Carbon Market Institute Limited and its controlled entity

ABN 11 146 804 668

Financial Statements - 30 June 2026

Carbon Market Institute Limited and its controlled entity
Contents
30 June 2026

Directors' report	2
Auditor's independence declaration	8
Statement of profit or loss and other comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Statement of cash flows	12
Notes to the financial statements	13
Directors' declaration	25
Independent auditor's report to the members of Carbon Market Institute Limited and its controlled entity	26

General information

The financial statements cover Carbon Market Institute Limited and its controlled entity as a consolidated group consisting of Carbon Market Institute Limited and the entity it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is the consolidated entity's functional and presentation currency.

The consolidated entity is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

The Hub Level 2
696 Bourke Street
MELBOURNE VIC 3000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 22 October 2026. The directors have the power to amend and reissue the financial statements.

Carbon Market Institute Limited and its controlled entity
Directors' report
30 June 2026

The directors present their report, together with the financial statements, on the consolidated entity, consisting of Carbon Market Institute Limited (referred to hereafter as the 'parent entity') and the entity it controlled at the end of, or during, the year ended 30 June 2026.

Principal activities
The Carbon Market Institute Limited (the Parent Entity) is an independent, member-based institute accelerating the transition to net zero emissions. Our focus is to

- Build capacity and opportunities through inclusive engagement and education.
- Facilitate best practice and integrity in decarbonisation strategies, investments, carbon projects, and market participants.
- Develop and support policy and regulatory frameworks aligned with UNFCCC Paris Agreement climate goals.

During the year, Carbon Market Institute Limited (“CMI”) established Australian Carbon Industry Code of Conduct Administrator Limited (“Code”), a not-for-profit company limited by guarantee, to administer, monitor and review compliance with the Australian Carbon Industry Code of Conduct.

CMI is the sole member of Code. Under Code’s constitution, CMI has the right to appoint, remove and replace Code’s directors, including the entire Board, and to appoint the Chairperson and Deputy Chairperson. CMI also has the ability, as sole member, to amend Code’s constitution.

Code operates through an independent Board and has been established to provide dedicated governance and administration of the Code. Its constitution requires at least three directors to be Independent Directors.

As a result of CMI’s rights as sole member, Code is controlled by CMI and has been included as a subsidiary in the consolidated financial statements of the Group.

No significant changes in the nature of the consolidated entity's activity occurred during the financial year.

Strategic objectives
As the industry association for business leading the transition to net-zero emissions, the consolidated entity is working with a wide range of stakeholders to develop and encourage best practice with a particular focus on the following:

- to assist and support Australian industries with the implementation of climate-related markets and the management of the business risks and opportunities associated with the transition to a net-zero emissions economy;
- to work in concert with Australian industry and other key stakeholders to position Australia as an emissions trading hub for the Asia-Pacific region;
- to advance the education and training in response to Australian industry’s needs in relation to moving to a net-zero emissions economy, in order to build the capacity and expertise required for a decarbonised economy;
- to advance education for Australian communities in relation to the benefits of moving to a net-zero emission economy;
- to conduct research and market analysis to keep Australian industries informed of characteristics of the domestic and international climate-related markets;
- to be an active independent clearing house and standard setter for reliable and unbiased carbon market information;
- to support Australian industry’s engagement with international climate-related markets by facilitating and coordinating market information access and business cluster activity;
- to work in concert with relevant organisations, providers and stakeholders, as appropriate, to develop and implement standards and accreditation procedures, and build integrity, linkages and liquidity in the Australian carbon market; and
- to develop and promote efficient and effective emissions reduction policies.

Review of operations
The loss of the consolidated entity for the year amounted to $194,026 (2025: loss of $373,800).

