ACN 000 030 179

The Smith Family
Learn today, change tomorrow.

# Financial Report

For the year ended 30 June 2026



The Smith Family (A.C.N. 000 030 179)
Financial Report
For the year ended 30 June 2026

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Registered Office
The Smith Family
Level 17, 2 Market Street
Sydney, NSW, 2000

# Directors' Report

30 June 2026

The directors of The Smith Family present their report for the year ended 30 June 2026.

## 1. The Directors

The following persons were directors of The Smith Family during the financial year and up to the date of this report unless otherwise stated:

| |
|---|
| G.D. Barnes |
| S.A. Davis |
| C.J. Fishpool |
| R.M. Garnon |
| A.J. Kloeden |
| N.W. Moore |
| L. Paul |
| P.J. Radoll |
| M.A. Ryan |
| D.D. Taylor |

## 2. Strategic Priorities

The Smith Family's primary purpose is to create opportunities for disadvantaged young Australians by providing long-term support for their participation in education.

The Smith Family's strategic priorities to support its purpose are to:

i. Deepen long-term, evidence-based personalised practice for *Learning for Life* recipients to improve student outcomes through programs and enabled by data;
ii. Leverage partnerships for, and increase digital delivery of, short-course programs;
iii. Expand digital inclusion to all *Learning for Life* students;
iv. Grow the number of *Learning for Life* scholarships and program reach;
v. Be an authoritative and influential advocate with those who shape public policy on behalf of disadvantaged children and young people;
vi. Develop and maintain a sustainable funding base;
vii. Develop and empower our people;
viii. Be cyber secure and invest in digital, technology and data security; and
ix. Strengthen governance, risk management and compliance.

## 3. Principal Activities

### Policy and Programs

The Smith Family provides support to children and young people in need through financial scholarships to cover essential education costs, as well as learning support and other programs, to help keep them engaged with their education. The support is long term: The Smith Family supports families and children before they start school, throughout primary school, secondary school through to Year 12 and potentially the transition to tertiary studies.

By working in multiple areas of influence The Smith Family improves the likelihood of positive outcomes for students, their families and their wider communities. This includes taking a 'whole of community' and evidence-informed approach to leverage and coordinate the skills and resources of parents, educational institutions, community organisations and businesses.

This year The Smith Family's programs reached 230,248 (2025: 234,379) young Australians and their parents or carers in 91 communities in every state and territory throughout Australia. This constituted a decrease of 1.8% (2025: increase of 6.2%) in the number of program participants.

The Smith Family delivered programs to the community at total cost of $122.8 million (2025: $131.6 million), representing 65.5% of total income received (2025: 70.9%).

### Fundraising

The Smith Family continued to invest significantly in fundraising in 2026 to support the implementation of its longer-term growth plans. This investment was focused on the core areas of Individual and Major Donor fundraising. This included enhancing The Smith Family's fundraising expertise, continuing to build value proposition to donors, and promoting new and innovative fundraising channels and activities. These efforts aim to increase the sustainability and longevity of funds generated to support The Smith Family's plans and community programs in the future.

Multi-year partnerships with businesses, government and educational institutions contributed $45.5 million in 2026 (2025: $50.5 million), while financial support from individual donors and sponsors totalled $107.8 million (2025: $101.5 million).

During the year The Smith Family continued to seek contributions to the Children's Future Education Endowment (the 'fund'). Donations to the fund are invested to generate revenue to support the education of disadvantaged students through the provision of *Learning for Life* scholarships and education-focussed support for communities in need. This year The Smith Family received a total of $3.4 million into the fund through donations from individuals (2025: $0.7 million). The closing balance of the fund at 30 June 2026 was $19.0 million (2025: $16.4 million).

### Volunteering

Volunteers have continued to be important contributors to the achievement of our vision and mission. In 2026, 3,503 individual volunteers filled 4,012 roles nationally, contributing 82,739 hours of donated time.

