30 June 2025

Richmond Fellowship Queensland

ANNUAL FINANCIAL REPORT

THE RICHMOND FELLOWSHIP OF QUEENSLAND | ABN 56 009 931 800

The Richmond Fellowship of Queensland

Contents

The Richmond Fellowship of Queensland

Directors' report

For the year ended 30 June 2025

The directors present their report together with the financial statements of The Richmond Fellowship of Queensland (the Company) for the financial year ended 30 June 2025 and the auditor's report thereon.

1 Directors

The directors of the Company at any time during or since the financial year are:

Name, qualifications and special responsibilities	Experience
Rhonda Chesmond *BA, LLM* Chair Director	Rhonda is a former partner of a large Australian law firm practising in the area of commercial and corporate financing. She has over 30 years' experience representing corporate clients and financial institutions in relation to financing transactions, debt restructuring and associated governance issues. Rhonda has also taught university law undergraduate and masters level programs, and holds bachelor degrees in Arts and Law from the University of Queensland and a Masters in Law from the Australian National University.
Ann Mealey *B Phty /G Dip Arts* Secretary Director	Ann has a healthcare, clinical excellence and improvement background. Now retired, Ann's work focuses on leading major change programs across healthcare systems to improve service delivery including facilitation of various workshops. Ann has a Bachelor of Physiotherapy and a Graduate Diploma of Arts (Science Communication) from University of Queensland.
Keren Harms *Dip T (Primary) and B Ed St* Director	Keren has a background in primary teaching and educational publishing. She has a Diploma in Teaching (Primary) from Kelvin Grove Teacher's College and a Bachelor of Educational Studies from the University of Queensland. Keren ventured into the world of publishing and has worked as a sales consultant for major educational publishers for thirty years, mostly working with secondary teachers to find the best classroom texts for their students.
Tom Meehan *RN, BHlthSc, MPH, MSocSc, PhD* Director	Tom is Registered Nurse and a Fellow of the Australian College of Mental Health Nurses. He has worked in the mental health field for almost 30 years having devoted the past 15 years to research and evaluation work. He has accumulated over $3 million in research funding and has published 80 papers and 2 text books. The primary focus of his work (and publications) has been the rehabilitation and recovery of people with severe mental illness.
David Goener *B Com, GAICD, FFIN* Director	David has a background in financial and professional services. He is a management consultant and partner at Beaton, a provider of research and strategic advice to professional service firms in Australia and New Zealand. David has a Bachelor of Commerce from Griffith University and a Certificate in Financial Markets from Finsia. He is a Graduate of the Australian Institute of Company Directors and a Fellow of the Financial Services Institute of Australasia.

1 Directors (continued)

Name, qualifications and special responsibilities	**Experience**
Caitlin Gough *B. Business (Accountancy), CA* Director	Caitlin is currently Chief Financial Officer at Kaicon (a building and construction company). She has a Bachelor of Business (Accounting) from QUT and is a Chartered Accountant (CA). Caitlin has over 15 years' experience in Public Practice Accounting, specialising in the Property Services and Health sectors. Her broad range of experience has provided a depth of knowledge to be able to solve problems for clients and help them grow to reach their potential.
Maria Watson-Trudgett *BSocSC* Director	Maria is a Koori woman of the Wiradyuri people. She is First Nations Consultant and Aboriginal artist. Maria has a Bachelor of Social Science - majoring in Community Welfare and Human Services, with 30+ years' experience in community and stakeholder engagement. Maria provides subject matter expertise and a First Nations perspective and key insights into the development and implementation of First Nations Strategies and programs, including strategic direction, planning, evaluation and implementation. Maria has successfully guided national organisations through their cultural capability development, by creating and implementing strategic frameworks, Reconciliation Action Plans, including HR policy review and redevelopment, terminology review of documentation, programs and websites, culturally appropriate content and resources creation, community engagement and service delivery, and all programs and initiatives pertaining to First Nations peoples and communities. Notably, Maria has won several awards and achievements for her artwork, including exhibiting in Parliament House and galleries throughout Australia. Her artworks are featured on national book covers, RAP documents, NAIDOC merchandise and more. Maria's artworks adorn the walls of organisations and private collectors – both national and international.
Christopher Dougherty *B. Business (HR and Accounting)* Director	Chris is the Head of Not-for-Profit and Government practice at boutique talent advisory firm OnTalent. He is an accomplished Chief Executive and Executive HR Leader with over 20 years experience in the health and human services sector, including 4 years as Business Support Manager for RFQ in his early career. His leadership specialties are in growth, transformation and change, and transitioning the traditional NFP model to profit-for-purpose. He also serves as Non-Executive Director, and Chair (People & Culture Committee) for both Foodbank Queensland and True Relationships and Reproductive Health. A former Non-Executive Director of Epilepsy Australia Ltd and Vice Chair of the Western Pacific Regional Executive Committee of the International Bureau for Epilepsy.