Carbon Market Institute Limited and its controlled entity
Directors' report
30 June 2026

Directors

The following persons were directors of the Carbon Market Institute Limited and its controlled entity during the whole of the financial year and up to the date of this report, unless otherwise stated:

Kerry Schott AO
Ilona Millar
Skye Glenday
Raphael Wood
Victoria Binns
John Connor (Resigned 4 July 2025)
Clark Donovan (Resigned 4 June 2026)
Alexander Lewis
Evan Stamatiou
Peter Castellas (Appointed 5 December 2025)
Sasha Courville (Appointed 3 November 2025)
Anna Hancock (Resigned 28 November 2025)

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

Information on directors

Name:	Kerry Schott AO
Title:	Director and Chairperson
Experience and expertise:	Kerry Schott is the Chairperson of the Carbon Market Institute. She is currently Chair of the Australian Government's Competition Review Panel. She has previously been a Chair and Director of a number of companies, mainly in the infrastructure industry. Kerry was CEO of Sydney Water and more recently Chair of the Energy Security Board, the NSW Net Zero Emissions Board and the Energy Co Advisory Board. Kerry spent 15 years as a senior investment banker at Deutsche Bank and Bankers Trust and has been an academic at University College London. She has a doctorate from Oxford University, a Master's Degree from the University of British Columbia, and a first class Honours Arts Degree from the University of New England. In 2015 she was awarded an Order of Australia for services to business and commerce and holds honorary doctorates from the University of Sydney, Western Sydney University and the University of New England.
Name:	Ilona Millar
Title:	Director
Experience and expertise:	Ilona Millar leads the Climate Change and Sustainability team at Gilbert + Tobin in Sydney. Ilona has 20 years experience advising on international and domestic climate change law and policy, and environmental markets. Her experience extends to complex multi-jurisdictional transactions as well as the development of innovative responses to climate change and sustainability problems. Ilona is also a Director of Landcom, serves on the board of the NSW Natural Resources Access Regulator and has served as a Commission Member of the NSW Independent Planning Commission. Ilona has been a Visiting Fellow at the ANU College of Law where she taught international climate change law from 2009 - 2020. Ilona is also regularly called upon to lecture on environmental market issues at other leading Australian Universities.

Name:	Skye Glenday
Title:	Director
Experience and expertise:	Skye Glenday is the Co-Chief Executive Officer of Climate Friendly, a profit-for purpose organisation partnering to urgently store carbon, repair nature and advance reconciliation. Prior to becoming CEO, Skye was the Executive Manager – Strategy and Analytics, managing Climate Friendly's business development, strategy and policy engagement. Skye is passionate about effective communication and taking practical actions that deliver sustainable environmental, social and economic change, including advancing reconciliation action. Her career to date has focused on fostering sustainable management of land in Australia and internationally, with former roles in the Australian Government Department of Climate Change and Indonesian Embassy, Climate Policy Initiative and as an independent consultant.
Name:	Raphael Wood
Title:	Director and Chair of Market Committee
Experience and expertise:	Raphael Wood has over 25 years' experience across financial and environmental markets with roles in both the private and public sectors. Raphael's experiences spans all aspects of the Australian carbon market, working as a geologist for liable entities, then over a decade in financial markets, leading to five years with the Clean Energy Regulator (CER) designing environmental markets. Raphael then spent two years as Head of Environmental Markets for one of Australia's largest Carbon Farming project aggregators before founding the trusted carbon market consultancy, Market Advisory Group. MAG has become a specialist carbon market consultant and analytics advisory group, now part of the Aurecon Group. Raphael is relied upon to provide quality independent advice to carbon market participants, across government, liable entities and project developers. Since 2022 he has been focussed on providing investment advice to those looking to invest in the carbon industry, providing project origination, due diligence, financial modelling services, as well as designing structured investment products as a founder and director of 'C6 Investment Management'. He is a director of trusted fund manager, Silva Capital, as JV with ROC Partners, which manages high quality carbon project investments for investors.
Name:	Victoria Binns
Title:	Director and Chair of Membership Committee
Experience and expertise:	Vicky has over 35 years' experience in the global resources and financial services sectors including more than 10 years in executive leadership roles at BHP following 15 years in the financial services industry at Merrill Lynch Australia and Macquarie Equities. Vicky is a Non-Executive Director of ASX-listed Evolution Mining and Sims Limited and is on the Advisory Council of JP Morgan Australia and NZ. Her experience as a senior executive includes more than 10 years with BHP in Singapore leading Minerals Marketing (iron ore, coal, metals) and sitting on Executive Leadership teams for Minerals Australia and Minerals Americas. Vicky also was Managing Director and Head of Australian Research at Merrill Lynch Australia and was the leader of the Global Metals, Mining and Steel team. Ms Binns holds a Bachelor of Engineering degree (Mining. Hons 1. UNSW), is a graduate of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Mining and Metallurgy. Vicky was co-founder and previous Chairman of Women in Resources in Singapore.

