

Financial Statements

ZERO2HERO INC

ABN 29 964 779 934

For the year ended 31 December 2025

Prepared by Oakstone Advisory

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Board Directors' Report

ZERO2HERO INC

For the year ended 31 December 2025

Directors' Report

The Board of Directors submit the financial report of the Zero2Hero Inc for the financial year ended 31 December 2025.

Board Members

The name of each member of the committee during the year and if different, at the date of the report:

Paul Larsen (Appointed - 20 June 2023)

Ashlee Harrison (Appointed - 7 May 2013)

Leigh Dyson (Appointed - 28 June 2023)

Jodie Perram (Appointed - 21 March 2023)

Neil Sadler (Appointed - 1 January 2019)

Stephen Daly (Appointed - 21 March 2023)

Chris Harris (Appointed - 18 February 2025)

Registered Office

Address: 96 Outram Street
WEST PERTH WA 6005
Email: admin@zero2hero.com.au
Website: zero2hero.com.au

Significant Changes

As at the reporting date, the charity has no significant changes to disclose.

Principal Activities

The principal activities of the association during the financial year were:

Mental Illness Awareness and Education.

Operating Result

The deficit of the charity for the financial year amounted to \$396,027 (2024: \$265,185 surplus).

Subsequent Events

There are no items, transactions or events of a material and unusual nature likely, in the opinion of the Directors of the charity, which has arisen to significantly affect the operations of the charity, the results of those operations, or the state of affairs of the charity, in future financial years.

Performance Measures

At the start of each financial year, management establishes a set of performance measures aligned with the charity's strategic goals. These measures include both financial and operational targets, such as overall revenue, fundraising performance, and income derived from corporate partnerships. Additionally, performance is assessed through the delivery and reach of school-based programs, attendance at events, and the effectiveness of marketing and communications. It also includes the health and safety of staff, young people participating in our programs and all event attendees, ensuring a secure and supportive environment across all operations, as well as the ongoing professional development and training of staff. These benchmarks provide a clear framework for evaluating progress and impact throughout the year

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

Ashlee Harrison

Director

Date / /

Statement by Members of the Board of Directors

ZERO2HERO INC

For the year ended 31 December 2025

The board has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Directors the financial report as set out on pages 6 to 13:

1. Presents a true and fair view of the financial position of Zero2Hero Inc as at and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Zero2Hero Inc will be able to pay its debts as and when they fall due.
3. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board of Directors by Ashlee Harrison in accordance with with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.

Ashlee Harrison - Director & Responsible Person

Dated:

Statement of Financial Position

ZERO2HERO INC

As at 31 December 2025

	NOTES	31 DEC 2025	31 DEC 2024
Assets			
Current Assets			
Cash and Cash Equivalents	3	1,110,861	533,322
Bonds Paid		-	9,925
Deposits Paid	4	12,837	4,093
Other Current Assets	5	-	1,000,000
Prepayments	6	89,852	94,252
Trade Debtors	7	95,406	87,375
Total Current Assets		1,308,957	1,728,967
Non-Current Assets			
Fixed Assets	8	258,946	295,726
Intangibles	9	16,461	22,866
Other Non-Current Assets	10	39,312	37,750
Total Non-Current Assets		314,720	356,342
Total Assets		1,623,676	2,085,309
Liabilities			
Current Liabilities			
Accrued Costs	11	12,100	11,000
GST Payable	12	66,838	55,405
Income in Advance	13	877,070	898,498
Insurance Premium Funding	14	30,356	-
Lease Liability	15	85,838	77,229
PAYG Withholding Payable		43,668	36,192
Provisions	16	76,028	57,410
Superannuation Payable		67,028	51,515
Trade Creditors	17	12,211	76,188
Total Current Liabilities		1,271,137	1,263,437
Non-Current Liabilities			
Lease Liability	15	85,568	170,819
Provisions	16	33,634	21,688
Total Non-Current Liabilities		119,202	192,507
Total Liabilities		1,390,338	1,455,944
Net Assets		233,338	629,365
Member's Funds			
Retained Surplus		233,338	629,365
Total Member's Funds		233,338	629,365

The accompanying notes form part of these financial statements.

Statement of Profit or Loss and Other Comprehensive Income

ZERO2HERO INC

For the year ended 31 December 2025

	NOTES	2025	2024
Income			
Revenue	18	3,532,627	3,625,177
Total Income		3,532,627	3,625,177
Gross Surplus		3,532,627	3,625,177
Other Income			
Income Recouped		-	12,740
Interest Income		33,685	13,037
Total Other Income		33,685	25,777
Expenditure			
Administration Costs		342,813	253,271
Audit Fees		11,362	10,000
Depreciation and Amortisation		34,080	33,974
Fundraising Costs		1,401,880	1,314,582
Insurance		37,091	35,048
Program Delivery Costs		2,044,032	1,699,976
Right of Use Asset		91,081	38,918
Total Expenditure		3,962,338	3,385,768
Current Year Surplus/ (Deficit)		(396,027)	265,185
Other Comprehensive Surplus for the Year		(396,027)	265,185

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

ZERO2HERO INC

For the year ended 31 December 2025

	2025	2024
Equity		
Opening Balance as at 1 January 2025	629,365	364,179
Increases		
Surplus/ (Deficit) for the Year	(396,027)	265,185
Total Increases	(396,027)	265,185
Closing Balance as at 31 December 2025	233,338	629,365

The accompanying notes form part of these financial statements.

