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POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY
ABN 96 161 067 492

DIRECTORS' REPORT

The directors present their report together with the financial report of the group, being the company and its controlled entity, for the year ended 30 June 2018 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
Justine Jarvinen
Alan Beattie  (resigned December 2018)
Bill Rodriguez (appointed 9 July 2017)
Anya Cherneff (appointed 17 April 2018)
Amira Bliss  (appointed 17 April 2018)
Bill Scull   (appointed 17 April 2018)
Boris Couteaux (resigned 12 January 2018)

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

Short-term and long-term objectives and strategies

Pollinate Energy 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:

- 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.
Short-term and long-term objectives and strategies (Continued)

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 Pollinators 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.

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 Pollinators and entrepreneurs active
- 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

Information on directors

Scott Watkins
Experience

Scott is currently the Chief Marketing Officer for KISCO, a Korean chemical company and is also a non-executive director and chair of parkrun Australia. 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 10 years with CSIRO, Australia’s national science agency, as a research scientist and manager. Most recently, Scott was the Research Leader for Thin Film Photovoltaics in CSIRO’s Manufacturing Flagship, based in Melbourne, Victoria. 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 Energy in its pioneering, brave and game-changing work.
Information on directors (Continued)

Justine Jarvinen
Experience
Justine’s experience spans the energy, finance and non-profit sectors. She has been a highly-rated equity analyst, employed by the world’s top energy companies and led a team creating a transparent not-for-profit “marketplace” at New Philanthropy Capital in London. Her work has shaped public debate and best practice on issues as diverse as charity impact, grant-making, violence against women and electric vehicles. Justine holds a first class honours degree in Engineering, a GradDip in Applied Finance and Investment, is Fellow of FINSIA and a Graduate of the Australian Institute of Company Directors. She has held directorships for a variety of corporate and non-profit organisations.

Alan Beattie
Experience
Alan has nearly 20 years social enterprise experience having co-run for profit and not-for-profit entities where the for profit business generated funds which flowed through into the NFP. This work was mainly with Indigenous communities in rural and remote Australia. Over the past couple of years Alan has worked overseas in PNG and Nauru. In Nauru Alan worked with the refugee community developing micro/small businesses and employment opportunities. Recently Alan has taken on the role as Social Enterprise Manager with Holyoake in Perth. In 2016 Alan spent 3 months in India participating in Pollinates Professional Fellowship program in Kolkata, touring and exploring social business enterprises and other business opportunities in India.
Information on directors (Continued)

Bill Rodriguez

Experience

Bill Rodriguez is responsible for identifying and supporting DRK Entrepreneurs. Bill is joining the Foundation as a Managing Director with primary responsibility for DRK’s international portfolio. Bill currently serves on the boards of DRK portfolio organizations BarefootLaw, Food for Education, MaTontine Inc., OceanMind, Pollinate Energy, The Nudge Foundation, and SaveLIFE Foundation. Bill resides in Botswana with his wife, Rebecca, an obstetrician-gynecologist, and their two young daughters.

Bill is a physician, entrepreneur and leader in global health. As a faculty member at Harvard Medical School, he established a research program on diagnostics and operational research in global health. He left Harvard in 2003 to become the Chief Medical Officer of the William J. Clinton Foundation, where he helped broker pricing agreements of HIV drugs and diagnostic tests between African and Asian governments and the major suppliers. He was the founding CEO of Daktari Diagnostics, a for-profit social venture focused on diagnosis of the diseases of poverty, and most recently served as the Chief Medical Officer for the Foundation for Innovative Diagnostics (FIND), a public-private partnership for global health based in Geneva, Switzerland. He has served as an advisor to the World Health Organization, the Bill & Melinda Gates Foundation, more than a dozen national government organizations on global HIV and tuberculosis treatment, as well as numerous start-up for-profit and not-for-profit enterprises focused on global health and workforce training. Bill is a graduate of Brown University and the Yale University School of Medicine. He trained in infectious disease medicine at the Brigham & Women’s Hospital in Boston, where he served as chief medical resident. Bill brings DRK’s hands-on portfolio support to our existing and future organizations and underscores the DRK commitment to its global portfolio.
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.