Name:	Alexander Lewis
Title:	Director
Experience and expertise:	Alex is currently Head of Carbon Markets for QANTAS and Co-Chair, Australia New Zealand & Oceania Working Group for the International Emissions Trading Association. Previous roles include Director for Pollination, Chief Commercial Officer for Tasman Environmental Markets, Manager Market Development & Integrity for Carbon Market Institute and Senior Officer, Victorian Major Energy Projects for the Victorian Government (DEECA). Alex has a Master of Climate Change from the Australian National University and a Graduate Certificate in Environmental Management & Development, Economics, from the Australian National University.
Name:	Evan Stamatiou
Title:	Director
Experience and expertise:	Evan Stamatiou is the Managing Director of Carbon Risk Management, a climate change strategic advisory and technical services consultancy. He has successfully guided the development of multiple corporate decarbonisation strategies involving updates to governance structures, setting science-based targets, internal carbon prices and improved integration of climate change related risks and opportunities into enterprise-wide risk management frameworks with the support of climate change analysis. Evan is also experienced in conducting climate risk screening over investment portfolios to support corporate investment/ divestment decision making. Previous roles include Manager for Ernst & Young and Senior Associate for Net Balance.
Name:	Peter Castellas
Title:	Director
Experience and expertise:	Throughout Peter’s career he has worked at the leading edge of the climate change and sustainable development agenda and has advised, influenced, and guided key decision makers at the highest levels of business, finance and government. Peter is CEO of the Climate Zeitgeist, a company he founded to work with key partners in finance and investment to accelerate meaningful action on change at schale. He is the Founder of the Climate Investor Forum – APAC’s premier climate finance and investment gathering. Peter was previously CEO of Tasman Environmental Markets where he led the company to become one of the largest voluntary integrated carbon offset providers in the Asia Pacific. Previous roles include CEO of the Carbon Market Institute, where he led the organisation to be the peak business association for companies operating in the climate change and business interface. He was also a Director at Deloitte in Corporate Finance and Sustainability, Managing Director of Cleantech Australia and the first Sustainability Advisor for the Commonwealth Bank. Peter graduated with a Bachelor of Education in Environmental Studies and the first class he taught over 30 years ago was on the Greenhouse Effect.

Name:	Sasha Courville
Title:	Director
Experience and expertise:	As the CEO of the Carbon Market Institute, Dr. Courville drives strategic, policy and advocacy work to accelerate the transition to a negative emissions and nature positive world, using environmental markets as key tools. In this role, she brings over twenty-five years' experience in driving systems change across sectors, leveraging the insights and expertise across CMI's diverse membership. Prior to joining CMI, Sasha was a senior executive in the financial sector, leading work to integrate sustainability outcomes into corporate strategy at NAB and at Bank Australia. Previously, Sasha was Executive Director of the London-based ISEAL Alliance, the global association for sustainability standards, defining best practice guidance on standard-setting, audit and assurance and impact measurement. Sasha is currently the Chair of the Aluminium Stewardship Initiative, a multi-stakeholder initiative that sets sustainability standards for the aluminium value chain. She is also the Chair of the Australian advisory board of Leading Harvest, a global sustainable agriculture standard.

