercial operations at the HQ of Amgen and Bayer Corporation. He has spent time working both in the US and India and brings a diversity of experience in both developed and emerging markets.

Subir received a M.S and Ph.D. in Biochemical Engineering from Purdue University (IN, USA), MBA from the Kellogg School of Management (Northwestern University, IL, USA), and B.E. in Chemical Engineering from the Indian Institute of Technology (INDIA).

Manita Ray

Experience

Manita Ray (MBA & B.Eng) is the Director and founder of Capital Human with over 22 years of experience across the private, public and NFP sectors. She has worked across South and South East Asia, Africa, the Pacific Islands and Australia. Currently, Manita is the SDG Finance and Gender Equality Expert for the United Nations Development Program (UNDP), the Gender and Inclusion Advisor to the Australian Government Department of Foreign Affairs and Trade, the Gender Lens Investment Advisor to SHE Investments in Cambodia and a lead researcher. As ygap's immediate past CEO she was a lead implementation partner for DFAT's Frontier Incubators Program, and the lead designer of the 'Gender Lens Incubation and Acceleration Toolkit'.

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DIRECTORS' REPORT

Information on Directors (Continued)

Kamala Srinivasan

Experience

Kamala is a senior executive and coach with more than 20 years of experience in both nonprofit organizations and technology industries. She has been actively involved in community advocacy, civic leadership and championing issues impacting women in technology.

Kamala's broad areas of expertise include global technology product delivery and operations, go-to-market strategy, digital transformation, and SAAS in Fintech, retail, legal, and media. She is a proud recipient of the prestigious "Digital Women Leadership Award" in 2018 for her contribution to women in STEM in India. She has experience working at organizations such as EMC, LBrands, and AnitaB.Org in both USA and India.

Marni Oaten

Experience

Marni is an experienced energy industry executive with a demonstrated history of working delivering socially sustainable commercial and technical solutions. Over the past 10 years Marni has led global corporate sustainability and media relations functions at the global project services company, Worley. She also founded the Worley Foundation and led Worley's energy and chemicals business across Australia and Papua New Guinea. Marni is also on the Board of the Global Institute of Intrapreneurs.

Marni has an honours degree in Electrical (Power) Engineering from Monash University and a Master of Business Administration from the Australian Graduate School of Management. She is also an Eisenhower Fellow, a Vincent Fairfax Fellow, Harvard Kennedy School Alumni and Centre for Ethical Leadership Alumni.

Members guarantee

The parent is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the parent is wound up, the Constitution states that each member is required to contribute to a maximum of \$10 each towards meeting any outstanding obligations of the parent. At 30 June 2023 the number of members was 30. The combined total amount that members of the parent are liable to contribute if the parent is wound up is \$300.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

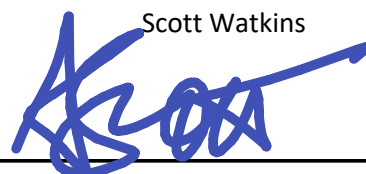
Auditor's independence declaration

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

Signed on behalf of the Board of Directors.

Director:  _____

Scott Watkins

Director:  _____

Adrian Scott

Dated this 24th day of May 2024

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES
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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF POLLINATE ENERGY LIMITED

In relation to the independent audit for the year ended 30 June 2023, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Pollinate Group Limited and the entities it controlled during the year.



M J HARRISON
Partner



PITCHER PARTNERS
Melbourne

Date: 27 May 2024

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue and other income			
Commercial Activities	2	303,709	235,236
Other revenue	3	<u>1,689,859</u>	<u>1,042,676</u>
		<u>1,993,568</u>	<u>1,277,912</u>
Expenditure			
International Aid and Development Programs Expenditure			
International Aid and Development Programs Expenditure		(187,712)	-
International programs			
Funds to International Programs		(96,267)	(215,851)
Program Support Costs		(17,143)	-
Community Education		(726,686)	(458,130)
Fundraising costs			
Government, multilateral and private		(145)	-
Finance costs		(280)	(80)
Accountability and Administration		(23,706)	(29,258)
Travel expense		(260)	-
Fellowship hosting costs		(181)	-
Research expense		(713,073)	-
Insurance expense		(274)	(1,501)
Professional fees		(17,126)	(16,588)
Other Expenditure		<u>(299,441)</u>	<u>(341,582)</u>
Total expenditure		<u>(2,082,294)</u>	<u>(1,062,990)</u>
(Deficit)/Surplus before income tax expense		(88,726)	214,922
Income tax expense	4	<u>(766)</u>	<u>(1,113)</u>
Net (deficit)/surplus from continuing operations		<u>(89,492)</u>	<u>213,809</u>
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Foreign exchange translation of Pollinate Energy India Pvt Ltd		7,832	21,062
Foreign exchange translation of Pollinate Group (US)		<u>1,981</u>	<u>4,371</u>
		<u>9,813</u>	<u>25,433</u>
Other comprehensive income for the year		<u>9,813</u>	<u>25,433</u>
Total comprehensive income		<u>(79,679)</u>	<u>239,242</u>

