

Great Barrier Reef Foundation

ABN 82 090 616 443

Financial report for the year ended 30 June 2024

Great Barrier Reef Foundation

ABN 82 090 616 443

Financial report - 30 June 2024

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Great Barrier Reef Foundation
Annual report for the year ended 30 June 2024

Directors' Report

The Directors present this report together with the Financial Statements for the year ended 30 June 2024.

The Great Barrier Reef Foundation (the Foundation) also publishes a Year in Review which provides a summary of projects and outcomes from the reporting year.

Corporate governance statement

The Foundation is a not-for-profit public company limited by guarantee, incorporated under the *Corporations Act 2001* and Australian Charities and Not-for-Profit Commission.

Ultimate responsibility for the governance of the Foundation rests with the Board of Directors (the Board). This governance statement outlines how the Board meets that responsibility. The Board's primary role is to ensure that the Foundation's activities are directed towards achieving its mission: support the protection and enhancement of tropical reefs (especially the Great Barrier Reef) and adjoining coral coasts for the benefit of the world community including through the funding and provision of research, information and education. The Board adheres to the ACNC Governance Standards.

In addition to those matters required by the constitution and company law, the Board's principal roles are to:

- Approve the annual budget;
- Receive and review regular and comprehensive financial and investment reports;
- Oversee risk management analysis;
- Make final decisions with respect to major projects;
- Prepare and approve governance policy statements;
- Review and monitor the performance of management; and
- Determine strategic and long-term objectives.

The Board delegates the day-to-day management of the Foundation to the Managing Director and oversees and monitors performance of the organisation.

Board Directors in office at any time during the year and thereafter until 31 October 2024 are:

Dr Martin Parkinson AC PSM (Co-Chair)

Martin served in Australian Federal Government leadership positions on all facets of economic, social, foreign, defence and national security policies for almost 40 years. Martin retired from the Australian Public Service in 2019, having been Secretary of three Departments: Prime Minister and Cabinet, The Treasury, and the inaugural Department of Climate Change. Martin is currently Chancellor of Macquarie University, non-executive director of Worley, Australian Retirement Trust, O'Connell Street Associates and is chair of World View Indo-Pacific and the Sir Roland Wilson Foundation. He is a member of the Champions of Change Coalition, the B-Team Australasia, the Climate Leaders Coalition, and of the advisory boards of Thrive Refugee Enterprises, the Asia Society Australia, Fujitsu Australia, and Bain & Company.

David Thodey AO (Co-Chair)

David is a business leader focused on innovation, technology and telecommunications with more than 40 years' experience, including as CEO of Telstra and CEO of IBM Australia and New Zealand. Until recently, David was Chair of Australia's national scientific research agency, the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and is currently chair of Xero and Ramsay Healthcare. In July 2024 he was appointed Chancellor of the University of Sydney. David is also a member of the Australian Academy of Technology and Engineering and the Australian Institute of Company Directors, as well as being active in public policy and holding advisory roles with various organisations.

Anna Marsden (Managing Director)

Anna is responsible for leading the Foundation's team to achieve its ambition of a better future for the world's coral reefs. She joined the Foundation in 2016 and holds a number of related board and committee roles including the Reef Restoration and Adaptation Program, World Economic Forum's Friends of Ocean Action and the International Coral Reef Initiative. She has 20 years' experience in executive leadership, fundraising, marketing and government relations. Anna was previously the CEO of Queensland Ballet and Head of Development at the Queensland Art Gallery.

Hayley Baillie

Hayley is passionate about travel and adventure, having spent more than a decade as a naturalist guide on expedition ships from the North to the South Pole. In 2003, Hayley created Baillie Lodges a growing portfolio of premium luxury lodges in extraordinary destinations. Hayley supports several charities and not-for-profit initiatives through her family foundation and is the co-chair of the Sapphire Project for marine conservation. She is a board member of the National Portrait Gallery, Australian String Quartet and Australian Ballet Foundation.

Stephen Fitzgerald AO

Stephen was the Founder and Managing Partner of Affirmative Investment Management (AIM), a specialist impact fixed income manager. MetLife of New York has acquired AIM. Previously, Stephen was CEO and Chairman of Goldman Sachs, Australia and is the chair of Fauna and Flora (UK). He served a five-year term as a member of the Board of Guardians of the Future Fund. He also served on the board of the National Centre for Indigenous Excellence, the board of Lombard Odier Asset Management and on the board of QBE Insurance Group for seven years, chairing the Investment Committee and the People and Remuneration Committee. Stephen has over 35 years' experience in funds management, serves on the board of the British Museum Investment Sub-Committee. He was a founding member of the Champions of Change Coalition.

Dr Paul Greenfield AO

Paul is a chemical engineer who worked at the University of Queensland for more than 35 years, holding senior roles including Deputy Vice Chancellor (Research), Senior Deputy Vice Chancellor and Provost and Vice Chancellor (2008 – 2011). He chairs the Cooperative Research Centre for High Performance Soils and is a former Chair of the Australian Nuclear Science and Technology Organisation (ANSTO).

Cindy Hook

Cindy is the Chief Executive Officer of the Brisbane 2032 Olympic and Paralympic Organising Committee, responsible for leading all aspects of organising the Games to create an outstanding experience for the athletes and spectators and leave a positive legacy for Brisbane, Queensland, and Australia. Cindy has more than 35 years of global leadership

experience across three continents with Deloitte, including being CEO of Deloitte Asia Pacific, and CEO of Deloitte Australia. Cindy is Chair of the Great Barrier Reef Foundation (USA). Cindy has previously held positions on Chief Executive Women (Australia), the Economic Development Board of Singapore and the Asia Corporate Leadership Council.

Grant King

Grant has extensive experience in the Australian energy industry, holding management positions at Origin Energy Limited, Boral Energy and AGL Gas Companies, as well as board positions across the energy sector. He is currently Chair of HSBC Australia, Sydney Water, Transgrid, Energy Institute, the Climate Change Authority, North Harbour Clean Energy, Melanoma Institute of Australia and Arventa. He also holds a position as Professor of Energy Engineering, and is an advisor for Energy Markets, Climate and Technology. Grant is also a Board member of TRaCE (UNSW), O'Connell Street Associates and Origin Energy Foundation, as well as a member of the UNSW Foundation and the Advisory Council for the Commonwealth Government's Technology Roadmap.