1 Directors (continued)

Name, qualifications and special responsibilities	Experience
Rachel Colombi *BCOMM, LLM, MBA* Director	Rachel is a governance consultant with over 15 years' experience in governance and policy in the higher education, not for profit, and state government sectors. Rachel is also a former employee of Richmond Fellowship of Queensland, being RFQ's inaugural Chief of Staff from 2021 to 2023. Rachel holds bachelor's degree in commerce and law from the Australian National University, a Master's in Law from the Australian National University and an MBA from Deakin University. Rachel is also a Fellow of the Governance Institute of Australia and a Graduate of the Australian Institute of Company Directors.
Ben Croft *BCOMM, BBA, MBA* Director	Ben is a seasoned commercial finance executive with over 20 years of experience leading strategy, financial stewardship, and business performance in heavy industries, including construction, mining, infrastructure, and energy. Ben holds a Bachelor of Commerce and a Bachelor of Business Management from the University of Queensland, as well as a Master of Business Administration from the University of Southern Queensland. Ben is also a Fellow of CPA Australia and a Graduate of the Australian Institute of Company Directors.

The directors of the Company at any time during or since the end of the financial year are:

Director	Appointed	Resigned
Rhonda Chesmond	20/08/2019	-
Ann Mealey	25/02/2019	-
Keren Harms	04/04/2011	25/11/2024
Tom Meehan	29/08/2016	-
David Goener	24/03/2017	25/11/2024
Caitlin Gough	28/05/2021	-
Maria Watson-Trudgett	24/02/2020	17/02/2025
Christopher Dougherty	12/05/2025	-
Rachel Colombi	12/05/2025	-
Ben Croft	12/05/2025	20/07/2025

The Richmond Fellowship of Queensland

Directors' report (continued)

For the year ended 30 June 2025

2 Directors' meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

Director	Board Meetings*		Finance Committee Meetings**		Governance Committee Meetings***	
	A	B	A	B	A	B
Rhonda Chesmond	4	4	2	2	3	4
Ann Mealey	3	4	-	-	4	4
Keren Harms	2	2	-	-	2	2
Tom Meehan	3	4	-	-	1	1
David Goener	2	2	2	2	-	-
Caitlin Gough	4	4	5	5	-	-
Maria Watson-Trudgett	2	2	-	-	-	-
Christopher Dougherty	1	1	-	-	-	-
Rachel Colombi	1	1	-	-	-	-
Ben Croft	1	1	1	1	-	-

A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year

* The CEO attended all meetings of the Board as a non-voting member of that Board.

** The CEO and CFO attended all meetings of the Finance Committee as members of that Committee.

***The CEO attended all meetings of the Governance Committee as a member of that Committee.

3 Objectives and strategies

The Company's vision is 'A world where optimal wellbeing is lived by all.' Our vision is bold and inclusive. We see a future where every individual has the opportunity, support, and tools to achieve their fullest potential in wellbeing. This vision drives everything we do, towards creating environments, relationships, and systems that foster good health, connection, and purpose for all people, everywhere.

Through the Company's purpose 'We recognise that wellbeing is central to a life lived well.' Our purpose affirms the foundational belief that wellbeing is not just an outcome—it is the very essence of a meaningful and fulfilling life. By focusing on wellbeing, we commit ourselves to holistic and person centred approaches that enhance the complexity and richness of the human experience.

Who we are - 'As a centre of excellence, we walk alongside to guide, partner and advocate, to optimise wellbeing for all.' We are more than a service; we are a trusted guide and partner. With deep expertise and compassion, we co-create journeys of transformation, drawing on evidence, lived experience, and innovation. We engage authentically with individuals, communities, and systems to shift outcomes and raise the standard for what wellbeing can look like.

3 Objectives and strategies (continued)

RFQ's Vision and Strategy 2025-2028 outlines four strategic priority areas to achieve this vision:

• **Centre of Excellence:** strengthen our research, innovation and evidence base; enhance service delivery models through co-design; invest in staff development and leadership.