Amira Bliss
Experience

Amira Bliss joined The Rockefeller Foundation in 2010. As Associate Director, Mrs. Bliss designs and implements a strategy to catalyze innovation at the Foundation and in the social sector more broadly. She currently manages grants and relationships to build innovation capacity through tools like social innovation labs, and by leading programs such as The Rockefeller Foundation Global Fellowship on Social Innovation. She also leads the innovation workstream of the Food Waste and Spoilage initiative, aiming to surface and scale innovative solutions to post-harvest food loss affecting the livelihoods of African smallholder farmers. Mrs. Bliss has previously worked on Foundation initiatives to support more equitable and sustainable transportation—exploring global transportation mobility and accessibility—and developing sustainable employment strategies in the recycling and water management sectors in the United States.

Prior to joining The Rockefeller Foundation, Mrs. Bliss served as the assistant director of the Institute for Social and Economic Research and Policy (ISERP). She has also worked at Goldman Sachs, Citigroup, and the United Nations International Children’s Education Fund (UNICEF). Mrs. Bliss received a bachelor’s degree from Barnard College and an executive master’s of public policy and administration degree from the School of International and Public Affairs at Columbia University.
Information on directors (Continued)

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. He has served on the Empower Generation board for 18 months. Bill has an MBA from Stanford and a Masters in Engineering from MIT.

Boris Couteaux
Experience
Finance professional turned social entrepreneur, social impact specialist with expertise in management, business & growth strategy, credit analysis and financial modeling along with a passion for social finance and sustainable entrepreneurship as solutions to surpass the UN’s SDG’s.

After working for 5 years in various positions in Corporate Banking at ING (Associate Relationship Manager, Business Manager (Strategy Analyst) and a Secondment in Structured Finance), Boris decided to take a year off work to volunteer in India for Pollinate Energy as City CoFounder (Operations Manager), a social business that brings solar powered lights and other sustainable products to India’s urban poor communities that have no access to electricity and clean water.

Meetings of directors

<table>
<thead>
<tr>
<th>Directors</th>
<th>Directors' meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number eligible to attend</td>
</tr>
<tr>
<td>Scott Watkins</td>
<td>7</td>
</tr>
<tr>
<td>Elena Bondareva</td>
<td>7</td>
</tr>
<tr>
<td>Justine Jarvinen</td>
<td>7</td>
</tr>
<tr>
<td>Alan Beattie</td>
<td>7</td>
</tr>
<tr>
<td>Bill Rodriguez</td>
<td>6</td>
</tr>
<tr>
<td>Anya Cherneff</td>
<td>1</td>
</tr>
<tr>
<td>Amira Bliss</td>
<td>1</td>
</tr>
<tr>
<td>Bill Scull</td>
<td>1</td>
</tr>
<tr>
<td>Boris Couteaux</td>
<td>5</td>
</tr>
</tbody>
</table>
POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY
ABN 96 161 067 492

DIRECTORS' REPORT

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 2018 the number of members was 5. The combined total amount that members of the parent are liable to contribute if the parent is wound up is $50.

Auditor's independence declaration

A copy of the auditor's independence declaration under the Australian Charities and Not-for-profits Commission Act 2012 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:

Justine Jarvinen

Dated this 15 day of March 2019
POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY
ABN 96 161 067 492

AUDITOR’S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY

In relation to the independent audit for the year ended 30 June 2018, to the best of my knowledge and belief there have been no contraventions of APES 110 Code of Ethics for Professional Accountants.