## 4. Liability of Members

The membership of The Smith Family is classified as follows:

| | |
|---|---|
| Governing Members | 28 |
| Life Members | 18 |
| Family Members | 51 |
| **Total** | **97** |

Each member is liable to contribute a maximum of $1.00 towards the payment of The Smith Family's debts and liabilities in the event that The Smith Family is wound up while they are a member or within one year of their ceasing to be a member. The total liability of members is limited to $97 (2025: $104).

## 5. Review of Operations

The Smith Family provides disadvantaged children, young people and their parents and carers with a range of educational support programs across key stages of their lives. The flagship *Learning for Life* program provides targeted educational support to disadvantaged young Australians for the duration of their schooling. This support includes annual payments provided to their families to go towards their educational costs.

The *Learning for Life* program now supports 73,731 (2025: 71,818) young Australians. The long-term nature of the program means The Smith Family has an ongoing obligation to each of these young people and their families. The cost of supporting this number of students in 2026 is approximately $112 million.

Revenue from continuing operations for the year increased by 1.8% to $186.4 million (2025: $183.2 million), principally as a result of an increase in fundraising and government programs.

During the year The Smith Family continued to invest in the achievement of its organisational strategy whilst managing its costs, particularly in response to a challenging economic period. Total expenditure on community programs in support of its mission was $122.9 million (2025: $131.6 million).

The result from continuing operations for the year was a surplus of $12.1 million (2025: deficit of $5.3 million), which led to a retained surplus of $77.5 million at 30 June 2026 (2025: $69.1 million), and an increase in the fund reserve to $18.8 mlllion (2025: $15.2 million).

The reserves of $77.5 million provide The Smith Family with resilience against changing economic or fundraising circumstances, enabling the continued support and provision of services to children and young people into the future.

*continued over* ›

## 6. Information on Directors

| Director | Experience | Special Responsibilities |
|---|---|---|
| **G.D. Barnes** BComm, Chartered Accountant, MBA, GAICD | Non-executive Director since November 2023; Group Chief Financial Officer at Ampol Limited; former CFO at Coca-Cola Amatil, Nine Entertainment Co and CSR Limited. | Member of the Finance, Audit & Risk Committee and Endowment Fund Committee |
| **S.A. (Tony) Davis** | Non-executive Director since 2016; Founding Director and past Chairman of Quantium, a global leader in artificial intelligence, data analytics, and business transformation (now owned by Woolworths); a partner and advisor in high growth tech ventures across media, cyber security, health and AI; Owner/Director of Greenbanks Tasmanian Whisky; former Chairman of peak marketing industry body ADMA; Director of Seaford Foundation (family charity). | Chair of The Smith Family Challenge Fundraising Event |
| **C.J. Fishpool** B Applied Science, Grad Diploma of Education, Grad Diploma of Strategic Leadership | Non-executive Director since November 2024; Lead Director, Conditions for Learning, Department for Education (SA); previously Education Director, Uleybury and Torrens Valley Portfolio, Department for Education (SA) (2022-2023), Principal at Wirreanda Secondary School (2016-2022), Panalatinga Local Partnership Chairperson/Executive (2015-2022), Department for Education Review Principal (2019-2022), Board Member of SA Secondary Principals Association (2019-2021) and leadership positions at Wirreanda Secondary School and Fremont Elizabeth City High School (2001-2015). | Chair of the Principals Advisory Group and Member of the People & Culture Committee |
| **R.M. Garnon** BEc/LLB FCA CTA GAICD | Non-executive Director since 2019. Deputy Chair and Non-Executive Director of Venues New South Wales, Non-Executive Director of Acenda Life; Member of the Australian Council Board for Creative Australia; former senior Partner with KPMG with over 29 years' experience in professional services. Member of Chief Executive Women. | Chair of the Finance, Audit & Risk Committee and the Endowment Fund Committee, Member of the Corporate Governance Committee |
| **A.J. Kloeden AM** MSc (Business Studies), BSc (Hons - Forestry), Hon. Doctorate, FAICD | Non-executive Director since 2016; Chairman of Aquasure Pty Ltd; Director of the Victorian Chamber of Commerce and Industry; Director of the Australian Chamber of Commerce and Industry; extensive experience in senior management roles in a range of companies in Australia and overseas involved in agribusiness, manufacturing, distribution, retail, technology and transport. | Chairman of the People & Culture Committee |
| **N.W. Moore AO** HonDBus, LLB, BComm, FCA | Chairman and Non-executive Director since November 2019; Special Envoy for Southeast Asia for the Commonwealth Government; Chairman of The Centre for Independent Studies, Willow Technology Corporation, Aldus Group and the National Catholic Education Commission; former Chairman of Screen Australia; former Chairman of the Markets Taskforce Expert Advisory Panel and the Financial Regulator Assessment Authority within the Department of Treasury; former Chairman of the Sydney Opera House and PCYC NSW; former Director of Sydney Airport, Rome Airport (Aeroporti di Roma), Southern Cross Media Group and Hills Motorway; former Chief Executive Officer of Macquarie Group; member (and former Chairman) of the UNSW Business School Advisory Council. | Chairman of the Board |
| **L. Paul AO PSM** BA (Hons), FAICD, FACEL, FIPAA, FAIM, FANZSOG | Non-executive Director since November 2023; Chancellor of University of Canberra; Chair of the Audit Committee of the Australian Academy of Science; Director Australian American Leadership Dialogue; Chair Rhodes Scholarship Territories Selection Committee; Director Powering Australia's Growth Centre; member APM disability services Advisory Committee; former Chief Executive (Secretary) of the Federal Department of Education in Australia from 2004-2016. Director of several non-profit organisations. | Chair of the Corporate Governance Committee |