• **Partnership and Advocacy:** Build strategic alliances to amplify our impact; influence policy and systemic change through thought leadership; empower voices of lived experience.

• **Community and Individual Wellbeing:** Ensure that we have a strong focus on the wellbeing of our workforce; deliver culturally responsive and person-led services; expand access and reach to underserved communities; prioritise trauma-informed recovery-oriented care.

• **Financial and Environmental Sustainability**: Ensure robust governance, funding, and accountability; embrace digital innovation for scalability and impact; monitor performance outcomes and adapt through continuous improvement; continuously strive to be an employer of choice; be a good environmental citizen and monitor our footprint.

The Company measures its performance using both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the operational performance and financial sustainability of the Company and whether the Company's objectives are being achieved.

The introduction of Performance Frameworks for all services underpins the accountability for performance at all levels of the organisation, supported by clear KPIs. Quantitative KPIs include: Achievement of contract deliverables such as hours of service delivered, number of consumers supported, recovery rates and external quality and financial audits.

Continued progress towards development of a Centre of Excellence in wellbeing and recovery has provided a framework which illustrates commitment to each of our four strategic priorities. RFQ has received international exposure, presenting at the International Positive Psychology World Congress in Brisbane. We have also jointly funded a professorial position with the Centre for Wellbeing Science University of Melbourne, which has strengthened our collaboration and research capacity in the field of human health and wellbeing. This is in addition to numerous other research partnerships in place with other organisations covering a wide range of disciplines in the field of wellbeing science.

Our efforts in the field of research both directly and indirectly benefit our staff and in turn our clients. In addition to this, we continue to apply our innovative approach to staff wellbeing and development. This is evidenced through provision of access to a Wellbeing Literacy Program, co-developed with the University of Melbourne. This benefits our staff both in their personal lives and through their work with clients. In addition, RFQ is the first Community Service organisation in the world to be a Schwartz Center member and deliver Shwartz Rounds to its staff. This program is proven to be an effective preventative measure for compassion fatigue.

RFQ continued to strengthen its workforce by delivering comprehensive training and wellbeing initiatives that build resilience, compassion, safety, and leadership capability. Staff participated in programs such as ASIST, How to Thrive, Cultural Humility, Citizen Ethnography, Motivational Interviewing, and MAYBO training, all designed to enhance staff skills and enable more effective, recovery-oriented client support. Through an ongoing partnership with the University of Melbourne (UoM), RFQ continued to offer the six-week Wellbeing Literacy Program across the workforce and piloted a culturally tailored version for First Nations people that was jointly developed by UoM and RFQ's Indigenous Program team.

3 Objectives and strategies (continued)

Compassion is at the heart of everything we do at RFQ. This year, we proudly celebrated two years of delivering Schwartz Rounds, an internationally recognised program designed to foster open dialogue and reflection among staff. These sessions offer a safe space for sharing experiences, fostering empathy, and deepening connections across teams. Feedback from participants highlights that Schwartz Rounds not only enhance compassion but also improve psychological safety and interpersonal relationships in the workplace, reinforcing RFQ's commitment to a caring and supportive organisational culture.

Leadership capability was further advanced with the launch of the fifth cohort of neuroscience-informed leadership training, equipping leaders with coaching-based approaches to guide teams with clarity and empathy. Additionally, RFQ is further deepening its collaboration with the MERIT Institute to embed reflective, recovery-oriented practice across the organisation.

Recognising the growing importance of digital safety, RFQ introduced specialised Cyber Security Awareness Training to strengthen organisational resilience against cyber threats. This initiative ensures that all staff are equipped with the knowledge and protocols needed to protect sensitive information, maintain client confidentiality, and support safe and secure service delivery.

For 33 years, RFQ has continued to raise awareness of mental health through our Recovered Futures Art Exhibition, proudly held during Mental Health Week each year. In 2024, the event saw significant engagement both in-person and online, with more than 11,500 people attending the exhibition and over 16,000 visits to the online gallery. This continued growth highlights the community's deepening connection to the event and the importance of mental health conversations. Once again hosted in a grand marquee at the city centre, King George Square, the exhibition offered a powerful platform for artists with lived experience of mental illness to share their stories, with the direct benefit to artists—and the wider impact on public awareness—continuing to grow year on year.