Dr Larry Marshall

Larry is chair of Fortescue Innovation, & the American Chamber of Commerce and also a director of ASX-listed FMG & NAN, ANU and GBRF. Larry led six US companies in biotech, telecom, semi & venture Capital delivering three Initial Public Offerings. He has a PhD in physics and is a Fellow of AICD, AIP, ATSE, as well as a Federation Fellow and an inaugural Male Champion of Change for STEM. He is the longest serving Chief Executive of CSIRO and delivered its first growth in 30 years, doubling the value delivered to stakeholders and making it the first Australian entity to be Thompson Reuters rated in the Global Top 20 Innovators. He is the author of the 2023 book *Invention to Innovation: How Scientists Can Drive Our Economy*. He has 100 publications and conference papers, holds 20 patents and has served on 20 boards of high-tech companies operating in the US, Australia & China.

Dr Russell Reichelt AO FTSE

Russell has served as Director of the Australian Institute of Marine Science and from 2007 to 2018, was Chairman and Chief Executive of the Great Barrier Reef Marine Park Authority in 2007-2018. During this period the Authority created the GBR Outlook Report which synthesised scientific literature on the state of the Reef and the threats of coral bleaching and other risks caused by climate change. In 2018 he was appointed the Australian Sherpa [Representing the Prime Minister] for the international High-Level Panel for a Sustainable Ocean Economy. Russell has a PhD in Coral Reef Ecology and is a Fellow of the Australian Academy of Technological Sciences and the UK Institute of Marine Engineering Science & Technology.

Steven Sargent

Steve's executive career included 22 years at General Electric, where he gained extensive multi-industry, international experience leading businesses in industries including healthcare, energy and financial services across the USA, Europe and Asia Pacific. He is currently a Non-Executive Director of Origin Energy Limited and Ramsay Healthcare Limited, and Chairman of Nanosonics Limited and The Origin Energy Foundation.

Phillip Strachan

Phillip spent 35 years working for the Rio Tinto Group primarily in finance roles across Australia as well as in London, Montreal and Jakarta. His final role with Rio Tinto was President and CEO of the Bauxite and Alumina global business unit based in Brisbane. Phillip is chair of Aula Energy and also Arkhefield. He is a Director of Urban Utilities, a Council member of the University of Sunshine Coast and an advisor for Renewable Energy Brisbane.

Olivia Wirth

Olivia has a wealth of experience in CEO and senior executive roles, and possesses strong capability in customer experience and analytics, marketing, brand and loyalty, as well as corporate affairs and government relations. Olivia joined the Myer Board as an independent Non-Executive Director in November 2023 and most recently was appointed as Executive Chair to drive the company's next phase of growth. Olivia is focused on delivering improved outcomes for Myer's valued customers, team members and all Myer shareholders. Previously, Olivia held a number of other senior leadership roles at Qantas after commencing there in 2009, including Chief Customer Officer; Group Executive for Brand, Marketing and Corporate Affairs; and Group Executive for Government Relations and Corporate Affairs. She was a member of the Group Management Committee since 2010 and most recently retired as CEO of Qantas Loyalty after 6 years in the role. Prior to Qantas, Olivia held senior executive roles for a number of organisations including lobby group, the Tourism and Transport Forum and the Australian Tourist Commission. Olivia is also a member of Chief Executive Women.

Dr Katherine Woodthorpe AO

Katherine is a Fellow of the Australian Institute of Company Directors and is President and Chair of the Academy of Technology and Engineering. She holds a PhD in Chemistry and an Honorary Doctorate from the University of Technology Sydney. In 2017, she received an Order of Australia for her ongoing service to research and technology innovation in Australia. Dr Woodthorpe has a deep knowledge of governance, leadership and the innovation sector. She has been Chair of the Bushfires and Natural Hazards CRC, the Antarctic Climate and Ecosystems CRC and the Antarctic Science Foundation and a director of several other organisations, including Sirtex Ltd, and ARENA. She previously chaired the National Climate Science Advisory Committee. She is the President of the Australian Council of Learned Academies and Chair of Cicada Innovations, as well as a Director for Bioplatforms and Anteotech. She was cited in 2023 as one of "The List: Green Power Players"

Larrisa Hale

Larissa is a Yuku Baja Muliku woman from Cape York Queensland. She is the Co-Founder and Managing Director of the Queensland Indigenous Women's Ranger Network, Managing Director for Yuku Baja Muliku Land Corporation and was instrumental in founding the Yuku Baja Muliku Indigenous Land & Sea Ranger Program, The Archer Point Turtle Hospital and the YBM Junior Ranger Program. She is also a former Councillor with Cook Shire Council. Larissa has long fought for Traditional Knowledge to sit alongside Western science in Reef protection efforts, and she is a passionate advocate for women looking after Country. Larissa was the winner of the 2022 Earthshot Prize, Revive our Oceans Category and the 2023 winner of the Women in Technology Awards.

Board Committees

The Foundation has established the following committees which meet and advise the Board on a range of key issues:

- Audit, Risk, and Compliance Committee
- Philanthropy Committee
- International Scientific Advisory Committee
- Partnership Management Committee
- Nominations Committee
- Investment Committee
- Public Fund Committee

Insurance of officers

During the year ended 30 June 2024, the Foundation paid a premium of \$28,093 (2023: \$30,561) inclusive of stamp duty, broker's fee and GST, to insure the directors, secretary, senior officers and committee members of the Foundation.

Proceedings on behalf of the Foundation

No proceedings have been brought or intervened in or on behalf of the Foundation which require the leave of the Court under section 237 of the *Corporations Act 2001*.

Indemnification of officers, committee members and auditor

Under section 65 of the Foundation's constitution, the Foundation indemnifies each person who is or has been a director or secretary of the Foundation. The indemnity relates to any liability (other than liability to the Foundation or related body corporate, pecuniary penalties or compensation orders made under the *Corporations Act 2001* and liability that did not arise out of conduct in good faith) which results directly or indirectly from facts or circumstances relating to service as a director, secretary, officer or committee member of the Foundation and extends to the payment of legal costs described therein.

