The Scout Association of Australia - New South Wales Branch

ABN: 42 460 434 054

Financial Statements

For the Year Ended 31 March 2026

The Scout Association of Australia - New South Wales Branch

ABN: 42 460 434 054

Contents

For the Year Ended 31 March 2026

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Auditors' Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Directors of The Scout Association of Australia – New South Wales Branch

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2026, there have been:

(i) no contraventions of the auditor independence requirements as set out in Section 60-40 of the 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.

PKF

KYM REILLY
PARTNER

26 JUNE 2026
SYDNEY, NSW

Statement of Profit and Loss and Other Comprehensive Income

For the Year Ended 31 March 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	4	**10,430,032**	17,262,292
Other income	4	**5,866,930**	6,443,001
Expenses			
Administration expenses		**(9,141,148)**	(8,870,941)
Claims cost	14	**(3,571,947)**	(6,487,771)
Communication and development expense		**(465,333)**	(570,805)
Camps and activity centres expenses		**(3,104,725)**	(3,716,615)
Scouting activities expenses		**(1,587,267)**	(6,780,476)
Leader's training expense		**(259,203)**	(238,582)
Property expenses		**(3,396,625)**	(2,062,478)
Movement in make good provision		**(87,084)**	(2,032,272)
Commercial activities expenses		**(159,910)**	(157,288)
Other expenses	5	**(3,162,760)**	(7,371,419)
Total expenses, excluding finance costs		**(24,936,002)**	(38,288,647)
Finance costs	5	**(319,130)**	(404,305)
Deficit from ordinary activities		**(8,958,170)**	(14,987,659)
Investments			
Income from investments	4	**2,514,189**	2,644,318
Investment expenses		**(59,659)**	(75,652)
Net gain/(loss) on sale of financial assets		**33,562**	4,314,282
Net unrealised profit/(loss) on financial assets		**173,492**	(4,489,762)
Gain from investments		**2,661,584**	2,393,186
Deficit for the year		**(6,296,586)**	(12,594,473)
Other comprehensive (loss)/income			
Net revaluation of properties		**(28,349,656)**	2,114,580
Total other comprehensive (loss)/income		**(28,349,656)**	2,114,580
Total comprehensive (loss)/surplus for the year		**(34,646,242)**	(10,479,893)

The accompanying notes form part of these financial statements.

The Scout Association of Australia - New South Wales Branch

ABN: 42 460 434 054

Statement of Financial Position

As At 31 March 2026

	Note	2026 $	2025 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**12,424,118**	7,673,667
Trade and other receivables		**133,096**	224,414
Inventories		**52,154**	68,335
Financial assets	7	**4,398,600**	4,114,943
Other assets	9	**2,228,955**	2,025,754
Properties held for sale	8	**22,140,597**	17,037,000
TOTAL CURRENT ASSETS		**41,377,520**	31,144,113
NON-CURRENT ASSETS			
Financial assets	7	**33,573,955**	31,384,230
Property, plant and equipment	10	**183,523,850**	231,512,737
Right-of-use assets	11	**2,792,789**	2,567,903
TOTAL NON-CURRENT ASSETS		**219,890,594**	265,464,870
TOTAL ASSETS		**261,268,114**	296,608,983
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	**1,872,215**	1,933,714
Interest bearing liabilities	13	**1,494,207**	1,410,693
Contract liabilities	15	**7,367,069**	9,236,302
Provisions	14	**8,222,645**	8,148,214
Employee benefits		**332,558**	350,515
Lease liabilities	11	**295,090**	222,664
TOTAL CURRENT LIABILITIES		**19,583,784**	21,302,102
NON-CURRENT LIABILITIES			
Employee benefits		**40,927**	66,604
Provisions	14	**26,968,407**	25,895,431
Lease liabilities	11	**2,648,113**	2,671,721
TOTAL NON-CURRENT LIABILITIES		**29,657,447**	28,633,756
TOTAL LIABILITIES		**49,241,231**	49,935,858
NET ASSETS		**212,026,883**	246,673,125
EQUITY			
Accumulated deficit	16	**(15,390,159)**	(14,169,784)
Specific reserves	16	**4,415,776**	4,387,717
Reserves	16	**223,001,266**	256,455,192
TOTAL EQUITY		**212,026,883**	246,673,125