RFQ's Indigenous Program has delivered a range of meaningful initiatives that have contributed to strengthening the cultural capability of our people and services. These efforts reflect our ongoing commitment to improving the wellbeing of Aboriginal and Torres Strait Islander community members.

As part of an organisational review, planning for future service delivery and in line with our new Vision and Strategy policy, we have made the decision to conclude the in-house Indigenous Program. Moving forward, we intend to outsource the coordination and delivery of culturally appropriate services to specialist external providers, ensuring continued access to impactful programs that meet the needs of Aboriginal and Torres Strait Islander communities.

This transition is being undertaken with careful consideration to ensure continuity of culturally safe support and to strengthen partnerships with organisations that have deep, long standing connections with First Nations communities.

4 Principal activities

The principal activities of the Company during the financial year were to support people facing mental health challenges and social disadvantage to experience hope, empowering recovery within, rather than from, mental illness, by providing leading recovery-oriented psycho-social services throughout Queensland and nationally via telehealth services.

RFQ continues to explore new service offerings and partnerships to build a strong and sustainable future for the organisation. This is particularly enabled through our significant investment in research in the field of wellbeing science, partnering with world-leading organisations. This places the organisation in a strong position to respond to opportunities as they arise supported by a reputation for innovation and evidence-based practices. RFQ's focus on financial sustainability has introduced a renewed focus on revenue growth and diverse revenue streams. RFQ recently employed a dedicated Business Development Manager and was successful in being awarded the Early Psychosis Psychosocial Supports tender for Metro North Hospital and Health Service. RFQ's reputation in the business is also evidenced by the renewal of a number of Primary Health Network funded programs and the recent transition of Arafmi NDIS Core Support clients and staff to RFQ.

5 Operating and financial review

The profit from continuing operations for the year ended 30 June 2025 was $86,772 (2024: $1,353,501). Overall revenue has decreased by 1.1% to $39,955,486 for the year ended 30 June 2025 (2024: $40,404,192).

The decrease in profit and profit margin from 2024 is mainly driven by decreased revenue and profitability in NDIS Core Support and Support Coordination programs. Given that prices for Support Coordination have not increased in six years, RFQ determined that it was no longer viable to provide the service and has ceased taking any new clients. The exit from Support Coordination services is being managed sensitively over a two year period to reduce the impact on staff and clients.

The Company finished the year with cash and cash equivalents of $1,773,898 (2024: $3,231,934), term deposits of $18,001,967 (2024: $20,939,381) and investment in managed funds of $3,026,460 (2024:$0). In May 2025, the Company released $3M from term deposit accounts and invested in risk considered managed funds through Westpac aiming to earn higher investment income. Consolidated balance in cash, term deposits and managed funds decreased by $1.4M predominently due to the acquisition of fixed assets, mainly vehicles and new office fitouts.

6 Significant changes in the state of affairs

The company made the strategic decision to gradually withdrawal from NDIS Support Coordination services. This decision was made in response to ongoing financial pressures and structural limitations inherent in the current NDIS Support Coordination funding model. Funding is constrained by price caps and margins are increasingly unsustainable. The decision was made to gradually withdraw from Support Coordination to reduce the impact on clients and staff. Following the decision, the Support Coordination service has continued to see a gradual decline in both staffing levels and participant numbers, reflecting a reduced footprint for the service.

7 Events subsequent to reporting date

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 these operations, or the state of affairs of the Company, in future financial years.

8 Members' guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstandings and obligations of the entity. At 30 June 2025, the number of members was 9 (2024: 10). The total amount that members of the Company are liable to contribute if the Company is wound up is $90 (2024: $100).

9 Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 10 and forms part of the Directors' report for the financial year ended 30 June 2025.

This report is made in accordance with a resolution of the directors:

Rhonda Chesmond
Director

Dated at Brisbane this 15th day of September 2025.