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under subdivision 60 C of the *Australia Charities and Not-for-profits Commission Act* is set out on page 10.

Environmental regulation

The Foundation's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Foundation has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Foundation.

Remuneration report

No director of the Foundation has received or become entitled to receive a benefit, by reason of a contract made by the Foundation with the Director of a related company, other than in the case of the current Managing Director, whose remuneration is determined by the Board.

Members' guarantee

The Foundation is a public company limited by guarantee. Members are nominated and determined in accordance with the constitution. If the Foundation is wound up, the constitution states that each member is required to contribute a maximum of \$10.00 towards meeting any outstanding obligations of the Foundation.

State Government fundraising legislative requirements

Several state governments in Australia have specific licensing and reporting requirements implemented to inform and protect the interests of donors and regulate fundraising operations. The Foundation holds the following licences:

- Queensland, the principal place of its operations: *Collections Act 1966, Certificate of Sanction Number: CP5118*
- New South Wales: *Charitable Fundraising Act 1991, Charitable fundraising number: CFN/24247*
- Tasmania: *section 6 of Collections for Charities Act 2001: C/10381*
- Victoria: *The Fundraising Act 1998: Registration number: 14114*
- Western Australia: *Charitable Collections Act 1946: Licence No: CC 22070*

Key Australian Government legislative and regulatory requirements

The *Australian Charities and Not-for-profits Commission Act* sets out laws dealing with registration of a business entity as a charity. From 1 January 2014, the Foundation must submit an annual information statement, a financial statement and an audit report (auditing the Financial Statements) to the Australian Charities and Not-for-profits Commission.

From 1 January 2024, the administration of the Deductible Gift Recipient (DGR) endorsement for all organisation on the Register of Environmental Organisation's (REO), transitioned from the Department of Climate Change, Energy, the Environment and Water to the ATO. Transitional provisions ensured that organisations, including the Foundation, endorsed as a DGR under the REO continue to be endorsed provided they meet eligibility criteria. The Foundation has continued to meet eligibility for DGR status.

Events subsequent to balance date

There are no known matters or circumstances that have arisen since the end of the financial year, which significantly affected or may significantly affect the Foundation's operations, the results of those operations or the state of affair of the Foundation in subsequent financial years.

Principal activities

The principal activity of the Foundation is to support the protection and enhancement of tropical reefs (particularly the Great Barrier Reef) and adjoining coral coasts for the benefit of the world community including through the funding and provision of research, information and education. There were no significant changes to the nature of the activities carried out by the Foundation during the year.

Review of results and operations

For the period 1 July 2023 to 30 June 2024, the Foundation had an Operating surplus of \$5,097,619 (1 July 2022 to 30 June 2023: Operating surplus \$3,490,624). Of this Operating surplus, \$4,019,077 relates to funds received in the financial year committed to specific Reef programs to be delivered in future years.

As at 30 June 2024, \$14,459,787 (30 June 2023: \$10,440,710) of restricted reserves is considered tied funds for application towards project commitments.

Regarding funding for the Reef Trust Partnership (RTP), referring to Note 22, as at 30 June 2024, a balance of \$72,833,909 (as at 30 June 2023: \$160,355,368) is deferred revenue to fund commitments under the Reef Trust Partnership Grant Agreement.

As at 30 June 2024, the Foundation has a Sustainability Reserve of \$2,000,000 (30 June 2023: \$2,000,000) and a further \$1,772,483 (30 June 2023: \$694,000) in its Operating Reserve available to support its operations.

Operations

The total number of employees as at 30 June 2024 was 54.78 FTE (30 June 2023: 55.5 FTE). The work of employees is supplemented by the Foundation's network of supporters and partners, in particular pro bono partners and committee members.

Pro bono partners

The Foundation is fortunate to be supported by a group of pro bono partners and greatly appreciates the value and quality of service provided by these organisations.

The organisations that provided pro bono services in the year ended 30 June 2024, include:

- Google (Advertising)
- Allens
- Jackson Walker LLP
- Deloitte Consulting Pty Ltd

For the year ended 30 June 2024, these organisations have collectively provided pro bono services valued at \$164,159 (30 June 2023: \$169,236).

Benchmarking

Administration and Fundraising costs

Our donors naturally expect that most of their donations will be directed to projects and activities that protect and restore coral reefs. The Foundation has always strived to minimise its administration and fundraising overheads to ensure the greatest impact for our partners and supporters, and for the Reef.

Accordingly, the Foundation regularly monitors these key metrics:

- The Proportion of Project Expenditure:** For the year ended 30 June 2024, the Foundation's Proportion of Project Expenditure to total expenditure was 92.2% (30 June 2023: 94.17%) where a majority of project expenditure is related to the RTP Program delivery.
- The Costs of Administration and Fundraising/Business Development** as a percentage of total expenditure were 4.85% and 2.94% respectively (30 June 2023: 3.81% and 2.01% respectively).

Notes:

The majority of project expenditure relates to grants paid to project delivery partners funded through the RTP, and the cost of administration and fundraising represents the remaining expenditure of the Foundation.