The accompanying notes form part of these financial statements.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	5	485,513	483,828
Receivables	6	124,095	265,112
Other assets	7	<u>13,131</u>	<u>37,324</u>
Total current assets		<u>622,739</u>	<u>786,264</u>
Non-current assets			
Receivables	6	-	120
Deferred tax assets	4	16,207	15,998
Property, plant and equipment	8	<u>6,111</u>	<u>5,342</u>
Total non-current assets		<u>22,318</u>	<u>21,460</u>
Total assets		<u>645,057</u>	<u>807,724</u>
Current liabilities			
Payables	9	118,097	200,964
Provisions	10	2,092	2,090
Refund liabilities		(1,489)	-
Other liabilities		<u>50,000</u>	<u>50,000</u>
Total current liabilities		<u>168,700</u>	<u>253,054</u>
Non-current liabilities			
Provisions	10	<u>1,366</u>	-
Total non-current liabilities		<u>1,366</u>	-
Total liabilities		<u>170,066</u>	<u>253,054</u>
Net assets		<u>474,991</u>	<u>554,670</u>
Equity			
Reserves	16	(20,105)	(29,918)
Accumulated surplus	17	<u>495,096</u>	<u>584,588</u>
Total equity		<u>474,991</u>	<u>554,670</u>

The accompanying notes form part of these financial statements.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Contributed equity \$	Reserves \$	Accumulated surplus \$	Total equity \$
Consolidated				
Balance as at 1 July 2021	-	(55,351)	370,779	315,428
Surplus for the year	-	-	213,809	213,809
Foreign exchange translation of Pollinate Energy India Pvt Ltd	-	21,062	-	21,062
Foreign exchange translation of Pollinate Group (US)	-	4,371	-	4,371
Total comprehensive income for the year	<u>-</u>	<u>25,433</u>	<u>213,809</u>	<u>239,242</u>
Balance as at 1 July 2022	-	(29,918)	584,588	554,670
Deficit for the year	-	-	(89,492)	(89,492)
Foreign exchange translation of Pollinate Energy India Pvt Ltd	-	7,832	-	7,832
Foreign exchange translation of Pollinate Group (US)	-	1,981	-	1,981
Total comprehensive income for the year	<u>-</u>	<u>9,813</u>	<u>(89,492)</u>	<u>(79,679)</u>
Balance as at 30 June 2023	<u>-</u>	<u>(20,105)</u>	<u>495,096</u>	<u>474,991</u>

The accompanying notes form part of these financial statements.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
Cash flow from operating activities			
Receipts from customers		1,803,814	1,158,143
Payments to suppliers and employees		(1,800,104)	(867,450)
Income tax paid		<u>-</u>	<u>(24,573)</u>
Net cash (used in)/provided by operating activities		<u>3,710</u>	<u>266,120</u>
Cash flow from investing activities			
Payment for property, plant and equipment		<u>(2,025)</u>	<u>(6,705)</u>
Net cash used in investing activities		<u>(2,025)</u>	<u>(6,705)</u>
Cash flow from financing activities			
Proceeds / (repayments) of borrowings		<u>-</u>	<u>(66,608)</u>
Net cash (used in)/provided by financing activities		<u>-</u>	<u>(66,608)</u>
Reconciliation of cash			
Cash at beginning of the financial year		483,828	291,021
Net (decrease) / increase in cash held		<u>1,685</u>	<u>192,807</u>
Cash at end of financial year		<u><u>485,513</u></u>	<u><u>483,828</u></u>

The accompanying notes form part of these financial statements.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: BASIS OF PREPARATION

General information

The financial report is a general purpose financial report that has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

This financial report is the first financial report of the group prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The prior year financial report was prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards - Simplified Disclosures has not affected the group's reported financial position, financial performance and cash flows.

The financial report covers Pollinate Group Limited and its consolidated entities "the Group". Pollinate Group Limited is a company limited by guarantee, incorporated and domiciled in Australia. Pollinate Group Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors at the date of the Directors' report.

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Accounting policies

The following accounting policies have been applied in the preparation and presentation of the financial report.

(a) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Directors have prepared the financial report on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Directors note the 30 June 2023 net asset position, together with forecast activity levels, support the going concern basis of reporting. The Directors note that the forecasts include significant grant and donation income is required for activity levels to be maintained over the next twelve months, and that these inflows are not certain at this time. The entity continues to seek to address the cash requirements by seeking new donors and continuing commercial activity.