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 Richmond Fellowship of Queensland

I declare that, to the best of my knowledge and belief, in relation to the audit of The Richmond Fellowship of Queensland 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

15 September 2025

The Richmond Fellowship of Queensland

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

In AUD	***Note***	**2025**	**2024**
Revenue	*4*	39,955,486	40,404,192
Other income	*5*	1,776,693	1,814,439
		41,732,179	42,218,631
Employee benefits expenses	*6*	(34,756,969)	(34,716,080)
Depreciation expense		(1,376,827)	(1,269,281)
Finance costs	*15*	(149,570)	(113,240)
Audit and legal expenses		(381,098)	(106,893)
Client expenses		(971,123)	(968,336)
General office expenses		(186,539)	(212,576)
Communication expenses		(190,545)	(331,553)
Other expenses	*7*	(3,632,736)	(3,147,171)
Results from operating activities		86,772	1,353,501
Profit from continuing operations		86,772	1,353,501
Other comprehensive income			
Revaluation of property, plant and equipment		1,366,613	-
Total other comprehensive income		1,366,613	-
Total comprehensive income for the year		1,453,385	1,353,501

The notes on pages 15 to 27 are an integral part of these financial statements.

The Richmond Fellowship of Queensland

Statement of financial position

As at 30 June 2025

In AUD	**Note**	**2025**	**2024**
Assets			
Cash and cash equivalents	8	1,773,898	3,231,934
Trade and other receivables	9	1,367,808	838,544
Equity securities at fair value through profit and loss		19,738	19,177
Term deposits		18,001,967	20,939,381
Prepayments		460,678	396,881
Total current assets		21,624,089	25,425,917
Property, plant and equipment	10	6,785,931	4,963,847
Investment in managed funds		3,026,460	-
Right-of-use assets	15	1,948,933	1,847,496
Total non-current assets		11,761,324	6,811,343
Total assets		33,385,413	32,237,260
Liabilities			
Trade and other payables	11	1,606,198	1,613,937
Unexpended funds	12	3,000,375	3,208,233
Employee benefits	13	2,154,980	2,350,519
Lease liabilities	15	556,138	622,164
Total current liabilities		7,317,691	7,794,853
Employee benefits	13	316,334	362,009
Lease liabilities	15	1,509,464	1,291,859
Total non-current liabilities		1,825,798	1,653,868
Total liabilities		9,143,489	9,448,721
Net assets		24,241,924	22,788,539
Equity			
Service project reserve	14	985,852	1,154,000
Asset revaluation reserve	14	1,366,613	-
Retained earnings		21,889,459	21,634,539
Total equity		24,241,924	22,788,539

The notes on pages 15 to 27 are an integral part of these financial statements.

The Richmond Fellowship of Queensland

Statement of changes in equity
For the year ended 30 June 2025

In AUD	Retained Earnings	Service Project Reserve	Asset Revaluation Reserve	Total
Balance at 1 July 2023	20,281,038	1,154,000	-	21,435,038
Total comprehensive income for the year				
Profit for the year	1,353,501	-	-	1,353,501
Total comprehensive income for the year	1,353,501	-	-	1,353,501
Balance at 30 June 2024	21,634,539	1,154,000	-	22,788,539
Balance at 1 July 2024	21,634,539	1,154,000	-	22,788,539
Total comprehensive income for the year				
Profit for the year	86,772	-	-	86,772
Other comprehensive income for the year				
Revaluation on property, plant and equipment	-	-	1,366,613	1,366,613
Total other comprehensive income	-	-	1,366,613	1,366,613
Total comprehensive income for the year	86,772	-	1,366,613	1,453,385
Transfers recorded directly in equity				
Transfer Service Project Reserve	168,148	(168,148)	-	-
Total transfers recorded directly in equity	168,148	(168,148)	-	-
Balance at 30 June 2025	21,889,459	985,852	1,366,613	24,241,924

The notes on pages 15 to 27 are an integral part of these financial statements.

The Richmond Fellowship of Queensland

Statement of cash flows

For the year ended 30 June 2025

In AUD	***Note***	**2025**	**2024**
Cash flows from operating activities			
Receipts from funding bodies and customers		44,476,025	45,786,186
Rent received		79,494	89,158
Cash paid to suppliers and employees		(43,571,051)	(42,843,725)
Cash repaid to funding bodies		(1,427,980)	(1,233,602)
Cash generated from operating activities		(443,512)	1,798,017
Interest and distribution received		1,131,692	1,069,266
Interest paid		(149,570)	(113,240)
Net cash from operating activities		538,610	2,754,043
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,083,319)	(642,691)
Proceeds from sale of investment properties		-	1,180,000
Investment in term deposits		(89,046)	(3,156,550)
Proceeds from term deposits		3,006,600	-
Investment in managed funds		(3,006,600)	-
Net cash used in investing activities		(1,172,365)	(2,619,241)
Cash flows from financing activities			
Payment of lease liabilities		(824,281)	(769,351)
Net cash used in financing activities		(824,281)	(769,351)
Net decrease in cash and cash equivalents		(1,458,036)	(634,549)
Cash and cash equivalents at beginning of year		3,231,934	3,866,483
Cash and cash equivalents at end of year		1,773,898	3,231,934

The notes on pages 15 to 27 are an integral part of these financial statements.