Meetings of directors
During the financial year, 8 meetings of directors were held. Attendances by each director during the year were as follows:

	Director's meetings	
	Number eligible to attend	Number attended
Kerry Schott	8	8
Ilona Millar	8	6
Skye Glenday	8	7
Raphael Wood	8	8
Victoria Binns	8	7
John Connor	1	1
Clark Donovan	7	5
Alexander Lewis	8	8
Evan Stamatiou	8	7
Peter Castellas	4	4
Sasha Courville	6	6

Members' guarantee
Carbon Market Institute Limited and its controlled entity is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $20 for members that are corporations and $20 for all other members, subject to the provisions of the consolidated entity's constitution.

As at 30 June 2026, the collective liability of members was $2,800 (2025: $2,800).

Significant changes in state of affairs
Other than the establishment of Australian Carbon Industry Code of Conduct Administrator Limited, there were no other significant changes in the state of affairs of the Company during the year.

Events after the reporting date
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is set out immediately after this directors' report.

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

Kerry Schott
Chairperson

22 October 2026

Walker Wayland NSW
Chartered Accountants

ABN 55 931 152 366

Level 11, Suite 11.01
60 Castlereagh Street
SYDNEY NSW 2000

GPO Box 4836
SYDNEY NSW 2001

Telephone: +61 2 9951 5400
Facsimile: +61 2 9951 5454
mail@wwnsw.com.au

Website: www.wwnsw.com.au

22 October 2026

The Directors
Carbon Market Institute Limited and its Controlled Entity
The Hub Level 2, 696 Bourke Street
MELBOURNE VIC 3000

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NON-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF CARBON MARKET INSTITUTE LIMITED AND ITS CONTROLLED ENTITY

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2026 there have been:

(i) no contraventions of the auditor's independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Walker Wayland NSW
Walker Wayland NSW
Chartered Accountants

Edward Chow
Partner

Carbon Market Institute Limited and its controlled entity
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue			
Revenue from contracts with customers	3	3,245,564	3,481,125
Interest received		34,259	68,440
Total revenue		3,279,823	3,549,565
Expenses			
Employee benefits expense	4	(2,105,544)	(2,327,795)
Summit and marketing costs		(827,403)	(981,061)
Office expenses		(131,504)	(182,288)
Travel and accommodation		(64,988)	(56,203)
Contractor expenses		(53,709)	(159,760)
Audit and accounting fees		(48,958)	(24,936)
Depreciation and amortisation		(28,768)	(49,815)
Other expenses		(212,975)	(141,507)
Total expenses		(3,473,849)	(3,923,365)
Deficit for the year		(194,026)	(373,800)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(194,026)	(373,800)

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

Carbon Market Institute Limited and its controlled entity
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	5	1,332,283	1,889,433
Trade and other receivables	6	257,336	679,791
Other assets	7	141,724	272,947
Total current assets		1,731,343	2,842,171
Non-current assets			
Plant and equipment		8,176	16,571
Intangible assets		3,763	28,841
Total non-current assets		11,939	45,412
Total assets		1,743,282	2,887,583
Liabilities			
Current liabilities			
Trade and other payables	8	378,021	546,789
Contract liabilities	9	584,898	1,315,457
Employee entitlements	10	69,838	101,867
Total current liabilities		1,032,757	1,964,113
Non-current liabilities			
Employee entitlements	10	42,024	60,943
Total non-current liabilities		42,024	60,943
Total liabilities		1,074,781	2,025,056
Net assets		668,501	862,527
Equity			
Accumulated surplus		668,501	862,527
Total equity		668,501	862,527

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

Carbon Market Institute Limited and its controlled entity
Statement of changes in equity
For the year ended 30 June 2026

	Accumulated surplus $	Total equity $
Balance at 1 July 2024	1,236,327	1,236,327
Deficit for the year	(373,800)	(373,800)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(373,800)	(373,800)
Balance at 30 June 2025	862,527	862,527

Consolidated	Accumulated surplus $	Total equity $
Balance at 1 July 2025	862,527	862,527
Deficit for the year	(194,026)	(194,026)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(194,026)	(194,026)
Balance at 30 June 2026	668,501	668,501

