

Royal Society for the Prevention of Cruelty to Animals (Queensland) Limited

ABN 74 851 544 037

General Purpose Financial Report

For the year ended 30 June 2025

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue	4	62,278,029	62,253,782
Other income	5	1,406,069	1,196,317
Inspectorate expense		(4,039,156)	(4,679,575)
Animal training and behaviour expense		(628,023)	(830,740)
Administration expense		(9,673,403)	(9,433,092)
Marketing and public relations expense		(9,154,366)	(8,639,271)
Education expense		(1,442,667)	(1,454,214)
Animal shelter expense		(25,321,004)	(25,042,476)
Lottery expenses		(2,368,651)	-
Retail operations expense		(10,477,693)	(9,875,223)
Other expenses		(931,516)	(33,798)
(LOSS)/PROFIT FROM OPERATIONS		(352,381)	3,761,710
Finance cost		(324,212)	(248,015)
(LOSS)/PROFIT BEFORE INCOME TAX		(676,593)	3,513,695
Income tax		-	-
(LOSS)/PROFIT FOR THE YEAR		(676,593)	3,513,695
OTHER COMPREHENSIVE INCOME			
Change in fair value of financial assets		1,393,661	302,663
TOTAL OTHER COMPREHENSIVE INCOME		1,393,661	302,663
TOTAL COMPREHENSIVE INCOME		717,068	3,816,358

Statement of Financial Position

As at 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	3,486,830	8,553,136
Trade and other receivables	9	3,614,630	2,533,260
Inventories	10	663,551	622,768
Other assets	11	805,794	1,376,655
Other financial assets	13	2,006,553	-
Assets held for sale	12	-	1,400,000
TOTAL CURRENT ASSETS		10,577,358	14,485,819
NON-CURRENT ASSETS			
Other financial assets	13	10,460,121	7,513,236
Property, plant and equipment	14	43,825,896	45,195,128
Right-of-use assets	15	8,234,337	8,382,819
Intangible assets	16	698,027	970,242
Other assets	11	152,268	121,138
TOTAL NON-CURRENT ASSETS		63,370,649	62,182,563
TOTAL ASSETS		73,948,007	76,668,382
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	17	3,429,292	2,938,371
Loans and borrowings	18	2,764,740	2,045,183
Employee benefits	19	3,793,643	8,137,919
Deferred revenue		4,787,188	4,861,282
Provisions		131,350	-
TOTAL CURRENT LIABILITIES		14,906,213	17,982,755
NON-CURRENT LIABILITIES			
Loans and borrowings	18	3,642,844	4,123,745
Employee benefits	19	393,833	557,237
Provisions		283,404	-
TOTAL NON-CURRENT LIABILITIES		4,320,081	4,680,982
TOTAL LIABILITIES		19,226,294	22,663,737
NET ASSETS		54,721,713	54,004,645
EQUITY			
Reserves	20	8,679,664	7,931,524
Retained earnings		46,042,049	46,073,121
TOTAL EQUITY		54,721,713	54,004,645

Statement of Changes in Equity

For the year ended 30 June 2025

	Reserves \$	Retained earnings \$	Total equity \$
BALANCE AT 1 JULY 2023	8,274,382	41,913,905	50,188,287
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	3,513,695	3,513,695
Change in fair value of financial assets	302,663	-	302,663
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	302,663	3,513,695	3,816,358
TRANSFERS RECORDED DIRECTLY IN EQUITY			
Transfer to retained earnings	(645,521)	645,521	-
TOTAL TRANSFERS RECORDED DIRECTLY IN EQUITY	(645,521)	645,521	-
TOTAL AT 30 JUNE 2024	7,931,524	46,073,121	54,004,645
BALANCE AT 1 JULY 2024	7,931,524	46,073,121	54,004,645
COMPREHENSIVE INCOME FOR THE YEAR			
Loss for the year	-	(676,593)	(676,593)
Change in fair value of financial assets	1,393,661	-	1,393,661
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	1,393,661	(676,593)	717,068
TRANSFERS RECORDED DIRECTLY IN EQUITY			
Transfer to retained earnings	(645,521)	645,521	-
TOTAL TRANSFERS RECORDED DIRECTLY IN EQUITY	(645,521)	645,521	-
TOTAL AT 30 JUNE 2025	8,679,664	46,042,049	54,721,713

Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		60,631,881	61,803,325
Cash paid to suppliers and employees		(63,439,091)	(56,158,288)
CASH (USED IN)/ FROM OPERATING ACTIVITIES		(2,807,210)	5,645,037
Interest received		154,526	126,810
Interest paid		(65,212)	(2,461)
Dividend income		456,884	84,679
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		(2,261,012)	5,854,065
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		119,928	119,063
Acquisition of property, plant and equipment		(2,244,900)	(3,534,305)
Acquisition of intangibles		(172,388)	(829,007)
Proceeds from sale of assets held for sale		1,344,645	1,713,332
Proceeds from investments		132,683	56,185
NET CASH USED IN INVESTING ACTIVITIES		(820,032)	(2,474,732)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		550,000	-
Payment of finance lease liabilities		(2,535,262)	(2,091,405)
NET CASH USED IN FINANCING ACTIVITIES		(1,985,262)	(2,091,405)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(5,066,306)	1,287,928
Cash and cash equivalents at beginning of year		8,553,136	7,265,208
CASH AND CASH EQUIVALENTS AT END OF YEAR	8	3,486,830	8,553,136

Notes to the Financial Statements

For the year ended 30 June 2025

Note 1 Reporting entity

Royal Society for the Prevention of Cruelty to Animals (Queensland) Limited (the 'Company') is a Company limited by guarantee, incorporated and domiciled in Australia. The Company's registered office is at 139 Wacol Station Rd, Wacol, QLD, 4076.

The Company is a not-for-profit entity and is primarily involved in the welfare of animals.

Note 2 Basis of preparation

a) *Statement of compliance*

These financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the *Australian Charities and Not-for-profit Commission Act 2012*. They have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012* ("ACNC").

These financial statements were authorised for issue by the Director as of the date of the Director's Declaration.

b) *Basis of measurement*

The financial statements have been prepared on the basis of historical cost, except for financial instruments that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

c) *Going concern*

These financial statements have been prepared on the basis that the Company is a going concern, which contemplates the continuity of normal activities and realisation of assets and settlement of liabilities in the normal course of business.

During the year ended 30 June 2025, the Company incurred a net loss before tax of \$676,593 (2024: Profit \$3,513,695) and net operating cash outflows of \$2,261,012 (2024: Inflows \$5,854,065). As at 30 June 2025, the Company had net current liabilities of \$4,328,855 (2024: \$3,496,936) including cash and cash equivalents of \$3,486,830 (2024: \$8,553,136). The Company has net assets of \$54,721,713 (2024: \$54,004,645).

As at 30 June 2025 \$10,460,121 (2024: \$7,513,236) of Other financial assets have been classified as non-current assets, primarily comprising highly liquid shares and managed funds. These investments are readily convertible to cash and can be accessed at short notice to meet liquidity requirements. In addition, as at 30 June 2025, the Company has an undrawn credit facility with Westpac of \$4,450,000 (2024: \$5,000,000), maturing in April 2026. Subsequent to year end this facility has been extended to April 2029.

The availability of liquid investments and the long-term financing arrangements support the ability of the Company to continue as a going concern.

d) *Functional and presentation currency*

These financial statements are presented in Australian dollars, which is the Company's functional currency.

Notes to the Financial Statements

For the year ended 30 June 2025

e) Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

i. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Leases term: whether the Company is reasonably certain to exercise extension options.

ii. Assumptions and estimation uncertainties

Impairment

- The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead an to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.
- No triggers of impairment were noted in the current or prior year.

Prosecution claims receivable: provision for impairment

- Historically prosecution claims receivable have been extremely difficult to recover in a timely and efficient manner. An expected credit loss for prosecution claims receivable has been recognised based on the review of prosecution debtors: balances aged more than 365 days and paid 10% or less during the period were impaired. The board of directors consider this an appropriate estimate of the expected credit loss over the life of the prosecution claims.

Fair value of bequeathed investment property

- At the date that the investment property is bequeathed, the fair value of the property is based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably.

Remediation provision

- The remediation provision included in employee benefits liabilities is subject to significant assumptions and estimation uncertainty, most notably in regards to the interpretation and application of the Fair Work Act and final approval of by the Fair Work Ombudsman.