Notes to the financial statements
For the year ended 30 June 2025

1 Reporting entity
The Richmond Fellowship of Queensland (the Company) is a company limited by guarantee, incorporated and domiciled in Australia. The address of the Company's registered office is Suite 1, Level 2, 485 Ipswich Road, Annerley QLD 4103. The financial statements are as at and for the year ended 30 June 2025.

The Company is a not-for-profit entity and is primarily involved in supporting people facing mental health challenges and social disadvantage to experience hope, empowerment and recovery, by providing leading recovery-oriented psycho-social services throughout Queensland and nationally via telehealth services.

2 Basis of preparation
(a) Statement of compliance
In the opinion of the directors, the Company is not publicly accountable. The financial statements are prepared in accordance with *Australian Accounting Standards – Simplified Disclosures* adopted by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*. The financial statements comply with *Australian Accounting Standards – Simplified Disclosures.*

They were authorised for issue by the Board of Directors on 15 September 2025.

(b) Basis of measurement
The financial statements have been prepared on the historical cost basis, except for financial assets carried at fair value, land under strata title and buildings carried at fair value.

(c) Functional and presentation currency
These financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Use of estimates and judgements
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of 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 accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

(a) Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (FVOCI) are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:
- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

3 Material accounting policies (continued)

(a) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets - Subsequent measurement and gains and losses:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets designated at fair value through profit or loss comprise equity securities that otherwise would have been classified as available-for-sale and investments in managed funds.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses (see Note 3(c)(i)).

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(b) Property, plant and equipment

(i) Recognition and measurement

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use and the costs of dismantling and removing the items and restoring the site on which they are located.

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.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

3 Material accounting policies (continued)

(b) Property, plant and equipment (continued)

(ii) Valuation of land and buildings

Land and buildings are shown at fair value being the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In the periods when the land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the land and building's carrying amount is not materially different to their fair value.

Increases in the carrying amount arising on revaluation of land are credited to the asset revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

(iii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iv) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are installed and ready for use.

The depreciation rates used for the current and comparative periods for significant items of property, plant and equipment are as follows:

	2025	**2024**
• Buildings	2.5%	2.5%
• Leasehold improvements	Lease period	Lease period
• Plant & equipment	3% - 57%	3% - 57%
• Motor vehicles	12.5%	12.5%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3 Material accounting policies (continued)

(c) Impairment

(i) Non-derivative financial assets

The Company recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets measured at amortised cost. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company 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 Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than investment property, 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.

3 Material accounting policies (continued)

(d) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

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 is available.

(iii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

(iv) Termination benefits

Termination benefits are recognised as an expense at the earlier of when the Company can no longer withdraw the offer of these benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months after the reporting date, then they are discounted to their present value.

(e) Revenue

(i) Government grants

Where an enforcable agreement is in place, grant revenue is recognised when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If there are performance obligations attached to the agreement which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred as unexpended funds until those performance obligations are satisfied.

(ii) Fee for services income

Fee for services income is recognised when the service is delivered in accordance with the Service Agreement between the Company and the client. The invoice is issued to the National Disability Insurance Agency, Plan Manager or client. If at the reporting end date services have been delivered but not invoiced, income is accrued.

(iii) Interest income

Interest revenue is recognised using the effective interest rate method.

(f) 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in AASB 16.

3 Material accounting policies (continued)

(f) Leases (continued)

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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 right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount 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.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(g) Tax

No provision for income tax is raised as the Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997.*

The Richmond Fellowship of Queensland

Notes to the financial statements (continued)

For the year ended 30 June 2025

4 Revenue

In AUD	2025	2024
Grant income	29,247,748	29,217,064
Fee for services	10,707,738	11,187,128
	39,955,486	40,404,192

5 Other income

In AUD	2025	2024
Investment income	1,131,692	1,069,266
Fundraising and donations	24,950	4,490
Rental income	79,494	89,158
Fair value increment - investment property	-	540,000
Other income	540,557	111,525
	1,776,693	1,814,439