The financial report does not include any adjustment relating to the recoverability or classification of recorded asset amounts nor to the amounts or classification of liabilities that might be necessary should the Group be unable to continue as a going concern.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(a) Going concern (Continued)

If the going concern basis of accounting is found to be no longer appropriate, the recoverable amounts of the assets shown on the Consolidated Statement of Financial Position are likely to be significantly less than the amounts disclosed, and the liabilities may differ significantly from those reflected in the Statement of Financial Position.

(b) Principles of consolidation

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared and reviewed for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is obtained by the group and are de-recognised from the date that control ceases.

(c) Revenue from contracts with customers

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(d) Income arising from the transfer of assets

The group derives income from the transfer of assets when the group provides no consideration in exchange for the asset received, or the consideration provided by the group is significantly less than the fair value of the asset received, principally to enable the group to further its objectives, and the arrangement does not satisfy the criteria to be accounted for as a 'contract with a customer'.

Donations

Cash donations and goods donated for resale are recognised as income when the group obtains control of the asset. Cash is recognised at the fair value of the consideration received. Goods donated for resale are recognised at current replacement cost.

Operating grants

A transfer of an asset, including cash, under arrangements that do not contain enforceable and sufficiently specific performance obligations is referred to in the financial statements as an 'operating grant'. Assets arising from operating grants are recognised at fair value when the group obtains control of the asset. Any related amounts, such as contributions from owners, financial liabilities, contract liabilities, lease liabilities and provisions are recognised in accordance with the applicable Australian Accounting Standard. The excess of the initial carrying amount of assets received over the aggregate of the consideration provided by the group and any related amounts is recognised as income.

(e) Income tax

No provision for income tax has been raised in regards to the parent entity as it is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The controlled entity, Pollinate Energy India Pvt Ltd, is subject to tax in India.

(f) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value.

(g) Financial instruments

Classification of financial assets

Financial assets recognised by the group are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the group's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(g) Financial instruments (Continued)

Trade and other receivables

Trade and other receivables arise from the group's transactions with its customers and are normally settled within 30 days.

Consistent with both the group's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

Held for trading equity instruments

Held for trading equity instruments comprise those ordinary shares and options in listed entities that have been acquired by the group principally for the purpose of sale in the near term. Held for trading investments are classified (and measured) at fair value through profit or loss.

A financial asset meets the criteria for held for trading if:

- (a) it has been acquired principally for the purpose of sale in the near term;
- (b) on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- (c) it is a derivative other than a designated and effective hedging instrument.

(h) Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Class of fixed asset	Useful lives	Depreciation basis
Computer equipment at cost	3 years	Diminishing value

(i) 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.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(j) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that are denominated in the currency in which the benefits will be paid. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the consolidated statement of financial position.

(k) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax 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 consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
 NOTE 2: COMMERCIAL ACTIVITIES		
Commercial Activities		
Commercial Activities Income - Sales	273,962	195,752
Commercial Activities Income - Fellowships	<u>29,747</u>	<u>39,484</u>
	<u><u>303,709</u></u>	<u><u>235,236</u></u>
 NOTE 3: OTHER REVENUE AND OTHER INCOME		
Not-for-profit revenue		
Donations	1,253,943	355,983
Grants	<u>392,131</u>	<u>615,503</u>
	<u><u>1,646,074</u></u>	<u><u>971,486</u></u>
Government subsidies	41,511	63,845
Other revenue	<u>2,274</u>	<u>7,345</u>
	<u><u>43,785</u></u>	<u><u>71,190</u></u>
	<u><u>1,689,859</u></u>	<u><u>1,042,676</u></u>
 NOTE 4: INCOME TAX		
(a) Components of tax expense		
Current tax	<u>766</u>	<u>1,113</u>
	<u><u>766</u></u>	<u><u>1,113</u></u>
 (b) Income tax reconciliation		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax payable on profit before income tax at 30.0% (2022: 30.0%)	(26,618)	64,477
Add tax effect of:		
Less tax effect of:		
Non assessable charitable profits/(loss)	<u>(67,082)</u>	<u>48,364</u>
	<u><u>(67,082)</u></u>	<u><u>48,364</u></u>
Income tax expense attributable to profit	<u><u>40,464</u></u>	<u><u>16,113</u></u>