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 March 2026

	Accumulated Deficit $	Specific Reserve $	Asset Revaluation Surplus $	Total $
Balance at 1 April 2025	**(14,169,784)**	**4,387,717**	**256,455,192**	**246,673,125**
Deficit for the year	**(6,296,586)**	**-**	**-**	**(6,296,586)**
Other movements:				
Net revaluation of freehold land and buildings	**-**	**-**	**(27,729,556)**	**(27,729,556)**
Sale of previously revalued properties	**5,104,270**	**-**	**(5,104,270)**	**-**
Net revaluation of properties held for sale	**-**	**-**	**(620,100)**	**(620,100)**
Transfer from accumulated surplus to specific reserve	**(28,059)**	**28,059**	**-**	**-**
Balance at 31 March 2026	**(15,390,159)**	**4,415,776**	**223,001,266**	**212,026,883**

	Accumulated Deficit $	Specific Reserve $	Asset Revaluation Surplus $	Total $
Balance at 1 April 2024	(4,713,934)	4,551,070	257,315,882	257,153,018
Deficit for the year	(12,594,473)	-	-	(12,594,473)
Other movements:				
Net revaluation of freehold land and buildings	-	-	2,114,580	2,114,580
Sale of previously revalued properties	2,975,270	-	(2,975,270)	-
Transfer from accumulated surplus to specific reserve	163,353	(163,353)	-	-
Balance at 31 March 2025	(14,169,784)	4,387,717	256,455,192	246,673,125

The Scout Association of Australia - New South Wales Branch

ABN: 42 460 434 054

Statement of Cash Flows

For the Year Ended 31 March 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**4,949,115**	13,731,257
Payment to suppliers and employees		**(22,619,799)**	(31,679,893)
Affiliation fees		**4,283,358**	4,291,025
Donations and bequests		**373,136**	183,735
Insurance recoveries		**116,761**	429,352
Interest received		**255,031**	236,990
Fundraising receipts		**24,442**	16,995
Government grants		**(485,080)**	737,856
Rental income		**1,208,003**	1,185,263
Interest and other finance costs paid		**(97,423)**	(255,488)
Net cash provided used in operating activities		**(11,992,456)**	(11,122,908)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment in property, plant and equipment		**(295,085)**	(992,392)
Proceeds from sale of property, plant and equipment		**17,442,348**	6,335,259
Proceeds from sale of investment		**13,680,769**	17,156,651
Purchase of investments		**(15,980,659)**	(16,417,301)
Dividends received		**658,417**	696,967
Income distribution (net of expenses)		**1,634,303**	1,710,361
Net cash provided by investing activities		**17,140,093**	8,489,545
CASH FLOWS FROM FINANCING ACTIVITIES:			
Receipt of formation deposits and bank loans		**54,074**	78,609
Repayment of bank loans and formations deposits		**(35,284)**	(76,142)
Repayment of principal on lease liabilities		**(415,976)**	(349,536)
Net cash used in financing activities		**(397,186)**	(347,069)
Net increase/(decrease) in cash and cash equivalents held		**4,750,451**	(2,980,432)
Cash and cash equivalents at beginning of year		**7,673,667**	10,654,099
Cash and cash equivalents at end of financial year	6	**12,424,118**	7,673,667

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 March 2026

The financial report covers The Scout Association of Australia - New South Wales Branch ('the Association'). The Association is incorporated by NSW Act of Parliament (Act No. 26 of 1928 and amended in Act No. 145, 1968 and updated in Act No. 148, 1986) and is a Branch of The Scout Association of Australia (incorporated by Royal Charter). The Association is registered and domiciled in Australia.

The financial report was authorised for issue by the Directors on 29 June 2026.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and *Australian Charities and Not-for-profits Commission Act 2012.*

The financial statements have been prepared on an accruals 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.

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

2 Summary of Material Accounting Policies

(a) Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997* and is a registered deductible gift recipient Type 1.

(b) Revenue and other income

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association: 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.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the ‘expected value’ or ‘most likely amount’ method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

2 Summary of Material Accounting Policies (cont'd)

(b) Revenue and other income (cont'd)

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Fees

The membership and affiliation fees are recognised proportionately in the period to which they relate.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery.

Rental income and asset management fees

Rental income and asset management fees are recognised on a straight-line basis over a period of the rental and asset management term so as to reflect a constant periodic rate of return on the net investment.

Grants, bequests and donation revenue

Revenue is recognised immediately where a financial asset is received, such as by way of grant, bequest or donation, and where intention is to principally enable the Association to further its objectives.

Where a financial asset is received, such as by way of grant, bequest or donation, and where the performance obligation is enforceable and is sufficiently defined, the amounts are brought to account as income over the period in which the Association satisfies its performance obligation. The unmet portions of the grant are held as a liability in the Statement of Financial Position until the performance obligation is satisfied.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend and distribution revenues are recognised when the right to receive them has been established.