Directors and meetings of Directors (01/07/2023 – 30/06/2024)

Directors	Board start date	Board retired date	No. of meetings eligible to attend	No. of meetings attended
Martin Parkinson AC PSM (Co- Chair) <i>PhD, MA, MEc, BEc(Hons 1), FASSA, FIPAA</i>	04/11/2021		4	4
David Thodey AO (Co-Chair) <i>BA, Hon.DScTech, Hon.DBus,</i>	04/11/2021		4	4
Anna Marsden (Managing Director) <i>BArts</i>	25/03/2016		4	4
Hayley Baillie <i>BArts</i>	01/09/2022		4	4
Stephen Fitzgerald AO <i>BEcon</i>	25/11/2010		4	2
Paul Greenfield AO <i>BEcon QLD, BE (Hons) NSW, PhD NSW, FIE Aust, FTSE, FIChemEng, MAIChe</i>	21/12/2007		4	4
Cindy Hook <i>BAcc, CPA</i>	09/05/2018		4	4
Grant King <i>BEng, MMA, FAICD</i>	28/11/2017		4	4
Larry Marshall	05/06/2023		4	4
Russell Reichelt AO <i>BSc PhD, FAICD, FTSE</i>	31/08/2004		4	4
Steven Sargent <i>BBus, FAATSE</i>	18/02/2015		4	3
Phillip Strachan <i>BCom, FCPA, MAICD</i>	23/12/2003		4	3
Olivia Wirth <i>BComm</i>	30/01/2018		4	4
Katherine Woodthorpe AO, <i>PhD, FAICD, FTSE</i>	05/06/2023		4	4

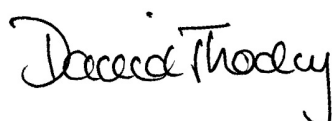
Audit, Risk and Compliance Committee		No. of meetings eligible to attend	No. of meetings attended
Phillip Strachan	Chair	4	4
Ruth Coulson	Member	4	4
Tendai Mkwanzani	Member	4	4
Helen Moore	Member	4	4
Anthony Rose	Member	4	4
Erin Strang	Member	4	2
Anna Marsden	Managing Director	4	3

Innovation and Scientific Advisory Committee		No. of meetings eligible to attend	No. of meetings attended
Paul Greenfield AO	Chair	1	1
Anna Marsden	Managing Director	1	1
Prof Lee Smith	Member	1	1
Prof Christopher Barner-Kowollik	Member	1	1
Prof Mark Blows	Member	1	1
Prof Jenny Seddon	Member	1	1
Dr Alistair Hobday	Member	1	1
Dr Roger Beeden	Member	1	1
Dr David Wachenfeld	Member	1	1
Theresa Fyffe	Invited	1	1

Investment Committee		No. of meetings eligible to attend	No. of meetings attended
Stephen Fitzgerald AO	Chair	1	1
Anna Marsden	Managing Director	1	1
Gary Brader	Member	1	1
Anthony Rose	Member	1	1
Andrew Spence	Member	1	1

Partnership Management Committee		No. of meetings eligible to attend	No. of meetings attended
Paul Greenfield AO	Chair	3	2
Geoff Garrett AO	Member	3	3
Larissa Hale	Member	3	2
Ove Hoegh-Guldberg	Member	3	3
Wendy Morris	Member	3	1
Elisa Nichols	Member	3	2
Russel Reichelt AO	Member	1	1
Ian Walker	Member	2	2
Rebecca Gee	Member	3	1
Julia Playford	Member	2	1
Theresa Fyffe	Employee	3	3
Eleni Metallios proxy for Rebecca Gee	Proxy	1	1
Denis Snowdon and Julie Steele proxy for Rebecca Gee	Proxy	1	1

Philanthropy Committee		No. of meetings eligible to attend	No. of meetings attended
Hayley Baillie	Chair	3	3
Olivia Wirth	Member	3	2
Cindy Hook	Member	3	2
David Thodey	Member	3	3



David Thodey AO
Co-Chair
31 October 2024



Dr Martin Parkinson AC PSM
Co-Chair
31 October 2024



Anna Marsden
Managing Director
31 October 2024



**Building a better
working world**

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Auditor's Independence Declaration to the Directors of Great Barrier Reef Foundation

In relation to our audit of the financial report of Great Barrier Reef Foundation for the financial year ended 30 June 2024, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been

- a. No contraventions of the auditor independence requirements of any applicable code of professional conduct;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct.

This declaration is in respect of the Great Barrier Reef Foundation during the financial year.

A handwritten signature in black ink that reads "Ernst & Young".

Ernst & Young

A handwritten signature in black ink that reads "Brad Tozer".

Brad Tozer
Partner
31 October 2024

Great Barrier Reef Foundation

ABN 82 090 616 443

Financial report - 30 June 2024

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These financial statements are the financial statements of Great Barrier Reef Foundation as an individual entity.

The financial statements are presented in Australian dollars (\$).

Great Barrier Reef Foundation is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

6/88 Tribune Street,
South Brisbane, Queensland, 4101.

A description of the nature of the entity's operations and its principal activities is included in the review of results and operations and principal activities in the directors' report, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 31 October 2024.

Great Barrier Reef Foundation
Statement of profit or loss and other comprehensive income
for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Revenue	2	97,119,708	115,728,723
Other income	3(a)	8,372,308	7,755,149
Other gains/(losses) – net	3(b)	51,154	(168)
Project cost		(88,606,635)	(109,751,233)
Employee benefits expense		(9,065,066)	(7,682,339)
Engagement and communications expense		(1,341,873)	(1,277,241)
Occupancy and administration expense		(835,559)	(781,307)
Business development costs		(170,449)	(98,364)
Depreciation and amortisation expense		(344,421)	(348,608)
Finance expenses	3(c)	(81,548)	(53,988)
Operating surplus before income tax		5,097,619	3,490,624
Income tax expense		-	-
Operating surplus for the year		5,097,619	3,490,624
Other comprehensive income for the year		-	-
Total comprehensive income for the year		5,097,619	3,490,624

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Great Barrier Reef Foundation
Statement of financial position
as at 30 June 2024

	Notes	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	88,292,511	92,430,892
Receivables	5	1,965,696	4,789,317
Other financial assets and term deposits	6	10,087,462	75,253,914
Other current assets	7	5,990,853	10,575,537
Total current assets		106,336,522	183,049,660
Non-current assets			
Other deposits	6	221,947	-
Property, plant and equipment	8	2,888,896	393,700
Intangible assets	9	819	32,111
Total non-current assets		3,111,662	425,811
Total assets		109,448,184	183,475,471
LIABILITIES			
Current liabilities			
Trade and other payables	10	6,068,909	3,609,158
Deferred revenue	11	47,912,604	111,260,362
Employee benefit obligations	12	506,595	472,841
Lease liabilities	14	163,976	354,740
Total current liabilities		54,652,084	115,697,101
Non-current liabilities			
Deferred revenue	11	33,590,106	54,351,879
Employee benefit obligations	12	206,740	152,478
Provisions	13	39,800	-
Lease liabilities	14	2,727,184	139,362
Total non-current liabilities		36,563,830	54,643,719
Total liabilities		91,215,914	170,340,820
Net assets		18,232,270	13,134,651
FUNDS			
Reserves	15(a)	16,459,787	12,440,710
Retained operating surplus	15(b)	1,772,483	693,941
Total funds		18,232,270	13,134,651

The above statement of financial position should be read in conjunction with the accompanying notes.