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

Carbon Market Institute Limited and its controlled entity
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from operations		3,247,854	3,657,880
Payments to suppliers and employees		(3,852,975)	(3,909,630)
Interest received		48,421	54,278
Interest and other finance costs paid		(450)	-
Net cash used in operating activities		(557,150)	(197,472)
Cash flows from investing activities			
Payments for plant and equipment		-	(13,610)
Payments for intangible assets		-	(4,700)
Net cash used in investing activities		-	(18,310)
Net decrease in cash and cash equivalents		(557,150)	(215,782)
Cash and cash equivalents at the beginning of the financial year		1,889,433	2,105,215
Cash and cash equivalents at the end of the financial year	5	1,332,283	1,889,433

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted and to be adopted
The consolidated entities has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern basis of accounting
For the year ended 30 June 2026, the consolidated entity incurred a loss of $194,026 (2025: loss of $373,800) and net cash outflows from operating activities of $557,150 (2025: $197,472). Cash and cash equivalents decreased from $1,889,433 to $1,332,283 over the year. Notwithstanding these results, the Company had net current assets of $698,586 at 30 June 2026 (2025: $878,058) and net assets of $668,501 (2025: $862,527). The Directors are satisfied that the financial report can be prepared using the going concern basis of accounting.

Basis of preparation
These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012, as appropriate for not-for-profit oriented entities.

During the financial year, Carbon Market Institute Limited (“CMI”) established Australian Carbon Industry Code of Conduct Administrator Limited (“Code”), a company limited by guarantee. Code was established as a not-for-profit entity for the purpose of administering, monitoring and reviewing compliance with the Australian Carbon Industry Code of Conduct.

CMI is the sole member of Code. Under Code’s constitution, CMI has substantive rights including the ability to appoint, remove and replace Code’s directors, including all directors at the same time, appoint the Chairperson and Deputy Chairperson, and amend Code’s constitution.

Based on these rights, CMI has determined that it controls Code in accordance with AASB 10 *Consolidated Financial Statements*. Accordingly, Code has been consolidated into the Group’s financial statements from the date control was obtained. AASB 10 requires consolidation to commence from the date control is obtained and requires the assets, liabilities, income, expenses and cash flows of the subsidiary to be combined with those of the parent, with intragroup balances and transactions eliminated on consolidation.

As Code was established by CMI during the year, rather than acquired from an external party, its establishment did not result in the recognition of goodwill in the consolidated financial statements. All transactions and balances between CMI and Code have been eliminated on consolidation.

The year ended 30 June 2026 presents the consolidated position and results of both CMI and that of Code while the comparative balances (30 June 2025) show the stand-alone financial performance and position of CMI.

The financial statements have been prepared on an accrual basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Note 1. Significant accounting policies (continued)

Parent entity information
These financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 16.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of the consolidated entity as at 30 June 2026 and the results of consolidated entity for the year then ended. Carbon Market Institute Limited and its controlled entity together are referred to in these financial statements as the 'consolidated entity'.

The controlled entity is an entity over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The subsidiary is fully consolidated from the date on which control is transferred to the Company. It is de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between the Company and its subsidiary are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. The accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Company.

Where the Company loses control over a subsidiary, it derecognises the assets, including goodwill, liabilities and non-controlling interest in the subsidiary, together with any cumulative translation differences recognised in equity. The Company recognises the fair value of the consideration received and the fair value of any investment retained, together with any gain or loss in profit or loss.

Revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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

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

Rendering of services
The revenue recognition policies for the principal revenue streams of the consolidated entity are:

Membership subscriptions
Income from membership subscriptions is recognised over time on a straight line basis. This is because the performance obligations implicit in the contract with members are predominately rights or access to content during the membership period.

Event sponsorship income
Event sponsorship income is recognised at a point in time once the events have been held or the obligation to provide promotional and branding at the event has been met. Performance obligations can vary depending on the sponsorship package acquired by the sponsor, however generally these will be met upon completion of the event.