Government grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Other income

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

(c) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

2 Summary of Material Accounting Policies (cont'd)

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

(e) Cash and cash equivalents

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

(f) Inventories

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

(g) Property, plant and equipment

Land and buildings

Land and buildings are held at fair value, valued based on independent valuations, updated every 3 years.

Increases in the carrying amounts arising on revaluation of these assets is credited in other comprehensive income through to the asset revaluation reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the asset revaluation reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to the statement of comprehensive income.

Plant and equipment

Plant and equipment are measured on a cost basis, less depreciation, amortisation and any impairment losses.

Depreciation

Property, plant and equipment, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

2 Summary of Material Accounting Policies (cont'd)

(g) Property, plant and equipment (cont'd)

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Buildings	60 years
Leasehold improvements	3 - 50 years
Plant and Equipment	3 - 10 years
Plant and equipment under lease	2 - 10 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Leasehold improvements and plant and equipment under lease are depreciated over the period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

(h) Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets are not amortised or depreciated while they are classified as held for sale. Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

(i) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities

The Association has elected not to recognise a right-of-use asset and corresponding lease liability for short term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit and loss as incurred.

(j) Impairment of non-financial assets

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

2 Summary of Material Accounting Policies (cont'd)

(j) Impairment of non-financial assets (cont'd)

Where an indicator exists the recoverable amount of the asset is estimated.

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

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use.

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

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

(k) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period.

(l) Employee benefits

Provision is made for the Association’s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and long service leave which will be settled after one year and other 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.

Contributions are made by the Association to employee superannuation funds and are charged as expenses when incurred.

(m) Leases

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Association’s incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index of a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

2 Summary of Material Accounting Policies (cont'd)

(n) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

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 Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

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

Amortised cost

The Association'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.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

2 Summary of Material Accounting Policies (cont'd)

(n) Financial instruments (cont'd)

Financial assets (cont'd)

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association 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 Association's historical experience and informed credit assessment and including forward looking information.

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

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

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or

- the financial assets is more than 90 days past due.

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

Trade receivables and contract assets

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association 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 being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association 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.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Notes to the Financial Statements

For the Year Ended 31 March 2026

2 **Summary of Material Accounting Policies (cont'd)**

(n) **Financial instruments (cont'd)**

Financial liabilities

The Association 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 Association comprise trade payables and other loans and lease liabilities.

(o) **Reserves**

The Asset Revaluation Reserve records revaluations of non-current assets.

The Specific Reserve is an overarching reserve comprising of individually allocated reserves for specifically identified purposes.

The Designated Reserve is a reserve comprising unexpended grant and donation income from funders with unenforceable contracts so that these funds can be accessed in future financial years.

(p) **Adoption of new and revised accounting standards**

The Association has adopted all standards which became effective for the first time at 31 March 2026, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

(q) **New accounting standards and interpretations adopted in the current period**

The Association 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. These standards and Interpretations did not have any material impact on these financial statements.

(r) **Going concern**

The financial report has been prepared on the going concern basis which assumes the realisation of assets and extinguishment of liabilities in the normal course of business and at the amounts stated in the financial statements.

At 31 March 2026, the Association reported a net deficit of $6,056,024 (2025 net deficit of $12,594,473), net cash outflow from operating activities of $11,992,456 (2025 net cash outflow of $11,122,908) and net current assets of $21,793,736 (2025: net current assets of $9,842,011.

The directors believe the going concern basis is appropriate for the following reason:

Investments in managed funds and shares in listed investments of $33,554,466 (2025: $31,337,599) are classified as non current assets. Whilst it is the intention of the Association to hold these assets for a period greater than 12 months, they are able to be called upon as and when required.

Based on the above, the Directors are satisfied that the Association will be able to fund its operations and continue as a going concern, and it is appropriate that the financial statements have been prepared on that basis.

2 Summary of Material Accounting Policies (cont'd)

(s) Restatement of comparatives

Certain comparative amounts, which are deemed to be not material, have been disclosed or reclassified where necessary to provide consistency with current period disclosures.

3 Critical Accounting Estimates and Judgments

The Association evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Valuation of freehold land and buildings

The Association carries its land and buildings at fair value with changes in the fair value recognised in the asset revaluation reserve.

The Association's land and building were revalued at 31 March 2026 by independent valuer Ray White (Valuations), with a net loss of $27,729,556 recorded in the asset revaluation reserve and recognised as other comprehensive loss.The valuation of the property portfolio involves significant judgment, particularly in assessing the highest and best use of each site. The portfolio comprises a diverse range of freehold properties, including Scout halls, activity centres and campsites, located in metropolitan and regional areas throughout New South Wales.