**Great Barrier Reef Foundation
Statement of changes in equity
for the year ended 30 June 2024**

	Notes	Reserves \$	Retained operating surplus \$	Total equity \$
Balance at 1 July 2022		7,628,374	2,015,653	9,644,027
Surplus for the year		-	3,490,624	3,490,624
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	3,490,624	3,490,624
Transfer to/(from) retained opening surplus to/(from) reserves	15	4,812,336	(4,812,336)	-
Balance at 30 June 2023		12,440,710	693,941	13,134,651
Balance at 1 July 2023		12,440,710	693,941	13,134,651
Surplus for the year		-	5,097,619	5,097,619
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	5,097,619	5,097,619
Transfer to/(from) retained opening surplus to/(from) reserves	15	4,019,077	(4,019,077)	-
Balance at 30 June 2024		16,459,787	1,772,483	18,232,270

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Great Barrier Reef Foundation
Statement of cash flows
for the year ended 30 June 2024**

	2024	2023
Notes	\$	\$
Cash flows from operating activities		
Grants and donations received (inclusive of GST)	17,852,480	905,682
Payments to suppliers and researchers (inclusive of GST)	(83,188,363)	(117,619,253)
Employment costs	(8,902,954)	(7,510,444)
Net cash (outflow) from operating activities	<u>(74,238,837)</u>	<u>(124,224,015)</u>
Cash flows from investing activities		
Payments for property, plant and equipment (exclusive of GST)	(24,907)	(9,477)
Transfer from term deposits	64,944,504	98,239,999
Proceeds from sale of property, plant and equipment (exclusive of GST)	30,692	-
Interest received on financial assets held as investments	5,522,933	8,025,895
Net cash inflow from investing activities	<u>70,473,222</u>	<u>106,256,417</u>
Cash flows from financing activities		
Lease payments	(372,766)	(354,568)
Net cash (outflow) from financing activities	<u>(372,766)</u>	<u>(354,568)</u>
Net (decrease) in cash and cash equivalents		
Cash and cash equivalents at the beginning of the financial year	92,430,892	110,753,058
Cash and cash equivalents at end of year	<u>88,292,511</u>	<u>92,430,892</u>

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The above statement of cash flows should be read in conjunction with the accompanying notes.

1 Summary of material accounting policies

This note provides a list of all material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Great Barrier Reef Foundation (the Foundation).

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*. The Foundation is a not-for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with Australian Accounting Standards - Simplified Disclosure Requirements

The financial statements of the Foundation comply with Australian Accounting Standards - Simplified Disclosures as issued by the Australian Accounting Standards Board (AASB).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention.

(iii) New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Foundation. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(iv) Comparatives

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

(v) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Foundation's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and duties and taxes paid.

Revenue from contracts with partners is recognised by reference to each distinct performance obligation in the contract. Revenue from contracts (contract price) is the amount of consideration to which the Foundation expects to be entitled to in exchange for delivering the performance obligation. A portion of contract price is allocated to each performance obligation with each distinct deliverable promised under the terms of the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Deferred revenue and deferred interest are classified as follows:

- Current: Reef Trust Partnership (RTP) project deliverables within 12 months based on the published FY25 RTP Annual Work Plan and other Foundation project commitments; and
- Non-current: remaining RTP project deliverables beyond 12 months.

Revenue is recognised for the major business activities using the methods outlined below.

(i) Interest

Interest earned on term deposits that is restricted in accordance with grant agreements is deferred until the interest entitlement has been earned and recognised thereafter as the performance obligations of the contract are fulfilled. If there is no restriction on how the interest is spent, interest is recognised on an accruals basis when the interest entitlement is earned.

1 Summary of material accounting policies (continued)

(b) Revenue recognition (continued)

(ii) Donations

Income from donations is recognised at the earlier of when the donation is received or entitled to be received by the Foundation.

(iii) Corporate grants

Corporate grant revenue is recognised in profit or loss over time when the performance obligations of the contract are fulfilled.

(iv) Government grants

Government grant revenue is recognised in profit or loss over time when the performance obligations of the contract are fulfilled.

(v) In-kind donations

In-kind donations, such as the provision of goods and services from pro bono partners, are recognised as revenue when provided to the Foundation. These in-kind donations are also recorded as a matching asset or expense depending on the nature of the service provided.

(c) Income tax

The Foundation is a tax exempt entity and is therefore not liable for income tax.

(d) Leases

Contracts may contain both lease and non-lease components. The Foundation allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Foundation is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Foundation under residual value guarantees;
- the exercise price of a purchase option if the Foundation is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Foundation exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Foundation, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Foundation:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, for example, term and security.

1 Summary of material accounting policies (continued)

(d) Leases (continued)

The Foundation is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Foundation is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the shorter of the asset's useful life and the extended lease term.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Foundation. These are used to maximise operational flexibility in terms of managing the assets used in the Foundation's operations. The majority of extension and termination options held are exercisable only by the Foundation and not by the respective lessor.

(e) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

(f) Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). At balance date, the Foundation has no indefinite useful life assets.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1 Summary of material accounting policies (continued)

(h) Term deposits

Term deposits are deposits held with financial institutions with original maturities of three months or more. These amounts are reserved and their use is restricted for specific research projects and both the project and administration component of the RTP.

Term deposits have been categorised as follows:

- Cash and cash equivalents for term deposits with maturity less than 3 months;
- Current assets for term deposits with maturity between 3 and 12 months; and
- Non-current assets for term deposits with maturity greater than 12 months.

(i) Receivables

Receivables include interest, services provided, corporate sponsorship, payments milestones from grants as per revenue contract with partners and other miscellaneous items. Amounts are generally due for settlement within 30 days and are therefore all classified as current.