Note 1. Significant accounting policies (continued)

Any modification to the terms of a contract are agreed upon between both parties in writing. Contract modifications can include the nature of an event changing or the type of promotional and branding methods used.

Event income
Event income is recognised at a point in time once the event has been delivered to the patrons.

Whilst there can be numerous offerings at an event, the delivery of the event itself is deemed to be the single performance obligation that needs to be achieved prior to event ticket sales to be recognised as income.

Government contracts
Revenue is recognised for the provision of services provided under government contract when the performance obligations have been achieved. Where performance obligations are consistent with payment milestones, income is recognised upon completion of the milestones as it is at this point that the government department confirms that either the services performed to date are adequate against the performance targets or the goods provided are consistent with what was agreed upon in the contract.

Where performance obligations are not consistent with payment milestones, a transaction price is allocated to the performance obligations and income is recognised as they are achieved.

Code of conduct contracts
Until 21 July 2025, the Company operated as the Code Administrator, which administered the Code, oversaw industry adherence with the Code of Conduct, and operated the Code's regular functions including complaints handling, annual reporting, compliance and verification. Signatory value came from use of the brand mark throughout the financial year. Revenue for Code of Conduct contracts was recognised on a straight-line basis over time. From 21 July 2025, administration of the Code was transferred to the Code Administrator (refer to note 15).

Interest revenue
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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 consolidated entity'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 consolidated entity'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 right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Note 1. Significant accounting policies (continued)

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Financial instruments

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the consolidated entity classifies its financial assets into the following categories, those measured at:

- amortised cost; and
- fair value.

Financial assets are not reclassified subsequent to their initial recognition unless the consolidated entity changes its business model for managing financial assets.

As at 30 June 2026, there were no financial assets recognised at fair value.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The consolidated entity's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the consolidated entity considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the consolidated entity's historical experience and informed credit assessment and including forward looking information.

The consolidated entity uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The consolidated entity uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the consolidated entity in full, without recourse to the consolidated entity to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Note 1. Significant accounting policies (continued)

Credit losses are measured as the present value of the difference between the cash flows due to the consolidated entity in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables
Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The consolidated entity has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account, with the loss recognised in profit or loss within other expenses. Any subsequent reversal of an impairment loss is also recognised in profit or loss. Once the receivable is determined to be uncollectable, the gross carrying amount is written off against the associated allowance.

Where the consolidated entity renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities
The consolidated entity measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the consolidated entity comprise trade payables, accrued expenses, and credit card.

Leases
The consolidated entity has applied the short-term exemption under AASB 16 and therefore does not recognise a right-of-use asset and lease liability for the lease of its building, as the remaining contractual lease term is for a period of less than 12 months.

Lease payments are therefore expensed on a straight-line basis over the lease term.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date 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 reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 1. Significant accounting policies (continued)

Business combinations

Business combinations involving entities or businesses under common control are accounted for using the predecessor accounting method.

Under the predecessor accounting method, the assets and liabilities of the combining entities are recognised at their existing carrying amounts as reflected in the financial statements of the controlling party immediately prior to the combination. No fair value adjustments are recognised as a consequence of the combination and no goodwill is recognised.

The results, assets and liabilities of the acquired entities are included in the consolidated financial statements from the date on which control is obtained. Intragroup balances, transactions and unrealised gains or losses arising between entities within the consolidated entity are eliminated on consolidation.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Future Accounting Standards

AASB 18 'Presentation and Disclosure in Financial Statements'
AASB 18 replaces AASB 101 *Presentation of Financial Statements*. For not-for-profit private sector entities it applies to annual reporting periods beginning on or after 1 January 2028, with early application permitted. It has not been early adopted. The Company will therefore first apply it for the year ending 30 June 2029, and comparative information will need to be restated.