Many of the properties are subject to easements, specific zoning and other restrictions that may limit their developmental potential and the availability of comparable market transactions. The condition and utility of existing buildings and other improvements may support or detract from the identified highest and best use.

The valuation was performed at an individual property level taking into consideration the unique and varying characteristics of each property and applicable planning and regulatory considerations. The valuation was undertaken in a period of changing market conditions, with a degree of uncertainty arising from broader economic influences. The valuer has adopted a cautious approach to assessing encumbrances and constraints and their potential impact on development and marketability of those properties. The reduction in the portfolio value is largely attributable to revised assumptions, changes in valuation methodology and the treatment of planning or use restrictions, at a property level, rather than broad based market movements.

Impairment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Provision for Redress and Civil Claims

The Association has raised a provision for civil and redress claims in progress.

The provision is determined on the basis of the existence of a present obligation at the reporting date, of which is probable and can be reliably estimated. The calculation of this provision includes the following key assumptions

- The number of known civil and redress claims in progress; and
- Average redress costs and average civil costs per claimant.

3 Critical Accounting Estimates and Judgments (cont'd)

Provision for Redress and Civil Claims (cont'd)

The cash outflow for the current portion of the claims provision represents the expected value of claims to be settled within 12 months from the reporting date.

Allowance for Expected Credit Loss

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The Association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or where technically obsolete or non-strategic assets that have been abandoned or sold, are written off or written down.

Lease Make Good Provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of comprehensive income by adjusting the provision. G100 discount rates have been applied in the calculation of the present value of these make good obligations, replacing previously used rates.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term.

In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date.

Factors considered may include the importance of the asset to the Association’s operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Association reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Association estimates it would have to pay a third party to borrow funds necessary to obtain an asset of a similar value to the right-of -use asset, with similar terms, security and economic environment.

Notes to the Financial Statements

For the Year Ended 31 March 2026

4 Revenue and Other Income

(a) Revenue from contracts with customers

	2026 $	2025 $
Fees - Scouts		
- Affiliation fees	**4,283,358**	4,291,025
- Scouting activities and special events	**1,249,607**	6,900,966
- Activity centres and camps	**695,776**	867,402
- Training	**138,266**	33,740
Fees - non Scouts	**1,803,132**	2,702,421
Revenue from sale of goods	**34,535**	25,404
Revenue from commercial activities	**107,094**	136,358
Rental of properties	**1,208,003**	1,185,263
Asset management fees	**910,261**	1,119,713
Total Revenue from contracts with customers	**10,430,032**	17,262,292

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated into timing of revenue recognition and the following table shows this breakdown:

Timing of revenue recognition

	2026 $	2025 $
- At a point in time	4,063,025	5,169,159
- Over time	6,367,007	12,093,133
Revenue from contracts with customers	10,430,032	17,262,292

(b) Other Income

		2026 $	2025 $
- Fundraising income		**24,442**	16,995
- Government grants	(d)	**1,384,153**	5,216,177
- Donations and bequests		**373,136**	183,735
- Profit/(loss) on sale of fixed assets		**3,808,750**	(27,036)
- Insurance recoveries		**116,761**	429,352
- Sundry income		**159,688**	623,778
		5,866,930	6,443,001

Notes to the Financial Statements

For the Year Ended 31 March 2026

4 Revenue and Other Income (cont'd)

(c) Income from investments

	2026	2025
	$	$
- Interest on cash deposits	**255,031**	236,990
- Dividends received	**658,417**	696,967
- Other investment income	**1,600,741**	1,710,361
	2,514,189	2,644,318

(d) Grant Income

	2026	2025
	$	$
Unspent government grants at the beginning of financial year	**4,898,150**	9,350,762
Commonwealth Dept of Industry, Science, Energy and Research	**(4,181,772)**	-
NSW Sports & Recreation - Community Building Partnership	**343,175**	282,746
Bushfire Community Recovery & Resilience Program	**1,915,930**	-
Other Grants	**1,570,780**	480,819
Less:		
Unspent grants at the end of the financial year	**(3,162,110)**	(4,898,150)
Government grant Income	**1,384,153**	5,216,177

5 Result for the Year

The result for the year includes the following specific expenses:

	2026	2025
	$	$
Other expenses:		
Property development and other expenses	**366,414**	892,911
Asset management expenses	**1,410,326**	1,300,960
Fundraising expenses	**6,020**	6,116
Expenses from government grants	**1,392,595**	5,196,024
Net other expenses in specific funds	**(12,595)**	(24,592)
	3,162,760	7,371,419
Finance costs		
Interest on formation deposits and specific funds	**162,147**	255,488
Interest expense - leases	**156,983**	148,817
	319,130	404,305