## 6. Information on Directors *continued*

| Director | Experience | Special Responsibilities |
|---|---|---|
| **P.J. Radoll**<br>BInfoTech, MInfoTech, PhD | Non-executive Director since April 2019; Non-executive Director at the Victorian Chamber of Commerce and Industry; Fellow of the Royal Society of NSW; Visiting Reserach Fellow at the Australian National University; former Deputy Vice-Chancellor at Victoria University. | Chair of the National Aboriginal and Torres Strait Islander Advisory Group and Member of the People & Culture Committee |
| **M.A. Ryan**<br>B Arts (Journalism), MBA (Distinction), Adv Diploma of Neuroscience of Leadership | Non-executive Director since November 2023; Communications and Stakeholder Engagement Consultant at Queensland Rail; former senior leadership and executive level roles at Mater Group, the Gold Coast Suns AFL Club, and Tatts Group across strategy, corporate affairs, organisational development, marketing and stakeholder engagement. Chairperson of Return Serve Inc. | Member of the Finance, Audit & Risk Committee and Endowment Fund Committee |
| **D.D. Taylor**<br>BMin, BA (Hons), GradCertM, GAICD, Adjunct Professor, Centre for Social Impact, UNSW Business School at the University of New South Wales (UNSW) | Chief Executive Officer and Executive Director since 9 August 2021; Member of the Board of Trustees Western Sydney University, Non-executive Director of The Wayside Chapel; member of the Centre for Social Impact Advisory Board; former Deputy CEO of Uniting NSW & ACT; Former Chairperson of Warakirri College. | Chief Executive Officer; Member of the Corporate Governance Committee and Endowment Fund Committee |

Tracy Jane Unwin (B.Comm. LLB, GAICD, GIA (Affiliated)) was appointed as Company Secretary of The Smith Family on 12 July 2023.