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 4: INCOME TAX (CONTINUED)		
(c) Current tax		
Current tax relates to the following:		
<i>Current tax liabilities / (assets)</i>		
Opening balance	-	24,573
Tax payments	-	(24,573)
Current tax liabilities / (assets)	<u>-</u>	<u>-</u>
(d) Deferred tax		
Deferred tax relates to the following:		
<i>Deferred tax assets</i>		
The balance comprises:		
Timing differences - India	<u>16,207</u>	<u>15,998</u>
The balance comprises:		
Net deferred tax assets / (liabilities)	<u>16,207</u>	<u>15,998</u>
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash at bank	482,525	481,043
Cash on deposit	2,413	2,309
Other cash	<u>575</u>	<u>476</u>
	<u>485,513</u>	<u>483,828</u>
NOTE 6: RECEIVABLES		
CURRENT		
Receivables from contracts with customers	385,801	375,375
Allowance for credit losses	<u>(261,706)</u>	<u>(111,715)</u>
	124,095	263,660
Other receivables	<u>-</u>	<u>1,452</u>
	<u>124,095</u>	<u>265,112</u>
NON CURRENT		
Amounts receivable from:		
- associated companies	<u>-</u>	<u>120</u>

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 7: OTHER ASSETS		
CURRENT		
Prepayments	11,509	5,334
Other current assets	<u>1,622</u>	<u>31,990</u>
	<u><u>13,131</u></u>	<u><u>37,324</u></u>
NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment		
	-	-
Computer equipment at cost	22,891	20,877
Accumulated depreciation	<u>(16,780)</u>	<u>(15,535)</u>
	<u>6,111</u>	<u>5,342</u>
	<u><u>6,111</u></u>	<u><u>5,342</u></u>
(a) Reconciliations		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Computer equipment</i>		
Opening carrying amount	5,342	1,366
Additions	2,025	6,705
Depreciation expense	<u>(1,256)</u>	<u>(2,729)</u>
Closing carrying amount	<u><u>6,111</u></u>	<u><u>5,342</u></u>

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 9: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	54,409	152,097
Sundry creditors and accruals	<u>63,688</u>	<u>48,867</u>
	<u>118,097</u>	<u>200,964</u>
NOTE 10: PROVISIONS		
CURRENT		
Employee benefits	<u>2,092</u>	<u>2,090</u>
NON-CURRENT		
Employee benefits	<u>1,366</u>	<u>-</u>

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION		
Total compensation paid or payable to key management personnel	<u>228,524</u>	<u>108,035</u>

NOTE 12: RELATED PARTY TRANSACTIONS

(a) Transactions with controlled entities

Pollinate Group Limited provides financial and administrative support to the wholly controlled Indian and United States subsidiaries. The MSA transfers made by the Australian parent to the Indian subsidiary were \$713,073.

(b) Transactions with other related parties

The Directors are related parties, they are unremunerated for this role.

NOTE 13: MEMBERS' GUARANTEE

The parent is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the parent is wound up, the Constitution states that each member is required to contribute to a maximum of \$10 each towards meeting any outstandings and obligations of the parent. At 30 June 2023 the number of members was 30. The combined total amount that members of the parent are liable to contribute if the parent is wound up is \$300.

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the group.

NOTE 15: ENTITY DETAILS

The registered office of the group is:

Pollinate Group Limited
Level 2
Unit 1, 396 Clarendon Street
SOUTH MELBOURNE VIC 3205

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
NOTE 16: RESERVES		
Foreign currency translation reserve	<u>(20,105)</u>	<u>(29,918)</u>
NOTE 17: ACCUMULATED SURPLUS		
Accumulated surplus at beginning of year	584,588	370,779
Net surplus/(deficit)	<u>(89,492)</u>	<u>213,809</u>
	<u>495,096</u>	<u>584,588</u>

POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 96 161 067 492

DIRECTORS' DECLARATION

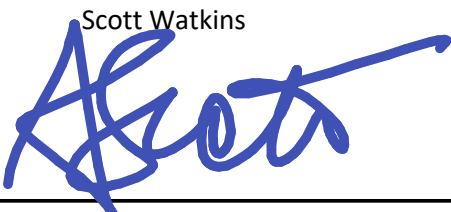
The directors of the company declare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 10 - 24, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
 - (b) giving a true and fair view of the financial position as at 30 June 2023 and performance for the year ended on that date of the company.
2. In the directors opinion, there are reasonable grounds to believe that the company is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Director: _____


Scott Watkins

Director: _____

Adrian Scott

Dated this 24th day of May 2024



POLLINATE GROUP LIMITED AND CONTROLLED ENTITIES
ABN: 96 161 067 492

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF POLLINATE ENERGY LIMITED

A handwritten signature in black ink that reads 'M. J. Harrison'.

M J HARRISON

Partner

A handwritten signature in black ink that reads 'Pitcher Partners'.

PITCHER PARTNERS

Melbourne

Date 27 May 2024