Notes to the Financial Statements

For the Year Ended 31 March 2026

6 Cash and Cash Equivalents

	2026	2025
	$	$
Cash management accounts	**839,959**	623,192
Cash at bank - Unrestricted	**3,647,952**	2,150,568
Cash at bank - Restricted	**7,935,130**	4,898,150
Petty cash on hand	**1,077**	1,767
	12,424,118	7,673,677

7 Financial Assets

	2026	2025
	$	$
CURRENT		
Held at amortised cost		
Term deposits	**4,398,600**	4,114,943
NON-CURRENT		
Held at amortised cost		
Loans to formations - unsecured and non-interest bearing	**152,699**	179,841
Expected credit loss	**(133,210)**	(133,210)
	19,489	46,631
Held at fair value through profit or loss		
Managed funds	**18,952,718**	17,654,405
Shares in listed investments	**14,601,748**	13,683,194
	33,554,466	31,337,599
	33,573,955	31,384,230

8 Properties held for sale

	2026	2025
	$	$
CURRENT		
Properties held for sale	**22,140,597**	17,037,000

Notes to the Financial Statements

For the Year Ended 31 March 2026

8 Properties held for sale (cont'd)

(a) Movements in properties held for sale

	2026 $	2025 $
Balance at the beginning of year	**17,037,000**	4,470,000
Properties sold during the year	**(13,997,130)**	(4,470,000)
Net transfers in from property, plant and equipment	**19,740,827**	17,037,000
Fair value movement during the year	**(640,100)**	-
Total properties held for sale	**22,140,597**	17,037,000

9 Other Assets

	2026 $	2025 $
CURRENT		
Prepayments	**1,440,968**	1,551,707
Interest receivable on term deposits	**9,223**	-
Sundry debtors	**75,403**	(32,787)
Franking credits receivable	**703,361**	506,834
	2,228,955	2,025,754

10 Property, Plant and Equipment

	2026 $	2025 $
Freehold land		
At fair value	**167,372,354**	213,572,580
Buildings on freehold land		
At cost	**109,959,662**	124,802,582
Accumulated depreciation	**(97,032,729)**	(110,337,505)
	12,926,933	14,465,077
Plant and equipment		
At cost	**9,433,408**	8,953,285
Accumulated depreciation	**(7,706,050)**	(6,785,372)
	1,727,358	2,167,913

10 Property, Plant and Equipment (cont'd)

Leasehold Improvements		
At cost	**4,263,991**	3,988,960
Accumulated depreciation	**(2,766,786)**	(2,681,793)
	1,497,205	1,307,167
Total property, plant and equipment	**183,523,850**	231,512,737

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Freehold land	Buildings	Plant and Equipment	Leasehold Improvements	Total
	$	$	$	$	$
Year ended 31 March 2026					
Balance at the beginning of year	**213,572,580**	**14,465,077**	**2,167,913**	**1,307,167**	**231,512,737**
Additions	**-**	**22,817**	**242,495**	**29,783**	**295,095**
Disposals	**-**	**-**	**(7,358)**	**-**	**(7,358)**
Transfers from/(to) properties held for sale	**(18,470,670)**	**(1,270,157)**	**-**	**-**	**(19,740,827)**
Depreciation expense	**-**	**(290,804)**	**(430,442)**	**(84,995)**	**(806,241)**
Reclassification	**-**	**-**	**(245,250)**	**245,250**	**-**
Revaluation adjustment	**(27,729,556)**	**-**	**-**	**-**	**(27,729,556)**
Balance at the end of the year	**167,372,354**	**12,926,933**	**1,727,358**	**1,497,205**	**183,523,850**

11 Leases

Right-of-use assets

Scouts NSW has a number of leases and licences over buildings and land. Information relating to the leases in place and transactions is provided below:

Commercial leases:

Scouts NSW leases corporate office premises and car parking at 102 Bennelong Parkway, Sydney Olympic Park. The purpose of the premises is to enable the provision of technical and administrative support for volunteer members in the conduct of Scouting operational programs and activity. The existing lease is due to expire on 1 June 2030, with an option to renew for 5 years.

Concessionary lease:

Scouts NSW has tenure over some 401 non-freehold sites in NSW at an annual cost of approximately $128k per annum. The sites are used for the purpose of Scouting operational activities. Most are improved with a simple Scout

11 Leases (cont'd)

Right-of-use assets (cont'd)
Hall. The typical duration of a site lease is 30 years. The Association has elected to measure the lease asset arising from the concessionary lease at cost, which is based on the associated lease liability.