Due to the short-term nature of trade and other receivables, their carrying amount is considered to be the same as their fair value. The Foundation applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

(j) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. The accounting policy for right-of-use assets is detailed in note 1(d).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost or revalued amounts of the assets, net of their residual values, over their estimated useful lives as follows:

- | | |
|--------------------------|--------------|
| - Furniture and fittings | 2 - 20 years |
| - Plant and equipment | 2 - 10 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit or loss and other comprehensive income.

(k) Intangible assets

(i) Trademarks and licences

Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives, which vary from 5 to 10 years. Trademarks that do not have a finite useful life are carried at cost less accumulated impairment.

(ii) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Purchased software and development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Foundation are recognised as intangible assets. Amortisation is calculated using the straight-line method to allocate the cost over the estimated useful life of 5 years.

1 Summary of material accounting policies (continued)

(k) Intangible assets (continued)

(ii) Software (continued)

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Costs incurred in configuring or customising Software-as-a-Service (SaaS) arrangements can only be recognised as intangible assets if the implementation activities create an intangible asset that the Foundation controls and the intangible asset meets the recognition criteria. Those costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the arrangements to significantly customise the cloud-based software for the Foundation, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade payables and other accounts payable are recognised when the Foundation becomes obliged to make future payments resulting from the purchase of goods and services.

(m) Provisions

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(n) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and accumulating leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities for annual leave are presented as current employee benefit obligations in the statement of financial position. The liabilities for other employee related costs are presented as current other payables in the statement of financial position.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Changes as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the statement of financial position if the Foundation 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.

(iii) Sick leave

Liabilities for non-accumulating sick leave are not recognised by the Foundation in its financial report.

(iv) Post-employment obligations

The Foundation pays contributions to publicly or privately administered defined contribution superannuation plans on a mandatory, contractual or voluntary basis. The Foundation has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1 Summary of material accounting policies (continued)

(o) Goods and Services Tax

Revenues, 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). In these circumstances, the GST recognised is part of the cost of acquisition of the asset or as part of the item of expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

2 Revenue

	2024	2023
	\$	\$
Project funds	9,041,195	6,685,376
Government grants	84,943,164	106,728,032
Donations	3,028,905	2,202,656
Membership fees	106,444	112,659
	97,119,708	115,728,723

For the year ended 30 June 2024, the Foundation derived revenue from contracts with partners from the delivery of project investments over time of \$87,714,218 (2023: \$108,817,120).

3 Other income and expense items

(a) Other income

	2024	2023
	\$	\$
Pro bono services	164,159	169,236
Interest income	8,187,616	7,530,657
Other revenue	20,533	55,256
	8,372,308	7,755,149

The Foundation has deferred interest entitlements from the RTP Grant Agreement. These are contractually required to fund 58% of the Administrative Component. During the financial year ended 30 June 2024, the Foundation earned revenue from the deferred interest entitlement in accordance with the RTP Grant Agreement, this interest has been recognised as revenue in accordance with the standard.

(b) Other gains/(losses) - net

	2024	2023
	\$	\$
Net gain/(loss) on disposal of property, plant and equipment	51,154	(168)
	51,154	(168)

(c) Finance expenses

	2024	2023
	\$	\$
Interest and finance charges paid/payable	16,834	15,495
Provisions: unwinding of discount	2,923	2,601
Interest on leases	61,791	35,892
	81,548	53,988

4 Current assets - Cash and cash equivalents

	2024	2023
	\$	\$
Gift fund account (a)	765,980	735,297
Operating accounts	3,206,518	2,564,312
Project accounts (b)	84,320,013	61,521,283
Bank term deposits (c)	-	27,610,000
	88,292,511	92,430,892

(a) Gift fund account

The Foundation is registered as an environmental organisation under legislative requirements in the *Income Tax Assessment Act*.

One of the mandatory constitutional requirements of environmental organisations includes the establishment and maintenance of a gift fund:

- to which gifts of money or property for its principal purpose are to be made;
- to which any money received because of such gifts is to be credited; and
- that does not receive any other money or property.

(b) Project accounts

The project accounts are restricted for use of specific project income and expenditure. This includes monies received for and relating to project grants.

(c) Bank term deposits

The cash and cash equivalents disclosed above and in the statement of cash flows include \$nil (2023: \$27,610,000) of restricted cash. These amounts are reserved and their use restricted for specific research projects, and the project and administration component of the Reef Trust Partnership.

5 Current assets - Receivables

	2024	2023
	\$	\$
Goods and services tax (GST) receivable	1,169,782	2,455,514
Interest receivable	379,729	906,348
Sponsorship receivables	144,318	-
Grants and donations receivable	131,639	1,422,761
Other receivables	140,228	4,694
	1,965,696	4,789,317

The Foundation applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for receivables. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due.

On that basis, the loss allowance as at 30 June 2024 was determined as follows for receivables:

30 June 2024	Current	More than 30 days past due	More than 60 past due	More than 120 days past due	Total
Expected loss rate	0%	0%	0%	0%	
Gross carrying amount – receivables	180,014	23,139	3,000	210,032	416,185
Loss allowance	-	-	-	-	-

30 June 2023	Current	More than 30 days past due	More than 60 past due	More than 120 days past due	Total
Expected loss rate	0%	0%	0%	0%	
Gross carrying amount – receivables	225,525	101,930	1,100,000	-	1,427,455
Loss allowance	-	-	-	-	-

6 Other financial assets and term deposits

	2024	2023
	\$	\$
Current assets		
Term deposit held as security	87,462	225,478
Term deposits - with maturity between 3 and 12 months	10,000,000	75,028,436
	10,087,462	75,253,914
Non-current assets		
Other deposits	221,947	-
Credit rating (S&P long term)		
Total value of term deposits	A1+ 10,000,000	
Term deposit composition		
Fixed interest rate deposits	Total 10,309,409	

7 Other current assets

	2024	2023
	\$	\$
Deposits paid	5,714,754	10,260,439
Prepayments	276,099	315,098
	5,990,853	10,575,537

Deposits paid during the current financial year include a deposit payments of \$5,638,791 to Australian Institute of Marine Science (AIMS) as the managing entity of Reef Restoration and Adaption Program.