Note 3 Material accounting policies

SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Grant revenue

AASB 1058 *Income of Not-for-Profit Entities* requires that in cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction should be accounted for under AASB 15 Revenue from Contracts with Customers where income is recognised when (or as) the performance obligations are satisfied, as opposed to immediate income recognition under AASB 1058.

Notes to the Financial Statements

For the year ended 30 June 2025

The Company has conducted an analysis of the government grant contracts and analysed the terms of each contract to determine whether the arrangement meets the enforceability and the sufficiently specific criteria under AASB 15. For those grant contracts that are not enforceable, or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058.

When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Grant revenue received for the construction of non-financial assets is recognised over time as construction costs are incurred and capitalised.

b) Donations and bequests

Donations and bequests are recognised as revenue when they are received.

c) Merchandise sales

For sales of goods to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

d) Gifted assets or assets acquired at nominal value

These are recognised in profit or loss at their fair value at the date the Company obtains control over the asset.

e) Adoption fee, boarding fee and surrender fee income

Revenue relating to these services are processed through the point of sale at the shelters upon adoption, boarding or surrender.

For adoption fees, the revenue is processed as control of the animal transfers to the customer.

For boarding fees, the revenue is processed at the point-of-sale which is when the animal is handed by the customer to the Company.

f) Revenue from the sale of tickets

Revenue from the sale of tickets is recognised as revenue once the raffle has been drawn. Monies received for raffle tickets that have not been drawn at reporting date are deferred and recorded as unearned revenue.

PROPERTY PLANT AND EQUIPMENT

a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

b) Freehold land and buildings

Freehold land and buildings are initially recorded at cost. Where freehold land and buildings were acquired at no cost or for a nominal amount, cost is deemed to be the fair value as at the acquisition date. Property is subsequently measured on a cost basis.

c) Plant and equipment

Plant and equipment is measured at cost. Where plant and equipment was acquired at no cost or for a nominal amount, cost is deemed to be the fair value as at the acquisition date. Plant and equipment is subsequently measured on a cost basis.

Notes to the Financial Statements

For the year ended 30 June 2025

d) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

e) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write-off the cost of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Land is not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

	2025	2024
Buildings	2.5%-5%	2.5%
Plant and equipment	25% - 33.5%	25% - 33.3%
Motor vehicles	22.5%	22.5%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

At each period end date, the leases in relation to buildings on leasehold land are reviewed to determine that, in the foreseeable future, there is no reason why they would not be renewed for a period covering at least the current useful life of the building. Where it is determined that the lease would not continue to be renewed for a period covering the useful life of the building, the balance would be written off over the likely period that the lease would continue to be renewed.

LEASES

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Notes to the Financial Statements

For the year ended 30 June 2025

The Company presents lease liabilities in 'loans and borrowings' in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and provision for made good costs, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the costs of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position. The Company applies *AASB 136 Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in profit or loss.

For a contract that contains a lease component and one or more additional non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

b) Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

FINANCIAL INSTRUMENTS

a) Recognition and initial measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Notes to the Financial Statements

For the year ended 30 June 2025

b) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at amortised cost or fair value through other comprehensive income.

i. Classification of financial assets

Listed shares that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at amortised cost. Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch in the Company's financial assets.

The Company has elected to recognize traded shares as financial assets held at fair value through other comprehensive income.

ii. Amortised cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

iii. Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Notes to the Financial Statements

For the year ended 30 June 2025

During 2025, no impairment of trade and other receivables has been recorded (2024: \$nil).

iv. Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

v. Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another group. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

c) Financial liabilities

Financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. All financial liabilities are measured subsequently at amortised cost using the effective interest method.

d) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost.

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of leases, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset, in which case the costs are capitalised until the asset is ready for its intended use or sale.

e) Derecognition

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Notes to the Financial Statements

For the year ended 30 June 2025

f) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

EMPLOYEE BENEFITS

a) Short-term employee benefits

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

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments.

b) Long-term employee benefits obligations

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

PROVISIONS

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

INCOME TAX

The Company is exempt from income tax under *Division 50 of the Income Tax Assessment Act 1997*.

GOODS AND SERVICES TAX (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

There is no impact on the Company's total operating, investing or financing cashflows for the year ended 30 June 2025.