## 7. Directors' Meetings

The number of directors' meetings held in the period each director held office during the financial year and the number of meetings attended by each director are:

| | Board of Directors | | Corporate Governance | | Finance, Audit and Risk | | People and Culture | | Endowment Fund | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Director** | **Held** | **Attended** | **Held** | **Attended** | **Held** | **Attended** | **Held** | **Attended** | **Held** | **Attended** |
| G.D. Barnes | 6 | 5 | | | 4 | 4 | | | 1 | 1 |
| S.A. Davis | 6 | 4 | | | | | | | | |
| C.J. Fishpool | 6 | 5 | | | | | 1 | 1 | | |
| R.M. Garnon | 6 | 6 | 1 | 1 | 4 | 4 | | | 1 | 1 |
| A.J. Kloeden | 6 | 5 | | | | | 3 | 3 | | |
| N.W. Moore | 6 | 6 | | | | | | | | |
| L. Paul | 6 | 6 | 1 | 1 | | | | | | |
| P.J. Radoll | 6 | 6 | | | | | 3 | 2 | | |
| M.A. Ryan | 6 | 5 | | | 4 | 4 | | | 1 | 1 |
| D.D. Taylor | 6 | 6 | 1 | 1 | 4* | 4* | 3* | 3* | 1* | 1* |

* D.D. Taylor attended the Finance, Audit & Risk, People & Culture and Endowment Fund Committee meetings in his capacity as Management Representative.

## 8. Events Subsequent to Balance Date

Other than as disclosed in Note 26 of this report, no matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect:

(a) The Smith Family's operations in future financial years;

(b) the results of those operations in future financial years; or

(c) The Smith Family's state of affairs in future financial years.

## 9. Significant Changes in the State of Affairs

In the opinion of the directors, there were no significant changes in the state of affairs of The Smith Family that occurred during the financial year not otherwise disclosed in the financial report.

## 10. Likely Developments

In the opinion of the directors, there are no likely changes in the operations of The Smith Family which will adversely affect the results of The Smith Family in subsequent financial years.

## 11. Environmental Regulation

The Smith Family has complied with all relevant environmental requirements.

## 12. Indemnification and Insurance of Directors and Officers

The Smith Family has a Directors' and Officers' Liability policy covering each of the directors and certain executive officers for liabilities incurred in the performance of their duties. The premiums in respect of the policy are payable by The Smith Family. The terms of the policy specifically prohibit the disclosure of any other details relating to the policy and therefore the directors do not intend disclosing further particulars relating thereto.

## 13. Indemnification of Auditors

To the extent permitted by law, The Smith Family has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its 2026 audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to Ernst & Young under this indemnity during the year ended 30 June 2026.

## 14. Auditors' Independence Declaration

A copy of the auditors' independence declaration is set out on Page 7.

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

For and on behalf of the Board



**N.W. Moore**
Chairman

Sydney 17 September 2026

# Auditor's Independence Declaration

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Shape the future
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## Auditor's Independence Declaration to the Directors of The Smith Family

In relation to our audit of the financial report of The Smith Family for the financial year ended 30 June 2026, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of any applicable code of professional conduct; and

b. No non-audit services provided that contravene any applicable code of professional conduct.

Ernst & Young

Yvonne Barnikel
Partner
17 September 2026

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

# Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Revenue** | | | |
| Fundraising | 2(d)(i),(ii); 5 | 163,829 | 154,273 |
| Government funding | 2(d)(v); 5 | 18,961 | 23,976 |
| Revenue from sale of commercial goods | 2(d)(iii); 5 | 35 | 58 |
| Interest revenue | 2(d)(iv); 5 | 3,616 | 4,852 |
| | 5 | **186,441** | **183,159** |
| **Other Income** | | | |
| Other income | 6 | 1,071 | 2,364 |
| Net gain/(loss) on disposal of property, plant and equipment | 6 | 4 | (13) |
| | 6 | **1,075** | **2,351** |
| **TOTAL REVENUE** | | **187,516** | **185,510** |
| **Expenses** | | | |
| Community Programs | 2(e) | 122,870 | 131,593 |
| Commercial expenses | | 19 | 34 |
| Fundraising | | 37,791 | 40,585 |
| Promotion | | 7,137 | 7,519 |
| VIEW Clubs | | 3,748 | 3,721 |
| Shared Services | | 3,889 | 7,332 |
| **TOTAL EXPENSES** | | **175,454** | **190,784** |
| **Surplus/(Deficit) before income tax** | | 12,062 | (5,275) |
| Income tax expense | 2(f) | - | - |
| **NET SURPLUS/(DEFICIT) FOR THE YEAR FROM CONTINUING OPERATIONS** | | **12,062** | **(5,275)** |
| **Other Comprehensive Income** | | | |
| Net fair value gain | | 420 | 400 |
| Income tax on items of other comprehensive income for the year | | - | - |
| **TOTAL COMPREHENSIVE INCOME/(LOSS)** | | **12,482** | **(4,875)** |