6 Employee benefits expenses

In AUD	2025	2024
Salaries and wages	31,034,620	31,400,732
Contributions to defined contribution plans	3,722,349	3,315,348
	34,756,969	34,716,080

7 Other expenses

Other expenses on the statement of profit or loss and other comprehensive income includes the following items:

In AUD	2025	2024
Bad debt expense	3,541	7,455
Loss on disposal of assets	32,364	5,029

8 Cash and cash equivalents

In AUD	2025	2024
Bank balances	1,773,898	3,231,934
Cash and cash equivalents in the statement of cash flows	1,773,898	3,231,934

9 Trade and other receivables

In AUD	2025	2024
Trade receivables	1,054,148	22,995
Accrued income	68,932	490,618
Other receivables	244,728	324,931
	1,367,808	838,544

The Richmond Fellowship of Queensland

Notes to the financial statements (continued)
For the year ended 30 June 2025

10 Property, plant and equipment

In AUD	**Land under strata title**	**Buildings**	**Leasehold improvements**	**Plant & equipment**	**Motor vehicles**	**Total**
Cost or fair value						
Fair value at 30 June 2024	801,110	2,398,891	-	-	-	3,200,001
Cost at 30 June 2024	-	-	2,267,083	1,998,463	73,342	4,338,888
Additions	-	-	433,546	126,020	523,753	1,083,319
Disposals	-	-	(95,943)	(114,773)	(53,168)	(263,884)
Revaluation	359,522	1,007,089	-	-	-	1,366,611
Adjustment on revaluation	-	(116,611)	-	-		(116,611)
Balance at 30 June 2025*	1,160,632	3,289,369	2,604,686	2,009,710	543,927	9,608,324
Accumulated depreciation and impairment losses						
Balance at 30 June 2024	-	59,972	1,658,343	826,127	30,600	2,575,042
Depreciation for the year	-	61,437	185,790	300,134	48,555	595,916
Disposals	-	-	(95,942)	(114,450)	(21,562)	(231,954)
Adjustment on revaluation	-	(116,611)	-	-	-	(116,611)
Balance at 30 June 2025	-	4,798	1,748,191	1,011,811	57,593	2,822,393
Carrying amounts						
At 30 June 2024	801,110	2,338,919	608,740	1,172,336	42,742	4,963,847
At 30 June 2025	1,160,632	3,284,571	856,495	997,899	486,334	6,785,931

* The fair value of Land under strata title and Buildings was determined in June 2025 by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The directors have assessed the fair value of the land and buildings as at 30 June 2025 and taking into consideration market and external factors, decided the above carrying amounts reflect the fair value.

The primary method used in valuation is the "Direct Comparison" Approach whereby recent sales evidence in the immediate area are used for comparison. The secondary method is the "Capitalisation" Approach whereby the adopted net market rental is capitalised at a market derived yield rate assessed from recent sales evidence. Having considered these valuation techniques used, the fair value measurement has been categorised as a Level 2 fair value.

11 Trade and other payables

In AUD	2025	2024
Trade payables	191,393	79,673
Other payables and accruals	1,414,805	1,534,264
	1,606,198	1,613,937

12 Unexpended funds

In AUD	2025	2024
Unexpended funds - Queensland Health	2,067,705	1,674,060
Unexpended funds - Primary Health Networks	835,852	445,077
Unexpended funds - Other	96,818	1,089,096
	3,000,375	3,208,233

Unexpended funds consists of unearned income relating to grants received in advance for provision of services to be rendered by the Company. Any unspent funds at the end of a financial year may be requested to be returned to the funder in future years. If the unspent funds are not required to be returned, they are transferred to profit or loss to cover expenses as they are incurred, as costs are a measure of services provided.

13 Employee benefits

In AUD	2025	2024
Current		
Annual leave	1,868,098	1,926,860
Long service leave	286,882	423,659
	2,154,980	2,350,519
Non-current		
Long service leave	316,334	362,009
	316,334	362,009

14 Reserves

Asset Revaluation Reserve
The asset revaluation reserve records revaluation increments of land and buildings that are owned by the Company.

Service Project Reserve
The service project reserve has been set aside to allocate funds to priority projects that benefit the consumers, community and government, consistent with the Company's Mission and Strategic Plan.

15 Leases

Leases as lessee (AASB 16)

The Company leases a number of land and buildings under operating leases. Some leases have an option to renew before lease end date. Some lease payments are adjusted every year to reflect market rate. For certain leases, the Company is restricted from entering into any sublease arrangements.