FINANCE COSTS

The Company's finance costs include:

- interest expense;

Interest expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

Notes to the Financial Statements

For the year ended 30 June 2025

In calculating interest expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition.

IMPAIRMENT

a) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Company considers evidence of impairment for financial assets measured at amortised cost (loans and receivables and held-to-maturity financial assets) at both a specific asset and collective level. All individually significant receivables and held-to-maturity investment securities are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to maturity investment securities. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

b) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements

For the year ended 30 June 2025

INVENTORIES

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

The cost of inventories is based on the average cost principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

INTANGIBLE ASSETS

a) Software

Software assets comprise of acquired software, and until the date of disposal of subsidiary on 18 March 2021. comprised capitalised development expenditure relating to the Shelter Buddy TM software from which the sales and maintenance revenues are derived by the previous subsidiary Company.

Costs capitalised include external direct costs and services relating to implementation of acquired software, including configuration and customisation costs.

b) Capitalised development expenditure

Software is initially recorded at the fair value of costs incurred during the development phase. The software is considered to have a finite life and is carried at cost less any accumulated amortisation and impairment losses. All costs associated with the research phase and the ongoing maintenance of the software are expensed to the profit or loss in the period incurred.

c) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

d) Amortisation

Software is amortised on a straight-line basis over its estimated useful life of 3 years and is included within other expenses in the profit or loss.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

ASSETS HELD FOR SALE

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets or deferred tax assets, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

COMPARATIVE AMOUNTS

When required, comparative figures have been adjusted to confirm to changes in presentation in the current year.

Notes to the Financial Statements

For the year ended 30 June 2025

	2025	2024
	\$	\$
Note 4 Revenue		
Adoption, boarding and surrender fees	6,702,120	6,448,138
Inspectorate services	723,731	118,329
Merchandise services	10,963,035	10,395,512
Veterinary services	211,353	209,806
Animal training services	162,393	229,074
Fundraising income	6,732,473	4,954,347
Bequest and donation income	30,239,976	35,626,020
Subsidies and grants	5,840,662	3,639,264
Other revenue	702,286	633,292
TOTAL REVENUE	62,278,029	62,253,782

The Company has received grant funds for the construction of non-financial assets, of which \$1,146,388 (2024: \$Nil) has been recognised as revenue during the year. Of the funds received \$3,055,094 (2024: \$2,201,482) has been included in deferred revenue at year end.

	2025	2024
	\$	\$
Note 5 Other income		
Gain on sale of investment property and property, plant and equipment	-	90,522
Dividend income	456,884	84,679
Interest income	154,526	126,810
Other income	794,659	1,194,306
TOTAL OTHER INCOME	1,406,069	1,496,317

	2025	2024
	\$	\$
Note 6 Operating profit		

The Company has the following expenses included in Results from operating activities:

Depreciation and amortisation expense	5,405,815	4,787,921
Loss on disposal of asset held for sale (included in other expenses)	55,355	-
Loss on disposal of property, plant and equipment (included in other expenses)	876,147	-
Loss on write off of inventories	-	33,500

	2025	2024
	\$	\$
Note 7 Employee benefit expenses		
Salaries and wages	31,230,750	31,721,516
Contributions to defined contribution plans	3,427,499	3,187,874
Other employment expenses	1,128,474	349,862
	35,786,723	35,259,252

Notes to the Financial Statements

For the year ended 30 June 2025

Note 8 Cash and cash equivalents

For the purpose of cash and cash equivalents in the statement of financial position and in the statement of cash flows comprises of below:

	2025	2024
	\$	\$
Bank balances	3,478,980	8,543,286
Petty cash	7,850	9,850
TOTAL CASH AND CASH EQUIVALENTS	3,486,830	8,553,136

Note 9 Trade and other receivables

	2025	2024
	\$	\$
Trade receivables	3,165,023	1,937,644
Prosecution claims receivables	1,484,790	1,671,018
Loss allowance	(1,171,650)	(1,171,650)
Other receivables	136,467	96,248
TOTAL TRADE AND OTHER RECEIVABLES	3,614,630	2,533,260

Note 10 Inventories

	2025	2024
	\$	\$
Finished goods	663,551	622,768
TOTAL INVENTORIES	663,551	622,768

Note 11 Other assets

	2025	2024
	\$	\$
CURRENT		
Prepayments	387,180	968,470
Term deposits	418,614	408,185
TOTAL CURRENT	805,794	1,376,655
NON-CURRENT		
Security deposits	152,268	121,138
TOTAL NON-CURRENT	152,268	121,138

Notes to the Financial Statements

For the year ended 30 June 2025

	2025	2024
	\$	\$
Note 12 Assets held for sale		
Buildings	-	1,400,000
TOTAL ASSETS HELD FOR SALE	-	1,400,000

Assets held for sale at 30 June 2024 included one property that the Company subsequently disposed.