Statement of Cash Flows

ZERO2HERO INC

For the year ended 31 December 2025

	NOTES	2025	2024
Cash Flow Statement			
Operating Activities			
Receipts from Donors & Other Fundraising		3,503,167	3,589,198
Payments to Suppliers & Employees		(3,890,213)	(3,238,075)
Interest Received		33,685	13,037
Total Cash In Flows / (Out Flows) from Operating Activities	19	(353,361)	364,160
Investing Activities			
Proceeds from Sale of Property, Plant & Equipment		-	-
Acquisition of Plant & Equipment		(67,538)	(43,144)
Income Received from Other Investments		(1,562)	-
Outflow from Investment of Property		-	(37,750)
Total Cash In Flows / (Out Flows) from Investing Activities		(69,101)	(80,894)
Financing Activities			
Loans Granted / (Repaid)		-	-
Total Cash In Flows / (Out Flows) from Financing Activities		-	-
Net Increase/ (Decrease) in Cash Held		(422,461)	283,266
Cash at the Beginning of the Financial Year		1,533,322	1,250,056
Cash at the End of the Financial Year		1,110,861	1,533,322

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

ZERO2HERO INC

For the year ended 31 December 2025

1. Basis of Preparation

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Western Australian legislation of the Associations Incorporation Act 2015, the Charitable Fundraising Act 1991 and associated regulations. The Officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of Zero2Hero Incorporated.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

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

2. Summary of Material Accounting Policies

Fixed Assets

Fixed assets exceeding \$300 on an individual itemised basis are capitalised to the statement of financial position and depreciated over their effective life. The assets are recorded at cost.

Intangible Assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website

Significant costs associated with the development of the website are deferred and amortised over the period of their expected benefit.

Impairment of Non-Financial Assets

At the end of each reporting period the charity determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Cash and Cash Equivalents

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

Trade and Other Receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Revenue and Other Income

Revenue is recognised when the charity is entitled to it unless otherwise specified below.

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

Rendering of Services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Donations

Donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which it has been received.

Other Income

Other income is recognised on an accruals basis when the charity is entitled to it.

Volunteering Services

The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income Received in Advance

Where the charity is not entitled to income received due to the timing of an event (such as a Cape to Cape trek registration taken in a year prior to the trek occurring) income will be recognised in the statement of financial position as 'Income in Advance'.

The Chevron Sponsorship is recognised as income upon satisfaction of specific KPIs in relation to the payment. The income will be recognised in the statement of financial position as 'Income in Advance' until those KPIs are met.

The Channel 7 Telethon Grant is recognised as income upon satisfaction of specific KPIs in relation to the payment. The income will be recognised in the statement of financial position as 'Income in Advance' until those KPIs are met.

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Goods and Services Tax (GST)

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).

Right-of-Use Assets

The entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the charity recognises the lease payments on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

Lease Liability

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by incremental borrowing rate.

Income Tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Contingencies and Commitments

As at the reporting date, the charity has no material contingencies or commitments to disclose.

Subsequent Events

As at the reporting date, the charity has no material subsequent events to disclose.

Critical Judgement and Estimates*Accounts Receivable*

Management has applied critical estimates in assessing the expected uncollectable portion of accounts receivable. These estimates are based on historical experience with debtors, including regular donors and corporate partners, and are reviewed annually for accuracy.

	2025	2024
3. Cash & Cash Equivalents		
Bank Accounts	1,083,929	516,480
Third Party Holdings Accounts	26,932	16,842
Total Cash & Cash Equivalents	1,110,861	533,322
	2025	2024
4. Deposits Paid		
Camp Venue Hire	-	4,000
Deposits Paid - Fundraising Venue Hire	3,321	-
Deposits Paid - Programs Venue Hire	5,455	-
Deposits Paid - Trek Venue Hire	4,061	93
Total Deposits Paid	12,837	4,093
	2025	2024
5. Other Current Assets		
Term Deposits	-	1,000,000
Total Other Current Assets	-	1,000,000
	2025	2024
6. Prepayments		
Prepaid Insurance	40,332	27,895
Prepaid Subscriptions & Memberships	8,878	8,910
Prepayments	40,643	57,448
Total Prepayments	89,852	94,252
	2025	2024
7. Trade Debtors		
Accounts Receivable	107,495	97,986
Sundry Debtors	1,082	3,039
Less: Provision for Bad & Doubtful Debt	(13,170)	(13,650)
Total Trade Debtors	95,406	87,375
	2025	2024
8. Fixed Assets		
Computer Equipment		
Computer Equipment	65,572	56,715
Less Accumulated Depreciation on Computer Equipment	(60,324)	(46,011)
Total Computer Equipment	5,248	10,705
Leasehold Improvements		
Leasehold Improvements	49,801	4,265