The standard requires income and expenses in the statement of profit or loss to be classified into operating, investing, financing, income taxes and discontinued operations categories. It also introduces two mandatory subtotals ("operating profit" and "profit before financing and income taxes"), requires disclosure of management-defined performance measures, and provides enhanced guidance on aggregating and disaggregating information in the primary financial statements and the notes. It also makes limited amendments to AASB 107 *Statement of Cash Flows*.

The Company prepares its financial statements applying AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*. The AASB has indicated that disclosure requirements for Tier 2 entities will be determined through a separate process, with amendments to AASB 1060 to follow. The Company has not yet completed its assessment of the impact of AASB 18, but expects it will change the layout of the statement of profit or loss.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Identification of performance obligations
To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

Revenue recognition
When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition.

Government contracts
The consolidated entity has a range of funding agreements with the Commonwealth and State Government which require the consolidated entity to deliver services to members of the community. Revenue from government grants is recognised over time as outputs/targets are satisfied, being the time at which promised goods and services are transferred to customers.

Where the consolidated entity has not fulfilled a sufficiently specific output/target under a contract with a customer, the consolidated entity recognises a liability in the Statement of Financial Position to reflect its obligation to transfer promised goods and services at balance date. The obligation is recognised as revenue as and when promised goods and services are transferred, or on the date a contract modification is entered into with the funding body, waiving the consolidated entity's obligation to transfer promised goods and services to customers. Where the parties to a contract have not approved a contract modification at balance date, the consolidated entity continues to apply AASB 15 to the existing contract until the contract modification is approved.

Employee benefits provision
Provision is made for the consolidated entity's liability for employee benefits arising from services rendered by employees to the end of the reporting year. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on corporate bonds within terms to maturity that match the expected timing of cashflows.

Contributions are made by the consolidated entity to an employee superannuation fund are charged as expenses when incurred.

Note 3. Revenue from contracts with customers

	2026 $	2025 $
Member subscriptions	1,264,931	1,477,410
Events (emission reduction summit and carbon farming forum)	1,461,679	1,450,135
Other government contracts	276,961	317,364
Code of conduct	241,993	236,216
	3,245,564	3,481,125

Note 3. Revenue from contracts with customers (continued)

Disaggregation revenue
The disaggregation of revenue from contracts with customers is as follows:

	2026 $	2025 $
Timing of revenue recognition		
At a point in time	746,570	765,845
Over time	2,498,994	2,715,280
	3,245,564	3,481,125

Note 4. Employee benefits expense

	2026 $	2025 $
Salaries and wages	1,844,812	1,927,651
Superannuation	217,770	234,268
Other employee benefits expenses	42,962	165,876
	2,105,544	2,327,795

Note 5. Cash and cash equivalents

	2026 $	2025 $
Current assets		
Cash at bank and on hand	638,590	699,052
Term deposits (i)	693,693	1,190,381
	1,332,283	1,889,433

(i) The Company has a term deposit as at 30 June 2026 of $693,693, which bears an effective interest rate of 4.65% and will mature on 16 August 2026.

Note 6. Trade and other receivables

	2026 $	2025 $
Current assets		
Trade receivables	245,087	657,632
Security deposits	12,249	7,997
Accrued interest	-	14,162
	257,336	679,791

Note 7. Other assets

	2026 $	2025 $
Current assets		
Prepayments	48,844	38,967
Prepaid event costs	91,832	231,999
Others	1,048	1,981
	141,724	272,947

Note 8. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	16,500	130,988
GST and PAYG owing to the ATO	96,560	195,699
Accrued expenses	149,583	130,286
Superannuation payable	6,967	9,849
Accrued bonuses	101,850	72,350
Credit card	6,561	7,617
	378,021	546,789

Note 9. Contract liabilities

	2026 $	2025 $
Current liabilities		
Membership income	409,965	524,429
Events	141,831	490,028
Code of conduct income	33,102	266,882
Client deposits	-	34,118
	584,898	1,315,457

Note 10. Employee entitlements

	2026 $	2025 $
Current liabilities		
Annual leave	69,838	101,867
Non-current liabilities		
Long service leave	42,024	60,943