	2025	2024
	\$	\$
Note 13 Other financial assets		
CURRENT		
Investment in cash funds	2,006,553	-
TOTAL CURRENT	2,006,553	-
NON-CURRENT		
Shares in listed corporations	5,969,421	7,513,236
Investments in managed funds	4,490,700	-
TOTAL NON-CURRENT	10,460,121	7,513,236

The Company measures the fair value of the financial assets using the quoted price in an active market for that instrument.

Notes to the Financial Statements

For the year ended 30 June 2025

	Freehold land	Buildings	Plant and equipment	Motor vehicles	Work in progress	Total
	\$	\$	\$	\$	\$	\$
Note 14 Property, plant and equipment						
BALANCE AT 1 JULY 2024						
Gross carrying amount	3,380,057	52,152,446	14,010,899	2,060,010	101,427	71,704,839
Accumulated depreciation	-	(13,623,746)	(11,154,560)	(1,731,405)	-	(26,509,711)
NET CARRYING AMOUNT AT 1 JULY 2024	3,380,057	38,528,700	2,856,339	328,605	101,427	45,195,128
Additions	-	-	370,147	107,240	1,767,513	2,244,900
Disposals	-	(975,381)	(3,787)	(16,907)	-	(996,075)
Transfers	-	22,759	-	-	(22,759)	-
Depreciation	-	(1,289,000)	(1,146,475)	(182,582)	-	(2,618,057)
NET CARRYING AMOUNT AT 30 JUNE 2025	3,380,057	36,287,078	2,076,224	236,356	1,846,181	43,825,896
BALANCE AT 30 JUNE 2025						
Gross carrying amount	3,380,057	50,272,457	13,841,316	1,574,461	1,846,181	70,914,472
Accumulated depreciation	-	(13,985,379)	(11,765,092)	(1,338,105)	-	(27,088,576)
NET CARRYING AMOUNT AT 30 JUNE 2025	3,380,057	36,287,078	2,076,224	236,356	1,846,181	43,825,896

Notes to the Financial Statements

For the year ended 30 June 2025

Note 15 Right-of-use assets

Leases as lessee

a) Right-of-use assets

Right-of-use assets related to leased properties are presented as property, plant and equipment.

Information about leases for which the Company is a lessee is presented below.

	2025	2024	
	\$	\$	
LAND AND BUILDINGS			
Right-of-use land and buildings	14,787,888	12,724,493	
Accumulated depreciation	(6,919,723)	(4,853,314)	
	7,868,165	7,871,179	
MOTOR VEHICLES			
Right-of-use motor vehicles and other vehicles	798,261	766,907	
Accumulated depreciation	(432,089)	(255,267)	
	366,172	511,640	
	Motor vehicles and other vehicles	Land and buildings	Total
	\$	\$	\$
BALANCE AT 1 JULY 2024	511,640	7,871,179	8,382,819
Additions to right-of-use assets	-	1,171,826	1,171,826
Depreciation charge for the year	(267,316)	(2,075,839)	(2,343,155)
Lease modifications	121,848	900,999	1,022,847
BALANCE AT 30 JUNE 2025	366,172	7,868,165	8,234,337

The Company's registered place of business, and place of significant activity being 139 Station Road, Wacol, is facilitated through a lease provided by the State of Queensland at terms significantly below that of market rates.

The Company is required to pay \$1 per year in lease payments, with a lease term of 100 years commencing from 1 October 2008, with an expiry of 30 September 2107.