# Statement of Financial Position

As at 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 2(i), 8 | 22,359 | 19,955 |
| Other financial assets | 2(i), 8 | 60,834 | 69,834 |
| Receivables | 2(j), 9 | 6,552 | 6,580 |
| Inventories | 2(k),10 | 146 | 104 |
| Assets classified as held for sale | 8(c),11 | 9,960 | - |
| **Total current assets** | | **99,851** | **96,473** |
| **Non-current assets** | | | |
| Financial assets | 2(l), 12 | 23,120 | 20,015 |
| Property, plant and equipment | 2(n), 13 | 1,451 | 1,895 |
| Right-of-use assets | 2(g), 19(a) | 5,382 | 6,429 |
| Intangible assets | 2(o), 14 | 29 | 56 |
| **Total non-current assets** | | **29,982** | **28,395** |
| **TOTAL ASSETS** | | **129,833** | **124,868** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Payables | 2(p), 15 | 8,561 | 7,776 |
| Provisions | 2(q,r), 16 | 9,065 | 14,653 |
| Deferred Income | 2(d)(v), 17 | 5,977 | 8,242 |
| Lease Liability | 2(g), 19(b) | 2,173 | 1,750 |
| **Total current liabilities** | | **25,776** | **32,421** |
| **Non-current liabilities** | | | |
| Provisions | 2(q,r), 18 | 2,386 | 1,830 |
| Lease Liability | 2(g), 19(b) | 4,073 | 5,501 |
| **Total non-current liabilities** | | **6,459** | **7,331** |
| **TOTAL LIABILITIES** | | **32,235** | **39,752** |
| **NET ASSETS** | | **97,598** | **85,116** |
| **Accumulated funds** | | | |
| Retained surplus | 20(a) | 77,497 | 69,056 |
| Endowment fund reserve | 20(b) | 18,818 | 15,197 |
| Investment revaluation reserve | 20(c) | 1,283 | 863 |
| **TOTAL ACCUMULATED FUNDS** | | **97,598** | **85,116** |

# Statement of Changes in Equity

For the year ended 30 June 2026

| | Retained Surplus $'000 | Endowment Fund Reserve $'000 | Investment Revaluation Reserve $'000 | Total Accumulated Funds $'000 |
|---|---|---|---|---|
| | | (Note 2(t)) | | |
| **Year ended 30 June 2025** | | | | |
| **As at 1 July 2024** | **76,044** | **13,484** | **463** | **89,991** |
| Deficit for the year | (5,275) | - | - | (5,275) |
| Transfer of Endowment fund surplus to reserve | (1,713) | 1,713 | - | - |
| Other comprehensive income - revaluation | - | - | 400 | 400 |
| **Total comprehensive income/(loss)** | **(6,988)** | **1,713** | **400** | **(4,875)** |
| **As at 30 June 2025** | **69,056** | **15,197** | **863** | **85,116** |
| **Year ended 30 June 2026** | | | | |
| **As at 1 July 2025** | **69,056** | **15,197** | **863** | **85,116** |
| Surplus for the year | 12,062 | - | - | 12,062 |
| Transfer of Endowment fund surplus to reserve | (3,621) | 3,621 | - | - |
| Other comprehensive income - revaluation | - | - | 420 | 420 |
| **Total comprehensive income/(loss)** | **8,441** | **3,621** | **420** | **12,482** |
| **As at 30 June 2026** | **77,497** | **18,818** | **1,283** | **97,598** |