Approximately 41% of the non-freehold portfolio is under tenure from Crown Land NSW, with the remainder of the non-freeholds being under various forms of tenure, mostly from local councils, and to a lesser extent from other government entities.

	Concessionary leases	Commercial leases	Total
	$	$	$
Year ended 31 March 2026			
Balance at beginning of year	**1,795,597**	**772,306**	**2,567,903**
Depreciation expense	**(86,493)**	**(236,994)**	**(323,487)**
Additions to right-of-use assets	**-**	**1,178,373**	**1,178,373**
Disposal of right-of-use assets	**-**	**(630,000)**	**(630,000)**
Balance at end of year	**1,709,104**	**1,083,685**	**2,792,789**

Lease liabilities

	2026	2025
	$	$
CURRENT		
Lease liabilities	**295,090**	222,664

	2026	2025
	$	$
NON-CURRENT		
Lease liabilities	**2,648,113**	2,671,721

12 Trade and Other Payables

	2026	2025
	$	$
CURRENT		
Trade payables	**327,316**	728,046
Other creditors and accruals	**1,168,805**	673,203
Insurance excess payable	**376,094**	532,465
	1,872,215	1,933,714

Notes to the Financial Statements

For the Year Ended 31 March 2026

13 Interest bearing liabilities

	2026	2025
	$	$
CURRENT		
Unsecured liabilities:		
Deposits from formations	**1,494,207**	1,410,693

14 Provisions

	2026	2025
	$	$
CURRENT		
Make good provision	**810,071**	804,079
Provision for Redress and Civil Claims	**7,412,574**	7,344,135
	8,222,645	8,148,214

	2026	2025
	$	$
NON-CURRENT		
Make good provision	**15,144,312**	15,738,465
Provision for Redress and Civil Claims	**11,824,095**	10,156,966
	26,968,407	25,895,431

(a) Movement in carrying amounts

	Provision for Redress and Civil Claims	Make good provision	Total
	$	$	$
Opening balance at 1 April 2025	**17,501,101**	**16,542,544**	**34,043,645**
Additional provisions	**3,571,947**	**-**	**3,571,947**
Provisions used	**(1,836,379)**	**(588,161)**	**(2,424,540)**
Balance at 31 March 2026	**19,236,669**	**15,954,383**	**35,191,052**

(b) Provision for Redress and Civil Claims

A provision has been made for current and future civil and redress claims. Refer to accounting policy note 3 for details on the keys assumptions used in calculating expected future claim payments.

Notes to the Financial Statements

For the Year Ended 31 March 2026

15 Contract Liabilities

	2026	2025
	$	$
CURRENT		
Crown reserve land grants	**250,791**	41,734
Other grants received in advance	**2,911,319**	4,824,110
Other income received in advance	**662,252**	869,513
McPherson bequest - deferred funds	**3,542,707**	3,500,945
	7,367,069	9,236,302

16 Funds and Reserves

(a) Accumulated deficit

	2026	2025
	$	$
Balance at the beginning of the year	**(14,169,784)**	(4,713,934)
Deficit for the year	**(6,296,586)**	(12,594,473)
Other movements:		
Transfers (to)/from accumulated surplus	**70,931**	277,201
Transfer of realised profit (loss) on disposal of fixed assets	**5,104,270**	2,975,270
Transfer to specific reserves:		
Interest	**(98,990)**	(113,848)
Total other movements	**5,076,211**	3,138,623
Balance at the end of the year	**(15,390,159)**	(14,169,784)

(b) Asset Revaluation Reserve

	2026	2025
	$	$
Balance at the beginning of the year	**256,455,192**	257,315,882
Revaluation of freehold land and buildings	**(27,729,556)**	2,114,580
Sale of previously revalued properties	**(5,104,270)**	(2,975,270)
Revaluation of assets held for sale	**(620,100)**	-
Balance at end of the year	**223,001,266**	256,455,192

Notes to the Financial Statements

For the Year Ended 31 March 2026

16 Funds and Reserves (cont'd)

(c) Specific reserves

	2026	2025
	$	$
Balance at beginning of the year	**4,387,717**	4,551,070
Net movements during the year	**28,059**	(163,353)
Balance at the end of the year	**4,415,776**	4,387,717

Specific Reserves include:

(i) Tony Balthasar Jamboree Fund

	2026	2025
	$	$
Balance at the beginning of the year	**109,772**	122,085
Interest earned	**4,866**	5,841
Payments made	**-**	(18,154)
Balance at end of the year	**114,638**	109,772
Balance comprises:		
- Corpus	**109,772**	103,931
- Corpus accumulated income	**4,866**	5,841
	114,638	109,772

(ii) Chapman Gosford Area Fund

This represents a bequest from the Estate of the late Chapman family to assist Scout Groups within the Gosford area.