The lease provides the Company with the right-of-use of the premises for the shelter and welfare of animals, on a not-for-profit basis, and any associated use with or incidental to the shelter and welfare of animals.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 16 Intangible assets

a) Reconciliation of carrying amount

	Software \$
Balance at 1 July 2024	2,904,195
Accumulated amortisation	(1,933,953)
NET CARRY AMOUNT AT 1 JULY 2024	970,242
Acquisitions	172,388
Amortisation charge for the year	(444,603)
NET CARRY AMOUNT AT 30 JUNE 2025	698,027
BALANCE AT 30 JUNE 2025	
Gross carrying amount	3,076,583
Accumulated amortisation	(2,378,556)
NET CARRY AMOUNT AT 30 JUNE 2025	698,027

	2025 \$	2024 \$
Note 17 Trade and other payables		
Trade payables	711,040	704,134
Sundry payables and accrued expenses	2,718,252	2,234,237
TOTAL TRADE AND OTHER PAYABLES	3,429,292	2,938,371

	2025 \$	2024 \$
Note 18 Loans and borrowings		
CURRENT		
Business loan	550,000	-
Lease liabilities	2,214,740	2,045,183
TOTAL CURRENT	2,764,740	2,045,183
NON-CURRENT		
Lease liabilities	3,642,844	4,123,745
TOTAL NON-CURRENT	3,642,844	4,123,745

a) Terms and repayment schedule

The bank loans are secured by way of:

- i) General Security agreement over all existing and future assets and undertakings; and
- ii) First registered mortgages over the leasehold property located at Station Road Wacol and freehold property at Laureceson Road Gympie and Airport Drive Wellcamp.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 18 Loans and borrowings (continued)

The terms and conditions of outstanding loans and borrowings are as follows:

	Company					Nominal interest rate	Carrying amount 2025	Carrying amount 2024
	2025		2024					
	Facility	Unused	Facility	Unused	Maturity date			
Business loan	5,000,000	4,450,000	5,000,000	5,000,000	11 April 2026	5.91%	550,000	-
							550,000	-

Subsequent to year end this facility has been extended to April 2029.

TOTAL INTEREST-BEARING LIABILITIES

The Company leases land and buildings and motor vehicles. The leases typically run for a period of 2-5 years, with an option to renew the lease after that date.

Information about leases for which the Company is a lessee is presented below.

	2025	2024
	\$	\$
i) Amounts recognised in profit or loss		
Interest on lease liabilities	259,000	245,554
Expenses relating to short-term and low-value leases	252,635	215,690
	2025	2024
	\$	\$
ii) Amounts recognised in statement of cash flows		
Total cash outflow for leases	(2,535,262)	(2,091,405)
	2025	2024
	\$	\$
iii) Maturity analysis - contractual undiscounted cash flows		
Less than one year	2,398,453	2,083,359
One to five years	3,792,738	4,508,223
TOTAL UNDISCOUNTED LEASE LIABILITIES AT 30 JUNE	6,191,191	6,591,582

	2025	2024
	\$	\$
Note 19 Employee benefits		
CURRENT		
Employee benefits	3,793,643	8,137,919
TOTAL CURRENT	3,793,643	8,137,919
NON-CURRENT		
Employee benefits	393,833	557,237
TOTAL NON-CURRENT	393,833	557,237

Included in the employee benefits is \$569,808 (2024: \$5,517,112) relating to remediation provisions as result of wage review.

Notes to the Financial Statements

For the year ended 30 June 2025

	2025	2024
	\$	\$
Note 20 Reserves		
Financial asset reserve	2,175,728	782,067
Other reserves	6,503,936	7,149,457
TOTAL RESERVES	8,679,664	7,931,524

Financial asset reserve

The financial asset reserve is used to record movements in fair values of listed investments and managed funds.

Other reserves

The transfers to retained earnings from the Wacol government grant reserve of \$645,521 (2024: \$645,521) represents the depreciation charge.

Note 21 Financial instruments

a) Accounting classifications

The following table shows the carrying amounts of financial assets and financial liabilities.

	Note	2025	2024
		\$	\$
FINANCIAL ASSETS MEASURED AT AMORTISED COST			
Cash and cash equivalents	8	3,486,830	8,553,136
Trade and other receivables*	9	3,478,165	2,437,012
Security deposit	11	152,268	121,138
Term deposit	11	418,614	408,185
		7,535,877	11,519,471
FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME			
Investment in cash funds	13	2,006,553	-
Shares in listed corporations**	13	5,969,421	7,513,236
Investments in managed funds**	13	4,490,700	-
		12,466,674	7,513,236
FINANCIAL LIABILITIES MEASURED AT AMORTISED COST			
Trade and other payables*	17	3,429,292	2,938,371
Loans and borrowings	18	6,407,584	6,168,928
		9,836,876	9,107,299

* Other receivables that are not financial instruments (GST Receivable) are not included.