# Statement of Cash Flows

For the year ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from fundraising and government funding | | 201,831 | 180,509 |
| Receipts from sale of commercial goods | | 39 | 58 |
| Payments to suppliers, employees and for client assistance | | (207,123) | (198,135) |
| **Net cash (outflow)/inflow from operating activities** | | **(5,253)** | **(17,568)** |
| **Cash flows from investing activities** | | | |
| Payments for property, plant and equipment and intangibles | | (538) | (935) |
| Redemption of/(Payments for) Investments (Term Deposits) | | 9,000 | 18,000 |
| Proceeds from disposal of financial assets | | 376 | 332 |
| Interest received | | 3,816 | 5,339 |
| Purchase of financial assets | | (2,059) | (510) |
| Dividends received | | 219 | 587 |
| **Net cash (outflow) from investing activities** | | **10,814** | **22,813** |
| **Cash flows from financing activities** | | | |
| Payment of principal portion of lease liabilities | | (2,821) | (2,564) |
| Interest paid | | (336) | (349) |
| **Net cash (outflow) from financing activities** | | **(3,157)** | **(2,913)** |
| **Net (decrease) in cash and cash equivalents** | | **2,404** | **2,332** |
| Cash and cash equivalents at the beginning of the financial year | 2(i) | 19,955 | 17,623 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR** | **8(a)** | **22,359** | **19,955** |

# Notes to the Financial Statements

For the year ended 30 June 2026

## 1. Corporate information

The financial report of The Smith Family (The Smith Family) for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 17 September 2026.

The Smith Family is a company limited by guarantee, incorporated and domiciled in Australia.

The nature of the operations and principal activities of The Smith Family are described in the Directors' Report.

## 2. Summary of material accounting policies

### (a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-Profits Commission, and comply with other requirements of the law. The financial report has also been prepared on an historical cost basis, except for financial assets and liabilities, which have been measured at fair value.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated.

Certain comparative figures have been reclassified and restated to conform with the current year's presentation. These reclassifications had no effect on previously reported profit, total equity or cash flows.

### (b) Statement of compliance

The financial report complies with Australian Accounting Standards. Some Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements, including Australian Accounting Standards AASB 102 *Inventories*, AASB 116 *Property, Plant and Equipment*, AASB 136 *Impairment of Assets* and AASB 1004 *Contributions*.

### (c) Foreign currency translation

#### *(i) Functional and presentation currency*

The financial statements are presented in Australian dollars, which is also The Smith Family's functional currency.

#### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss.

### (d) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable and satisfaction of performance obligations has occurred by transfer of good or service. For donations, revenue recognition occurs when control is gained of the donated asset. The following specific recognition criteria must also be met before revenue is recognised:

#### *(i) Fundraising revenue*

Fundraising revenue (with the exception of the value of donated goods and services and revenue from government tied to future program expenditure) and revenue from VIEW Clubs is recognised generally when the cash is received. The majority of fundraising revenue does not meet the enforceability and the 'sufficiently specific' criteria under AASB 15 and therefore is recognised as income once The Smith Family controls the relevant asset under AASB 1058. Bequests of shares and other securities are brought to account at their values on the date of receipt. Accruals are made for donations which are received before but banked after the year-end.

# Notes to the Financial Statements

For the year ended 30 June 2026

## 2. Summary of material accounting policies *continued*

***(ii) Donations and bequests of non-cash assets***

Donations and bequests received in the form of non-cash assets, including real property, artwork, collectibles and other tangible assets, are recognised as revenue when control of the asset passes to The Smith Family and the fair value of the asset can be measured reliably. The donated asset is initially recognised at fair value at the date of acquisition, with a corresponding amount recognised as donation or bequest revenue in the Statement of Profit or Loss and Other Comprehensive Income.

Fair value is determined with reference to independent valuations, market evidence or other appropriate valuation techniques where available.

***(iii) Sales revenue***

Revenue from sales of commercial goods represents revenue earned from the sale of commercial products, net of returns, trade allowances and duties and taxes paid, arising from sales of general merchandise.

A sale is recorded when goods have been dispatched to a customer pursuant to a sales order and the associated risks have been passed to the carrier or customer.