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

[Signature]
M J HARRISON
Partner

[Signature]
PITCHER PARTNERS
Melbourne

Date: 15 March 2019
<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Revenue and other income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenue</td>
<td>2</td>
<td>496,173</td>
</tr>
<tr>
<td>Other revenue</td>
<td>2</td>
<td>725,787</td>
</tr>
<tr>
<td><strong>Less: expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td></td>
<td>(549,692)</td>
</tr>
<tr>
<td>Materials and consumables used</td>
<td></td>
<td>(395,542)</td>
</tr>
<tr>
<td>Occupancy expense</td>
<td></td>
<td>(83,010)</td>
</tr>
<tr>
<td>Travel expense</td>
<td></td>
<td>(22,019)</td>
</tr>
<tr>
<td>Fellowship hosting costs</td>
<td></td>
<td>(9,436)</td>
</tr>
<tr>
<td>Insurance expense</td>
<td></td>
<td>(4,515)</td>
</tr>
<tr>
<td>Administration expense</td>
<td></td>
<td>(7,661)</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>3</td>
<td>(7,884)</td>
</tr>
<tr>
<td>Advertising expense</td>
<td></td>
<td>(30,024)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>3</td>
<td>(15,059)</td>
</tr>
<tr>
<td>Professional fees</td>
<td></td>
<td>(10,744)</td>
</tr>
<tr>
<td>Other expenses</td>
<td></td>
<td>(196,825)</td>
</tr>
<tr>
<td><strong>Surplus/(deficit) before income tax expense</strong></td>
<td></td>
<td>(1,332,411)</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that may be reclassified subsequently to profit and loss</td>
<td></td>
<td>(8,346)</td>
</tr>
<tr>
<td>Foreign exchange translation of Pollinate Energy India Pvt Ltd</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td></td>
<td>(118,792)</td>
</tr>
</tbody>
</table>
## POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY
### ABN 96 161 067 492

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION
### AS AT 30 JUNE 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

### Current assets
- Cash and cash equivalents 4 $293,776 $364,153
- Receivables 5 $134,747 $65,031
- Inventories 6 $7,375 $66,655
- Other assets 7 $48,460 $32,143
- **Total current assets** $484,588 $527,982

### Non-current assets
- Deferred tax assets 6 $6,134 $2,351
- Property, plant and equipment 8 $19,555 $10,342
- **Total non-current assets** $25,689 $12,693
- **Total assets** $510,047 $540,675

### Current liabilities
- Payables 9 $111,921 $88,139
- Provisions 10 $11,707 $9,158
- **Total current liabilities** $123,628 $97,297

### Non-current liabilities
- Borrowings 11 $200,000 $150,000
- Provisions 10 $11,838 $-
- **Total non-current liabilities** $211,838 $150,000
- **Total liabilities** $335,466 $247,297
- **Net assets** $174,581 $293,378

### Equity
- Reserves 12 $(3,152) $5,194
- Accumulated surplus $177,733 $288,184
- **Total equity** $174,581 $293,378

The accompanying notes form part of these financial statements.

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POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY  
ABN 96 161 067 492  

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th></th>
<th>Reserves</th>
<th>Accumulated surplus/ (deficit)</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Consolidated</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at 1 July 2016</td>
<td>4,553</td>
<td>205,642</td>
<td>210,195</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>-</td>
<td>82,542</td>
<td>82,542</td>
</tr>
<tr>
<td>Foreign exchange translation of Pollinate Energy India Pvt Ltd</td>
<td>641</td>
<td>-</td>
<td>641</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>641</td>
<td>82,542</td>
<td>83,183</td>
</tr>
<tr>
<td>Balance as at 30 June 2017</td>
<td>5,194</td>
<td>288,184</td>
<td>293,378</td>
</tr>
<tr>
<td>Balance as at 1 July 2017</td>
<td>5,194</td>
<td>288,184</td>
<td>293,378</td>
</tr>
<tr>
<td>Deficit for the year</td>
<td>-</td>
<td>(110,451)</td>
<td>(110,451)</td>
</tr>
<tr>
<td>Foreign exchange translation of Pollinate Energy India Pvt Ltd</td>
<td>(8,346)</td>
<td>-</td>
<td>(8,346)</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>(8,346)</td>
<td>(110,451)</td>
<td>(118,797)</td>
</tr>
<tr>
<td>Balance as at 30 June 2018</td>
<td>(3,152)</td>
<td>177,733</td>
<td>174,581</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.