	2025	2024
Less Accumulated Depreciation on Leasehold Improvements	(1,073)	(4,265)
Total Leasehold Improvements	48,729	-
Motor Vehicle		
Motor Vehicles at Cost	40,706	40,706
Less Accumulated Depreciation on Motor Vehicles at Cost	(22,757)	(16,774)
Total Motor Vehicle	17,949	23,932
Office Equipment		
Office Equipment	64,077	51,791
Less Accumulated Depreciation on Office Equipment	(29,859)	(23,227)
Total Office Equipment	34,218	28,564
Right of Use Asset		
Right of Use Asset - 96 Outram Street, West Perth	245,813	245,813
Less Accumulated Amortisation on Right of Use Asset - West Perth	(93,011)	(13,287)
Total Right of Use Asset	152,803	232,526
Total Fixed Assets	258,946	295,726
	2025	2024
9. Intangibles		
Intangibles - Intellectual Property	3,250	3,250
Less Accumulated Depreciation on Intellectual Property	(975)	(650)
Capitalised Website Development	34,060	34,060
Less Accumulated Depreciation on Website Development	(19,874)	(13,794)
Total Intangibles	16,461	22,866
	2025	2024
10. Other Non-Current Assets		
Bank Guarantee	39,312	37,750
Total Other Non-Current Assets	39,312	37,750
	2025	2024
11. Accrued Costs		
Audit Fees Accrued	12,100	11,000
Total Accrued Costs	12,100	11,000
	2025	2024
12. GST Payable		
GST	(67,938)	(56,405)
Timing Differences	1,100	1,000
Total GST Payable	(66,838)	(55,405)

	2025	2024
13. Income in Advance		
Income in Advance	(47,946)	(102,296)
Income in Advance - Cape to Cape Registration Fees	(16,909)	(64,182)
Income in Advance - Channel 7 Telethon Grant	(33,000)	-
Income in Advance - Chevron Sponsorship	(755,000)	(730,000)
Income in Advance - In Your Head Sponsorship	(20,000)	-
Income in Advance - In Your Head Ticket Sales	(4,215)	(2,020)
Total Income in Advance	(877,070)	(898,498)

	2025	2024
14. Insurance Premium Funding		
Insurance Premium Funding	(32,696)	-
Unexpired Interest - Insurance Premium Funding	2,340	-
Total Insurance Premium Funding	(30,356)	-

	2025	2024
15. Lease Liability		
Current Liabilities		
Lease Liability - 96 Outram Street, West Perth (CL)	85,838	77,229
Total Current Liabilities	85,838	77,229
Non-Current Liabilities		
Lease Liability - 96 Outram Street, West Perth (NCL)	85,568	170,819
Total Non-Current Liabilities	85,568	170,819
Total Lease Liability	171,406	248,048

	2025	2024
16. Provisions		
Current Liabilities		
Provision for Annual Leave	73,798	55,619
Provision for Time in Lieu	2,230	1,791
Total Current Liabilities	76,028	57,410
Non-Current Liabilities		
Provision for Long Service Leave	33,634	21,688
Total Non-Current Liabilities	33,634	21,688
Total Provisions	109,662	79,098

	2025	2024
17. Trade Creditors		
Accounts Payable	11,961	23,477
Sundry Creditor	250	52,711
Total Trade Creditors	12,211	76,188
	2025	2024

18. Revenue		
Donations	1,429,539	1,542,452
Fundraising	877,625	797,520
Program Delivery	878,714	999,435
Grant Funding	346,170	285,258
Fundraising Revenue - General	579	512
Total Revenue	3,532,627	3,625,177
	2025	2024

19. Reconciliation of Cash Flows from Operating Activities to Surplus / (Deficit)

Net Surplus/ (Deficit)	(396,027)	265,185
Adjustments for Items not Related to Operating Activities & Non - cash Items		
Depreciation	34,080	70,231
Gain on Disposal of Assets	-	-
Total Adjustments for Items not Related to Operating Activities & Non - cash Items	34,080	70,231
Changes in Operating Assets		
Accrued Costs	1,100	2,131
Bonds Paid	9,925	1,432
Deposits Paid	(8,744)	907
GST	11,433	(14,803)
Income in Advance	(21,428)	20,787
Insurance Premium Funding	30,356	-
PAYG Withholding Payable	7,476	15,244
Prepayments	4,400	(14,037)
Provisions	30,564	23,099
Sundry Creditors	-	-
Superannuation Payable	15,513	20,727
Trade Creditors	(63,978)	42,762
Trade Debtors	(8,031)	(69,505)
Total Changes in Operating Assets	8,586	28,743
Net Cash Provided by Operating Activities	(353,361)	364,160

Auditor's Report

ZERO2HERO INC

For the year ended 31 December 2025