** Fair value determined based on quoted market price in an active market.

Note 22 Commitments

The Company is committed to incurring capital expenditure of \$89,995 (2024: \$nil)

Notes to the Financial Statements

For the year ended 30 June 2025

Note 23 Related parties

a) Transactions with key management personnel

i. Key management personnel compensation

Key management personnel compensation comprised short-term employee benefits, post-employment benefits, other long-term benefits and termination benefits.

	2025 \$	2024 \$
Total key management personnel compensation	1,281,564	1,241,206

ii. Loans to key management personnel

During the year ended 30 June 2025, no loans were provided to key management personnel (2024: \$nil).

iii. Key management personnel and director transactions

A number of key management personnel and directors, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

Details of the transaction with these related entities and the Company are disclosed below.

iv. Other related party transactions

	Note	Transaction values for the year ended 30 June		Balance outstanding as at 30 June	
		2025 \$	2024 \$	2025 \$	2024 \$
DNR Capital Pty Ltd Management fees	i	-	12,628	-	-

i) Management fees were paid to DNR Capital Pty Ltd.

	2025 \$	2024 \$
Note 24 Auditors' remuneration		

AUDIT AND REVIEW SERVICES

Auditors of the Company - KPMG

- Audit of the financial statements	64,480	63,600
- Audit of grant and lottery acquittals	19,450	3,000
	83,930	66,600

OTHER SERVICES

Auditors of the Company - KPMG

- Financial statement compilation	6,500	4,000
	6,500	4,000

TOTAL AUDITORS' REMUNERATION	90,430	70,600
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Notes to the Financial Statements

For the year ended 30 June 2025

Note 25 Contingent liabilities

The Company has provided bank guarantees to the total value of \$205,655 (2024: \$205,655) as rental guarantees.

The Company receives a number of government grants subject to various conditions. Until such time as these conditions are met and the grant acquitted, there is a possibility that some or all of the monies may need to be returned to the grantor.

As at 30 June 2025, the Company had received grant monies which are subject to conditions and are yet to be acquitted as required under the relevant agreements of the amount \$4,267,638 (2024: \$3,874,823).

These monies have been recognised as revenue in the period they were received as control is deemed to have passed at that point.

Note 26 Subsequent events

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

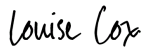
Directors' Declaration

In the opinion of the Directors of Royal Society for the Prevention of Cruelty to Animals (Queensland) Limited (the 'Company'):

- a) The Company is not publicly accountable;
- b) The financial statements and notes that as set out on pages 3 to 26 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - i) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance, for the financial year ended on that date; and
 - ii) complying with Australian Accounting Standards - Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2022*; and
- c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Dated at Brisbane this 22nd day of October 2025.



Louise Cox
Director



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of the Royal Society for the Prevention of Cruelty to Animals (Queensland) Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2025 there have been:

- i. no contraventions of the auditor 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.

KPMG

KPMG

B E Lovell
Partner

Brisbane

22 October 2025



Independent Auditor's Report

To the members of Royal Society for the Prevention of Cruelty to Animals (Queensland) Limited

Opinion

We have audited the **Financial Report**, of Royal Society for the Prevention of Cruelty to Animals (Queensland) Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2025, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with Australian Accounting Standards – Simplified Disclosures Framework and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR).

The **Financial Report** comprises

- i. Statement of financial position as at 30 June 2025.
- ii. Statement of profit or loss and other comprehensive income, Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- iii. Notes, including material accounting policies.
- iv. Directors' declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 auditor independence requirements of the *ACNC Act 2012* and 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 fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR.
- ii. Implementing necessary internal control 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.
- iii. Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.



We also:

- i. 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.
- ii. 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 registered Company's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. 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 registered Company'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 registered Company to cease to continue as a going concern.
- v. 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 of the registered Company 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.

KPMG

KPMG

B E Lovell
Partner

Brisbane

22 October 2025