- 12 -
### CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th>Note</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts from customers</td>
<td>1,152,035</td>
<td>1,023,623</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td>(1,253,644)</td>
<td>(966,567)</td>
</tr>
<tr>
<td>Interest received</td>
<td>199</td>
<td>73</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(3,783)</td>
<td>(2,659)</td>
</tr>
<tr>
<td><strong>Net cash provided by / (used in) operating activities</strong></td>
<td>(105,193)</td>
<td>54,470</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment for property, plant and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(11,648)</td>
<td>(8,012)</td>
</tr>
<tr>
<td><strong>Cash flow from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds of related party borrowings</td>
<td>50,000</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Net cash provided by financing activities</strong></td>
<td>50,000</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Reconciliation of cash</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at beginning of the financial year</td>
<td>364,153</td>
<td>217,695</td>
</tr>
<tr>
<td>Net increase / (decrease) in cash held</td>
<td>(66,841)</td>
<td>146,458</td>
</tr>
<tr>
<td><strong>Cash at end of financial year</strong></td>
<td>297,312</td>
<td>364,153</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

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

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

The following are the significant accounting policies adopted by the group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial 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.

(b) Going concern

The financial report has been prepared on a going concern basis.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) 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 entities 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 transferred to the group and are de-recognised from the date that control ceases.

Equity interests in a subsidiary not attributable, directly or indirectly, to the group are presented as non-controlling interests. Non-controlling interests are initially recognised either at fair value or at the non-controlling interests’ proportionate share of the acquired entity’s net identifiable assets. This decision is made on an acquisition-by-acquisition basis. Non-controlling interests in the results of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position respectively.

(d) Revenue

Revenue from 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. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.

Revenue from organising and hosting events is recognised in the period in which the events are held.

Interest revenue is measured in accordance with the effective interest method.

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

(e) Contributions - Government Grants and Donations

A non-reciprocal contribution or grant is recognised when the group obtains control of the contribution or grant and it is probable that the economic benefits will flow to the group, and the amount of the contribution or grant can be measured reliably.

If conditions attached to the contribution or grant that must be satisfied before the group is eligible to receive the contribution, recognition of contribution or income is deferred until those conditions are met.

A non-reciprocal donation is recognised when the right to receive a donation has been established.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) 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.

(g) Inventories

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

(h) Financial instruments

Classification

The group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the nature of the item and the purpose for which the instruments are held.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and the group intends to hold the investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to director-related entities.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments (Continued)

Non-derivative financial liabilities are subsequently measured at amortised cost, comprising original debt less principal payments and amortisation.

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Impairment of financial assets

Financial assets are tested for impairment at each financial year end to establish whether there is any objective evidence for impairment as a result of one or more events (‘loss events’) having occurred and which have an impact on the estimated future cash flows of the financial assets.

(i) Property, plant and equipment

Each class of plant and equipment is carried 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.

<table>
<thead>
<tr>
<th>Class of fixed asset</th>
<th>Useful lives</th>
<th>Depreciation basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvements at cost</td>
<td>5 years</td>
<td>Diminishing value</td>
</tr>
<tr>
<td>Office equipment at cost</td>
<td>10 years</td>
<td>Diminishing value</td>
</tr>
<tr>
<td>Furniture, fixtures and fittings at cost</td>
<td>3 years</td>
<td>Diminishing value</td>
</tr>
</tbody>
</table>

(j) 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.
NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the annual 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 and accumulated sick 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 high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. 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 entity 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.

(l) 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.