The Company also leases a number of vehicles under operating leases. The leases typically run for a period of 3-4 years. Some leases are renewed after lease end date, however, this depends on vehicle condition and Company needs.

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

(i) Right-of-use assets

In AUD	Land and buildings	Vehicles	Photocopiers	Total
Balance at 1 July 2024	1,385,276	381,203	81,017	1,847,496
Additions to right-of-use assets	647,490	-	-	647,490
Lease modifications	224,956	10,337	-	235,293
Derecognition of right-of-use assets	-	(435)	-	(435)
Depreciation charge for the year	(529,730)	(234,419)	(16,762)	(780,911)
Balance at 30 June 2025	1,727,992	156,686	64,255	1,948,933

(ii) Amounts recognised in profit or loss

In AUD	2025	2024
Interest on lease liabilities	149,570	113,240
	149,570	113,240
Expenses relating to short term leases that are not recognised as right-of-use assets	93,077	202,412
	93,077	202,412

(iii) Extension options

Some property leases contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. The Company has estimated potential exercise of these options and extended the lease end date in the calculation of lease liability as at 30 June 2025.

(iv) Lease liabilities

In AUD	2025	2024
Lease liabilities current	556,138	622,164
Lease liabilities non-current	1,509,464	1,291,859
	2,065,602	1,914,023

(v) Fuure lease payments

The total of future lease payments are disclosed for each of the following periods.

In AUD	2025	2024
Less than one year	681,731	726,581
One to five years	1,634,863	1,194,882
More than five years	144,472	123,618
	2,461,066	2,045,081

16 Contingencies

There were no contingent liabilities at reporting date which would have a material effect on the Company's financial statements at 30 June 2025 (2024: nil).

17 Related parties

Key management personnel compensation

The key management personnel compensation was $1,328,961 for the year ended 30 June 2025 (2024: $1,140,306) comprising the remuneration for the former Chief Executive Officer, Interim Chief Executive Officer, Chief Financial Officer, Chief Leadership Officer and Chief Performance Officer.

Related party transactions

In AUD	Note	2025	2024
Legal fees	*(a)*	15,328	6,416
Fee for services	*(b)*	56,263	40,703

a. The Company used legal services from a close family member of a director in relation to advice over trade mark registration and Award changes.

b. The Company provides NDIS services to one of its directors' close family members.

18 Financial instruments

The following table shows the carrying amount of financial assets and liabilities

In AUD	2025	2024
Financial assets measured at amortised cost		
Cash and cash equivalents	1,773,898	3,231,934
Term deposits	18,001,967	20,939,381
Trade receivables	1,298,876	347,926
	21,074,741	24,519,241
Financial assets measured at FVTPL		
Investment in managed funds	3,026,460	-
Equity securities at fair value through profit or loss	19,738	19,177
	3,046,198	19,177
Financial liabilities measured at amortised cost		
Trade payables	191,393	79,673
Lease liabilities	2,065,602	1,914,023
	2,256,995	1,993,696

19 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 these operations, or the state of affairs of the Company, in future financial years.

20 Auditors' remuneration

In AUD	**2025**	**2024**
Audit and review services		
Auditors of the Company - KPMG		
Audit of financial statements	75,600	72,000
	75,600	72,000

21 Capital commitments

There were no capital commitments at reporting date (2024: $0).

22 Members' guarantee

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstandings and obligations of the entity. At 30 June 2025, the number of members was 9 (2024:10). The total amount that members of the Company are liable to contribute if the Company is wound up is $90 (2024: $100).

The Richmond Fellowship of Queensland

Directors' declaration

In the opinion of the directors of The Richmond Fellowship of Queensland (the Company):

(a) the Company is not publicly accountable;

(b) the financial statements and notes that are set out on pages 11 to 27, 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 Disclosures*, and the *Australian Charities and Not-for-profits 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.

Rhonda Chesmond
Director

Dated at Brisbane this 15th day of September 2025.

KPMG

Independent Auditor's Report

To the members of The Richmond Fellowship of Queensland

Opinion

We have audited the ***Financial Report***, of The Richmond Fellowship of Queensland (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* 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 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.

KPMG

Other information

Other Information is financial and non-financial information in The Richmond Fellowship of Queensland's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

i. The preparation and fair presentation of the Financial Report in accordance with *Australian Accounting Standards – Simplified Disclosures Requirements* and the framework 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

15 September 2025