	2026	2025
	$	$
Balance at the beginning of the year	**418,386**	467,646
Transfer from/(to) accumulated funds		
- Grants made	**13,380**	(70,474)
- Interest earned	**16,733**	21,214
	448,499	418,386

16 Funds and Reserves (cont'd)

(c) Specific reserves (cont'd)

(iii) Benjamin Perry Thomson Bequest

This represents a bequest from the Estate of the late Benjamin Perry Thomson for the benefit and promotion of the Association and to assist with the training of leaders in or for rural (as opposed to the city metropolitan) areas in New South Wales and specifically - where possible - for communities which have a town or district population of five thousand (5,000) people or less.

	2026	2025
	$	$
Balance at the beginning of the year	**1,745,989**	1,659,824
Transfers from/(to) accumulated funds		
- Grants made	**(785)**	(628)
- Interest earned	**77,390**	86,793
Balance at end of the year	**1,822,594**	1,745,989

(iv) Designated Reserve

Established in the financial year 2020 to facilitate designating unexpended donations and unenforceable grants through the year in response to the adoption of AASB16 and AASB1058.

	2026	2025
	$	$
Balance at the beginning of the year	**1,113,569**	1,301,515
Transfers from accumulated funds	**(83,525)**	(187,946)
Balance at end of the year	**1,030,044**	1,113,569

(v) Insurance Claims Reserve (ICR)

This represents the balance of aggregate deductible on public liability insurance and old property insurance claims transferred from accruals and provisions.

	2026	2025
	$	$
Balance at the beginning of the year	**1,000,000**	1,000,000
Transfers from/(to) accumulated funds	**-**	-
Balance at end of the year	**1,000,000**	1,000,000

Notes to the Financial Statements

For the Year Ended 31 March 2026

17 Financial Risk Management

	2026	2025
	$	$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**12,424,118**	7,673,667
Trade and other receivables	**133,096**	224,414
Financial assets	**4,418,089**	4,161,574
Fair value through profit or loss (FVTPL)		
Financial assets	**33,554,466**	31,337,599
Total financial assets	**50,529,769**	43,397,254
Financial liabilities		
Held at amortised cost		
Trade and other payables	**1,872,215**	1,933,714
Interest bearing liabilities	**1,494,207**	1,410,693
Lease liabilities	**2,943,203**	2,894,385
Total financial liabilities	**6,309,625**	6,238,792

18 Membership

At 31 March 2026 the number of members was 14,957 (2025: 16,533).

19 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association and the Association is $1,908,410 (2025: $1,631,322).

20 Auditors' Remuneration

	2026	2025
	$	$
Remuneration of the auditor PKF, for:		
- auditing or reviewing the financial statements	**88,235**	83,300

21 Contingencies

The Association has received claims from third parties alleging misconduct and/or negligence, which may take several years to be finalised. Where there are reasonable grounds for doing so, the Association seeks to agree upon settlement of these claims. In certain situations, the claims may be covered by insurance which would reduce any financial liability that may arise for the Association. The Association is liasing with its insurers in respect of coverage for these claims.

Scouts NSW joined the National Redress Scheme (NRS) which started on 1 July 2018 and estimates of the liabilities arising from the claims presently in the Scheme as at the 31 March 2026 have been included in these financial statements.

Apart from known claims, there is a risk that future unknown claims may be received from third parties alleging misconduct and/or negligence relating to historic events. Whilst it is probable that an outflow of resources embodying

21 Contingencies (cont'd)

economic benefits will be required to settle future unknown claim obligations, the amount of the obligation cannot be measured with sufficient reliability due to uncertainties in the number of unknown claimants, the timing of cash outflows and the insurance underwriting year of the event.

Apart from the above, the Association is not aware of any other contingent liability as at the end of the financial year.

22 Events After the End of the Reporting Period

The financial report was authorised for issue on 26 June 2026 by the Board of Directors.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

23 Statutory Information

The registered office and principal place of business of the company is:

The Scout Association of Australia - New South Wales Branch
Quad 3, Level 2, 102 Bennelong Parkway, Sydney Olympic Park NSW 2127

24 Related Parties

(a) The Association's main related parties are as follows:

Key management personnel - refer to Note 19.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) 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 stated.