(m) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.
POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY  
ABN 96 161 067 492  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>NOTE 2: REVENUE AND OTHER INCOME</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sales revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of goods</td>
<td>463,543</td>
<td>308,788</td>
</tr>
<tr>
<td>Rendering of services</td>
<td>32,630</td>
<td>98,539</td>
</tr>
<tr>
<td></td>
<td>496,173</td>
<td>407,327</td>
</tr>
<tr>
<td><strong>Other revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>523</td>
<td>73</td>
</tr>
<tr>
<td>Donations and grants</td>
<td>721,146</td>
<td>648,899</td>
</tr>
<tr>
<td>Other revenue</td>
<td>4,118</td>
<td>5,654</td>
</tr>
<tr>
<td></td>
<td>725,787</td>
<td>654,626</td>
</tr>
<tr>
<td></td>
<td>1,221,960</td>
<td>1,061,953</td>
</tr>
</tbody>
</table>

**NOTE 3: OPERATING SURPLUS/(DEFICIT)**

Surplus/(deficit) before income tax has been determined after:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Materials and consumables used</td>
<td>395,542</td>
<td>256,471</td>
</tr>
<tr>
<td>Finance costs</td>
<td>15,059</td>
<td>5,607</td>
</tr>
<tr>
<td>Depreciation</td>
<td>7,884</td>
<td>5,981</td>
</tr>
<tr>
<td>Bad debts</td>
<td>19,849</td>
<td>405</td>
</tr>
<tr>
<td>Foreign currency translation losses</td>
<td>5,234</td>
<td>5,907</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>549,692</td>
<td>407,791</td>
</tr>
</tbody>
</table>

**NOTE 4: CASH AND CASH EQUIVALENTS**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash on hand</td>
<td>839</td>
<td>53,947</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>291,062</td>
<td>310,206</td>
</tr>
<tr>
<td>Other cash</td>
<td>1,875</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>293,776</td>
<td>364,153</td>
</tr>
</tbody>
</table>

**NOTE 5: RECEIVABLES**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debtors</td>
<td>133,992</td>
<td>65,031</td>
</tr>
<tr>
<td>Other receivables</td>
<td>10</td>
<td>-</td>
</tr>
<tr>
<td>Loans to associates</td>
<td>745</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>134,747</td>
<td>65,031</td>
</tr>
</tbody>
</table>
NOTE 6: INVENTORIES

CURRENT
At cost
Finished goods
7,375  66,655

NOTE 7: OTHER ASSETS

CURRENT
Prepayments
6,168  6,243
Other current assets
42,292  25,900
48,460  32,143

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

Plant and equipment
Improvements at cost
1,973  -
Accumulated depreciation
(519)  -
1,454
Office equipment at cost
21,788  12,855
Accumulated depreciation
(10,046)  (8,575)
11,742  4,280
Furniture, fixtures and fittings at cost
7,710  5,559
Accumulated depreciation
(3,937)  (2,862)
3,773  2,697
Computer equipment at cost
9,059  7,755
Accumulated depreciation
(6,473)  (4,390)
2,586  3,365
Total plant and equipment
19,555  10,342
19,555  10,342
NOTE 8: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

**Improvements**
- Opening carrying amount: 1,973
- Additions: 1,973
- Depreciation expense: (519)
- Closing carrying amount: 1,454

**Office equipment**
- Opening carrying amount: 4,280
- Additions: 11,648
- Disposals: (669)
- Depreciation expense: (3,517)
- Closing carrying amount: 11,742

**Furniture, fixtures and fittings**
- Opening carrying amount: 2,697
- Additions: 2,187
- Depreciation expense: (1,111)
- Closing carrying amount: 3,773

**Computer equipment**
- Opening carrying amount: 3,365
- Additions: 2,465
- Disposals: (507)
- Depreciation expense: (2,737)
- Closing carrying amount: 2,586

NOTE 9: PAYABLES

**CURRENT**

*Unsecured liabilities*
- Trade creditors: 60,826
- Sundry creditors and accruals: 51,095
- Total: 111,921

2018  | 2017
-----|-----
$     | $    

- 21 -
NOTE 10: PROVISIONS

CURRENT
Employee benefits 11,707 9,158

NON CURRENT
Employee benefits 11,838 -

NOTE 11: BORROWINGS

NON CURRENT
Unsecured liabilities

Amounts payable to:
- Philanthropic investment entity 200,000 150,000

NOTE 12: RESERVES

Foreign currency translation reserve (3,152) 5,194

The foreign currency translation reserve is used to record the exchange differences arising on translation of a foreign entity.
NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation received by key management personnel of the group