8 Non-current assets - Property, plant and equipment

	Plant and equipment \$	Fit out \$	Right-of-use assets (a) \$	Total \$
At 1 July 2022				
Cost	73,596	9,172	1,668,605	1,751,373
Accumulated depreciation	(45,528)	(4,108)	(1,010,133)	(1,059,769)
Net book amount	28,068	5,064	658,472	691,604
Year ended 30 June 2023				
Opening net book amount	28,068	5,064	658,472	691,604
Additions	9,477	-	-	9,477
Disposals	(168)	-	-	(168)
Depreciation charge	(14,053)	(507)	(292,653)	(307,213)
Closing net book amount	23,324	4,557	365,819	393,700
At 30 June 2023				
Cost	80,299	9,172	1,668,587	1,758,058
Accumulated depreciation	(56,975)	(4,615)	(1,302,768)	(1,364,358)
Net book amount	23,324	4,557	365,819	393,700
Year ended 30 June 2024				
Opening net book amount	23,324	4,557	365,819	393,700
Additions	24,907	-	2,907,792	2,932,699
Disposals	(6,210)	(4,101)	(114,066)	(124,377)
Depreciation charge	(12,406)	(456)	(300,264)	(313,126)
Closing net book amount	29,615	-	2,859,281	2,888,896
At 30 June 2024				
Cost	46,891	-	2,915,667	2,962,558
Accumulated depreciation	(17,276)	-	(56,386)	(73,662)
Net book amount	29,615	-	2,859,281	2,888,896

(a) Right-of-use assets

The right-of-use assets relate entirely to property leases.

9 Non-current assets - Intangible assets

	Trademarks at cost \$	Software \$	Total \$
At 1 July 2022			
Cost	33,906	200,000	233,906
Accumulation amortisation	(30,400)	(130,000)	(160,400)
Net book amount	<u>3,506</u>	<u>70,000</u>	<u>73,506</u>
Year ended 30 June 2023			
Opening net book amount	3,506	70,000	73,506
Amortisation charge	(1,395)	(40,000)	(41,395)
Closing net book amount	<u>2,111</u>	<u>30,000</u>	<u>32,111</u>
At 30 June 2023			
Cost	33,906	200,000	233,906
Accumulation amortisation	(31,795)	(170,000)	(201,795)
Net book amount	<u>2,111</u>	<u>30,000</u>	<u>32,111</u>
Year ended 30 June 2024			
Opening net book amount	2,111	30,000	32,111
Amortisation charge	(1,292)	(30,000)	(31,292)
Closing net book amount	<u>819</u>	<u>-</u>	<u>819</u>
At 30 June 2024			
Cost	5,864	-	5,864
Accumulated amortisation	(5,045)	-	(5,045)
Net book amount	<u>819</u>	<u>-</u>	<u>819</u>

10 Current liabilities - Trade and other payables

	2024 \$	2023 \$
Accounts payable	3,654,115	1,672,760
Project accrued expenses	2,340,699	1,936,398
Other payables	74,095	-
	<u>6,068,909</u>	<u>3,609,158</u>

No interest is charged on trade payables. The Foundation has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

11 Deferred revenue

	2024	2023		2024	2023	
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Deferred revenue	47,912,604	33,590,106	81,502,710	111,260,362	54,351,879	165,612,241

Current deferred revenue includes RTP and other Foundation projects identified in the FY25 Board approved budget. Non-current deferred revenue relates to the remainder of the RTP funding to be delivered in subsequent years.

	2024	2023
	\$	\$
RTP	60,135,442	143,944,003
Interest - RTP	12,698,468	16,411,365
Coastal Habitat Restoration	971,787	966,991
Pacific Partnerships	7,625,184	4,154,943
Other	71,829	134,939
	81,502,710	165,612,241

12 Employee benefit obligations

	2024	2023		2024	2023	
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Leave obligations	506,595	206,740	713,335	472,841	152,478	625,319

Leave obligations

The leave obligations cover the Foundation's liabilities for long service leave and annual leave which are classified as either other long-term benefits or short-term benefits, as explained in note 1(n).

13 Non-current liabilities - Provisions

	2024	2023
	\$	\$
Make good provision	39,800	-

The Foundation is required to restore the leased premises of offices to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of the right-of-use and are amortised over the shorter of the term of the lease and the useful life of the assets.

14 Lease liabilities

	2024	2023		2024	2023	
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Lease liabilities	163,976	2,727,184	2,891,160	354,740	139,362	494,102

Future lease payments in relation to lease liabilities as at year end are as follows:

	2024	2023
	\$	\$
Within one year	382,005	371,233
Later than one year but not later than five years	1,535,578	140,228
Later than five years	2,571,396	-
	4,488,979	511,461

15 Funds

(a) Reserves

	Notes	2024	2023
		\$	\$
Restricted reserves	16	14,459,787	10,440,710
Sustainability reserve		2,000,000	2,000,000
		16,459,787	12,440,710

	2024	2023
	\$	\$

Movements:

Restricted reserves

Opening balance	10,440,710	7,628,374
Transfer to retained operating surplus (restricted expenses)	(5,702,614)	(4,560,878)
Transfer from retained operating surplus (restricted income)	9,721,691	7,373,214
Balance at 30 June	14,459,787	10,440,710

Sustainability reserve

Opening balance	2,000,000	-
Transfer from retained operating surplus	-	2,000,000
Balance 30 June	2,000,000	2,000,000

The Foundation established a Sustainability Reserve fund from surpluses of previous years. The primary purpose of this reserve is to maintain operations should revenue materially fall below the level projected in the financial plan.