Names of Members of the Board of Directors are the following:

Kaylene Hubbard, Chair
Stuart J Thorpe, Treasurer
Lloyd E K Nurthen
Bernard Cronan
Brett Grimmond
Phillip Cooper
Lachlan Page
Niamh Hitchman
Cassandra Hammond - appointed 21 July 2025
Katherine Peters appointed on 21 July 2025
Ben Hendriks - appointed on 21 July 2025
Anthea C Cudworth - ceased on 19 July 2025
Dean Bassett - ceased on 16 June 2025
Renee C Burkinshaw - ceased on 19 July 2025
Richard M. Hodge - ceased on 10 December 2025

Notes to the Financial Statements

For the Year Ended 31 March 2026

24 Related Parties (cont'd)

(b) Transactions with related parties (cont'd)

There were no other contracts where the Association has entered into with its Board members and no Board members have received any remuneration, superannuation or retirement payments from the Association.

	2026 $	2025 $
Amounts owing to various Scout Formations at the end of the financial year being deposits held on their behalf on which interest at commercial rates is payable	1,494,207	1,410,693
Affiliation fees were paid to The Scout Association of Australia, National Headquarters	344,460	267,543
Asset management fees were recharged to the various Scout Formations for their respective share of the costs.	910,261	1,119,713
The balance of unpaid accounts representing affiliation fees and other accounts due from various Scout Formations amounted to:	84,736	344,369
Outstanding loans provided to some Scout Formations to finance their hall improvements	152,699	173,318

25 Fundraising Statement

	2026 $	2025 $
Income:		
Fundraising	**24,442**	16,995
Total fundraising income (a) (Note 4)	**24,442**	16,995
Expenses:		
Direct expenses paid and incurred	**6,020**	(6,116)
Total fundraising expense (b)	**6,020**	(6,116)
Net fundraising income (c)	**18,422**	23,111
Additional information:		
Direct cost of scouting activities and leader training (d)	**1,846,470**	7,019,058
Total expenditure (e)	**24,943,076**	38,857,740
Total income (f)	**15,955,924**	23,478,323

25 Fundraising Statement (cont'd)

	2026	2025
	%	%
Percentages:		
i) Total cost of fundraising (b)/Gross income from fundraising (a)	24.60	36.00
ii) Net surplus from fundraising (c)/Gross income from fundraising (a)	75.40	64.00
iii) Total cost of services (d)/Total Expenditure (e)	7.40	18.10
iv) Total cost of services (d)/Total Income Received (f)	11.60	29.90

Comparatives have been restated to be consistent with the current year classification.

The Scout Association of Australia - New South Wales Branch

ABN: 42 460 434 054

Fundraising Statement

In accordance with a resolution of the Board of Directors of The Scout Association of Australia, New South Wales Branch, we state that:

In the opinion of the Board of Directors:

a) the Statement of Comprehensive Income is drawn up so as to give a true and fair view of all the income and expenditure of the Branch with respect to fundraising activities for the year ended 31 March 2026;

b) the Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Branch with respect to fundraising activities as at 31 March 2026; and

c) the internal controls exercised by the Branch are appropriate and effective in accounting for all fundraising income and expenditures.

Further, the surplus from fundraising, together with other revenues, were applied in the provision of direct services and administrative works to achieve the aims of The Scout Association of Australia, New South Wales Branch.

Under the terms of the authority issued to this Branch by the Australian Charities and Not-for-profits Commission (ACNC), each of the sections of the Branch is required to report on its fundraising activities at its Annual General Meeting. The Branch has established procedures to enable each of the fundraising sections to properly report on its activities within the requirements of the Charitable Fundraising Act.

On behalf of the Board of Directors:

Kaylene Hubbard
Board Chair

The Scout Association of Australia - New South Wales Branch

ABN: 42 460 434 054

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person .... Kaylene Hubbard	Responsible person .... Stuart Thorpe

Dated 26 June 2026

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SCOUT ASSOCIATION OF AUSTRALIA – NEW SOUTH WALES BRANCH

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Scout Association of Australia – New South Wales Branch (the Association), which comprises the statement of financial position as at 31 March 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion the financial report of the Association, has been prepared in accordance with *Division 60 of the Australian Charities and Not-for-profits Commission Act 2012*, including:

a) giving a true and fair view of the Company's financial position as at 31 March 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards – Simplified Disclosure Requirements and *Division 60 of the 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standard) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 March 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 accordingly we do not express any form of assurance conclusion thereon.

Other Information (cont'd)

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 Directors for the Financial Report

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

In preparing the financial report, directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

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

- 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 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 Company to cease to continue as a going concern.

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

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

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PKF

KYM REILLY
PARTNER

26 JUNE 2026
SYDNEY, NSW