Note 11. Financial instruments

Financial instruments used

The principal categories of financial instrument used by the consolidated entity are:
- Cash and cash equivalents
- Trade and other receivables
- Trade and other payables
- Credit card

	Note	2026 $	2025 $
Financial assets at amortised cost:			
Cash and cash equivalents	5	1,332,283	1,889,433
Trade and other receivables	6	245,087	657,632
Total financial assets		1,577,370	2,547,065
Financial liabilities at amortised cost:			
Trade and other payables	8	166,083	261,274
Credit card	8	6,561	7,617
Total financial liabilities		172,644	268,891

Note 12. Key management personnel disclosures

Compensation
The aggregate compensation made to the key management personnel of the consolidated entity is set out below:

	2026 $	2025 $
Aggregate compensation	1,066,277	1,339,370

Note 13. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Walker Wayland NSW, the auditor of the consolidated entity:

	2026 $	2025 $
Audit services - Walker Wayland NSW		
Audit of the financial statements of CMI and Code (2026 only)	20,200	16,500
Other services		
Financial statements preparation of CMI and Code (2026 only)	3,800	1,500

Note 14. Contingencies

In the opinion of the directors, the Parent or its subsidiary did not have any contingencies as at 30 June 2026 (30 June 2025: nil).

Note 15. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 12.

Controlled entity
The Company controls Australian Carbon Industry Code of Conduct Administrator Limited, a company limited by guarantee incorporated in Australia on 21 July 2025. The Code Administrator administers the Australian Carbon Industry Code of Conduct, a function previously performed by the Company.

Transactions with related parties
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise state.

The following transactions occurred with related parties:

	2026 $	2025 $
Sales to director related parties:		
Membership and sponsorship income	94,866	280,627
Payment for other expenses:		
Payment made to a director related entity for professional services received	1,048	-

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 16. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2026 $
Loss for the year	(194,026)
Total comprehensive loss for the year	(194,026)

Statement of financial position

Note 16. Parent entity information (continued)

	Parent 2026 $
Total current assets	1,698,036
Total non-current assets	11,939
Total assets	1,709,975
Total current liabilities	999,450
Total non-current liabilities	42,024
Total liabilities	1,041,474
Net assets	668,501
Equity	
Accumulated surplus	668,501
Total equity	668,501

Note 17. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Carbon Market Institute Limited and its controlled entity
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013.*

On behalf of the directors

Kerry Schott
Chairperson

22 October 2026

walker wayland

Walker Wayland NSW
Chartered Accountants

ABN 55 931 152 366

Level 11, Suite 11.01
60 Castlereagh Street
SYDNEY NSW 2000

GPO Box 4836
SYDNEY NSW 2001

Telephone: +61 2 9951 5400
Facsimile: +61 2 9951 5454
mail@wwnsw.com.au

Website: www.wwnsw.com.au

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF CARBON MARKET INSTITUTE LIMITED AND ITS CONTROLLED ENTITY

Opinion

We have audited the accompanying financial report of Carbon Market Institute Limited and its controlled entity, which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Carbon Market Institute Limited and its controlled entity is in accordance with the Division 60-40 of the Australian Charities and Not-For-Profits Commission Act 2012 (the ACNC Act), including:

- giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the period then ended; and
- complying with Australian Accounting Standards – AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-For-Profit Tier 2 Entities and Division 60-40 of Australian Charities and Not-For-Profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) (including Independence Standards) 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 confirm that the independence declaration required by the ACNC Act 2012, which has been given to the directors of the Company, would be on the same terms if given to the directors as at the time of this auditor's report.

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 comprises the information included in the consolidated entity's directors' report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and 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 are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-For-Profit Tier 2 Entities and the ACNC Act. The directors' responsibilities also include such internal control as the directors determine is necessary to enable the preparation of a 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 consolidated entity'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 consolidated entity 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.

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



Walker Wayland NSW
Chartered Accountants



Edward Chow
Partner

Dated this 22 October 2026,
Sydney