15 Funds (continued)

(b) Retained operating surplus

Movements in retained operating surplus were as follows:

	2024	2023
	\$	\$
Balance at 1 July	693,941	2,015,653
Net operating surplus for the year	5,097,619	3,490,624
Transfer from retained operating surplus (restricted income)	(9,721,691)	(7,373,214)
Transfer to retained operating surplus (restricted expenses)	5,702,614	4,560,878
Transfer to retained sustainability reserve	-	(2,000,000)
Balance at 30 June	<u>1,772,483</u>	<u>693,941</u>

16 Restricted reserves

Income received for projects is considered to be restricted income for delivery of project objectives detailed in the funding agreements. In some cases the timing for receipt of funding does not align with expenditures in the same financial year impacting the movement of reserve funds balance. Over the long term, the position is neutral on the basis that all restricted funds received are fully expended.

The management consider the following assets to be restricted for application towards future research projects:

	2024	2023
	\$	\$
<i>Funds recognised as restricted reserves:</i>		
Coral Reef Restoration	1,528,738	-
Coastal Habitat Restoration	5,642,418	3,976,654
Traditional Owners	540,094	-
Other programs	6,748,537	6,464,056
	<u>14,459,787</u>	<u>10,440,710</u>

17 Contingent liabilities

The Foundation had bank guarantees at 30 June 2024 of \$909,409 (2023: \$775,478). The likelihood that these guarantees will be forfeited is remote.

18 Capital and other commitments

Grant expenditure contracted for at the reporting date but not recognised as liabilities is:

	2024	2023
	\$	\$
<i>RTP projects commitments:</i>		
Within one year	26,885,328	83,191,936
Later than one year but not later than five years	1,837,952	6,285,418
	28,723,280	89,477,354
<i>Pacific Partnerships projects commitments:</i>		
Within one year	18,206	57,170
Later than one year but not later than five years	62,971	-
	81,177	57,170
<i>Coastal Habitat Restoration projects commitments:</i>		
Within one year	1,399,891	842,969
Later than one year but not later than five years	234,423	675,141
	1,634,314	1,518,110
<i>Coral Reef Restoration projects commitments:</i>		
Within one year	6,038,792	-
Later than one year but not later than five years	350,000	-
	6,388,792	-
<i>Other projects commitments:</i>		
Within one year	11,580	10,000
	11,580	10,000

Contracts for revenue are committed and in place to cover the above listed commitments over the five year period. Contracts that can be terminated for convenience are not included in the amounts disclosed.

19 Related party transactions

(a) Key management personnel

	2024	2023
	\$	\$
Key management personnel compensation	1,169,619	1,029,934

The Foundation Board is comprised of volunteers and one employee. Foundation committees are comprised of volunteers, employees and paid members.

(b) Other transactions with key management personnel or entities related to them

Directors of the Great Barrier Reef Foundation

Some of the directors are donors in their own right or are directors of companies which have donated monies to the Foundation.

Aggregate amounts of donations received from related parties of Great Barrier Reef Foundation:

	2024	2023
	\$	\$
Amounts recognised as revenue		
Grants and donations received	142,770	109,143

During the year the Foundation purchased \$1,063 of travel expenses from a director related entity. The transaction was on normal commercial terms and conditions and at market rates.

20 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the entity:

Ernst & Young

	2024	2023
	\$	\$
Audit of financial statements and associated annual reporting requirements	75,500	70,000
Grant related assurance services	12,500	-
	88,000	70,000

21 Events occurring after the reporting period

No matters or circumstances have occurred subsequent to year end that have significantly affected, or may significantly affect, the operations of the Foundation, the results of those operations or the state of affairs of the Foundation or economic entity in subsequent financial years.

22 Reef Trust Partnership (RTP)

In accordance with Schedule 1 Section 2.2 of the Grant Agreement between the Reef Trust and Great Barrier Reef Foundation, the below summarised statement of profit or loss and other comprehensive income and statement of financial position have been prepared in respect of the Foundation's receipt and expenditure of the RTP Grant and Other Contributions for each component for the year from 1 July 2023 to 30 June 2024.

(a) Statement of profit or loss and other comprehensive income

	1 Jul 2023 to 30 Jun 2024	1 Jul 2022 to 30 Jun 2023
	\$	\$
Revenue	91,423,624	112,977,693
Expenses		
Component 1 - Administrative Activities	(7,615,063)	(7,188,514)
Component 2 - Water Quality Activities	(38,816,249)	(48,276,177)
Component 3 - Crown of Thorns Starfish Control Activities	(8,841,241)	(7,044,376)
Component 4 - Reef Restoration and Adaptation Science Activities	(19,482,235)	(33,503,271)
Component 5 - Indigenous and Community Reef Protection Activities	(9,006,447)	(8,088,986)
Component 6 - Integrated Monitoring and Reporting Activities	(7,662,389)	(8,876,369)
Total expenses	(91,423,624)	(112,977,693)
Operating surplus for the year	-	-

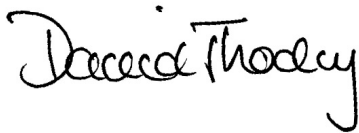
(b) Statement of financial position

	2024	2023
	\$	\$
Current assets	77,470,513	161,533,319
Non-current assets	47,362	228,940
	77,517,875	161,762,259
Current liabilities	(43,898,723)	(107,324,467)
Non-current liabilities	(33,619,152)	(54,437,792)
	(77,517,875)	(161,762,259)
Net assets	-	-

In the directors' opinion:

- (a) the financial statements and notes set out on pages 11 to 32 are in accordance with the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:
 - (i) complying with Accounting Standards - General Purpose Financial Statements - Simplified Disclosures, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Foundation's financial position as at 30 June 2024 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



David Thodey AO
Co-Chair



Dr Martin Parkinson AC PSM
Co-Chair



Anna Marsden
Managing Director

Brisbane
31 October 2024



**Building a better
working world**

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Independent Auditor's Report to the Members of Great Barrier Reef Foundation

Opinion

We have audited the financial report of Great Barrier Reef Foundation (the Foundation), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Foundation is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Foundation's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 Foundation in accordance with 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.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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 the Directors for the Financial Report

The directors of the Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Foundation'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 the directors either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

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 judgment and maintain professional scepticism throughout the audit. We also:

- 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 Foundation'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 Foundation'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 Foundation 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.

A handwritten signature in dark blue ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in dark blue ink that reads 'Brad Tozer'.

Brad Tozer
Partner
Brisbane
31 October 2024