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$162,417</td>
</tr>
<tr>
<td>2017</td>
<td>$114,176</td>
</tr>
</tbody>
</table>

The names of directors who have held office during the year are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Appointment / resignation details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scott Watkins</td>
<td>(appointed 4 September 2015)</td>
</tr>
<tr>
<td>Elena Bondareva</td>
<td>(appointed 3 May 2016)</td>
</tr>
<tr>
<td>Justine Jarvinen</td>
<td>(appointed 7 September 2016)</td>
</tr>
<tr>
<td>Alan Beattie</td>
<td>(appointed 7 September 2016 / resigned December 2018)</td>
</tr>
<tr>
<td>Bill Rodriguez</td>
<td>(appointed 9 July 2017)</td>
</tr>
<tr>
<td>Anya Cherneff</td>
<td>(appointed 17 April 2018)</td>
</tr>
<tr>
<td>Amira Bliss</td>
<td>(appointed 17 April 2018)</td>
</tr>
<tr>
<td>Bill Scull</td>
<td>(appointed 17 April 2018)</td>
</tr>
<tr>
<td>Boris Couteaux</td>
<td>(appointed 3 May 2016 / resigned 12 January 2018)</td>
</tr>
</tbody>
</table>

NOTE 14: INTERESTS IN CONTROLLED ENTITIES

(a) Controlled entities

The following are the controlled entities of Pollinate Energy Limited:

<table>
<thead>
<tr>
<th>Controlled entities of Pollinate Energy Limited</th>
<th>Country of incorporation</th>
<th>Ownership interest held by the group 2018</th>
<th>Ownership interest held by the group 2017</th>
<th>Ownership interest held by NCI 2018</th>
<th>Ownership interest held by NCI 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pollinate Energy India Pvt Ltd</td>
<td>India</td>
<td>99.99%</td>
<td>99.99%</td>
<td>0.01%</td>
<td>0.01%</td>
</tr>
</tbody>
</table>

Ownership interests are the same as voting rights in shareholder meetings.

NOTE 15: 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 2018 the number of members was 5. The combined total amount that members of the parent are liable to contribute if the parent is wound up is $50.
NOTE 16: EVENTS SUBSEQUENT TO REPORTING DATE

On 19 July 2018, Pollinate Energy Limited became the sole member of Empower Generation US. Empower Generation is a not-for-profit organisation performing work dedicated to sustainably tackle the world's formidable energy challenges with a focus on developing women as leaders for this change.

NOTE 17: ENTITY DETAILS

The registered office of the group is:

Pollinate Energy Limited - Consolidated
Unit 1, 396 Clarendon Street
SOUTH MELBOURNE  VIC  3205

The principal place of business is:

Pollinate Energy Limited
713 Brunswick Street
FITZROY NORTH  VIC  3068
The directors declare that:

1. 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

2. 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.

Director: ____________________________
Scott Watkins

Director: ____________________________
Justine Jarvinen

Dated this ________________ day of March 2018
POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY
ABN 96 161 067 492

INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF POLLINATE ENERGY LIMITED - CONSOLIDATED


Qualified Opinion

We have audited the financial report of Pollinate Energy Limited “the Company” and its controlled entity, “the Group”, which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial report of the Group, is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

(a) giving a true and fair view of the Group’s financial position as at 30 June 2018 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Qualified Opinion

The auditors of the Company and its controlled entity did not observe the counting of the physical inventories for prior year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held as at 30 June 2017. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the income for the year reported in the statement of comprehensive income and the net cash flows from operating activities reported in the statement of cash flows.

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 Group in accordance with 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 “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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2018, but does not include the financial report and our auditor’s report thereon.
Other Information (Continued)

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the ACNC Act and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
POLLINATE ENERGY LIMITED AND CONTROLLED ENTITY
ABN 96 161 067 492

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

Auditor’s Responsibilities for the Audit of the Financial Report (Continued)

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

M J HARRISON
Partner

Date 15 March 2019

PITCHER PARTNERS
Melbourne