***(iv) Interest Revenue***

Where the interest rate is fixed, revenue is recognised as interest accrues. Where the interest rate is variable and the amount of interest cannot reliably be estimated, revenue is recognised as interest is received.

***(v) Government revenue***

Government grants are recognised as revenue within the scope of AASB 1058 when grant contracts are not enforceable or the performance obligations are not sufficiently specific. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied.

Management judgement is required in determining how each government grant should be classified under either AASB 1058 or AASB 15.

Government subsidies are recognised as revenue within the scope of AASB 1058 when it is reasonably assured that the subsidy will be received.

***(vi) Dividends***

Dividends on listed shares are recognised when funds are received or accrued.

***(vii) Volunteer Services***

The Smith Family regularly receives volunteer services as part of its operations. Under AASB 1058, private sector not-for-profit entities have a policy option to account for donated services at fair value if the fair value can be reliably measured. While The Smith Family has assessed that the fair value of its volunteer services can be reliably measured, it has decided to adopt the policy option not to recognise volunteer services. Accordingly, no amounts are recognised in the financial statements for volunteer services.

### (e) Community Programs expenditure

Community Programs expenditure includes direct scholarship and other assistance to students and their families, the cost of personal support attributable to the programs, payments to community partners for contracted services, the cost of research and advocacy and an allocation of overhead costs by way of an administration charge.

### (f) Income tax

The Smith Family is a public benevolent institution and as such is exempt from the payment of income tax.

### (g) Leases (as lessee)

The Smith Family assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Smith Family applies a single recognition and measurement approach for all leases, except for short-term leases. The Smith Family recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

# Notes to the Financial Statements

For the year ended 30 June 2026

## 2. Summary of material accounting policies *continued*

***Right-of-use assets***

The Smith Family recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated as the shorter of either a straight-line basis over the lease term or the estimated useful life. Refer to note 19(d) for information on useful lives by asset category. The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2(h).

***Lease liabilities***

At the commencement date of the lease, The Smith Family recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable. In calculating the present value of lease payments, The Smith Family uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### (h) Impairment of non-financial assets

The Smith Family assesses at each reporting date whether there is an indication that any asset or cash generating unit (collectively "asset") may be impaired. If any indication exists, or when annual impairment testing for an asset is required, The Smith Family estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

### (i) Cash and cash equivalents, other financial assets

The Smith Family's cash and cash equivalents are measured at amortised cost, and comprise cash at banks and on hand, and short-term deposits with a maturity of three months or less.

Other financial assets in the statement of financial position comprise long-term deposits with a maturity of more than three months. These deposits are readily convertible to cash without significant penalty.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and other financial assets as defined above, net of outstanding bank overdrafts.

### (j) Trade receivables

Trade receivables are measured at amortised cost (and are not designated as fair value through profit or loss) as the objective is to hold them and collect contractual cash flows, and the contractual terms of the receivables give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these receivables are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

The Smith Family makes use of a simplified approach in accounting for trade receivables, where the loss allowance is recorded at the amount equal to the expected lifetime credit losses. In using this practical expedient, The Smith Family uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses. Impairment of trade receivables is presented within other expenses.

Trade receivables generally are interest free and have 30-60 day terms.

# Notes to the Financial Statements

For the year ended 30 June 2026

## 2. Summary of material accounting policies *continued*

### (k) Inventories

Other than donated inventories held for distribution, inventories are valued at the lower of cost and current replacement cost.

***Finished goods***

Costs are assigned to individual items of inventory on the basis of the first in first out method of stock costing. Replacement cost is the estimated cost of replacement in the ordinary course of business.

***Donated inventories held for distribution***

As part of its operations, The Smith Family receives donations of goods which may then be used in its activities. AASB 102 requires the donated inventories to be measured at current replacement cost and any related amounts to be accounted for under AASB 1058. Donated goods held for distribution are stated at their estimated current replacement cost at the date of acquisition, adjusted when applicable for any loss of service potential.

### (l) Financial assets

***Initial recognition and measurement***

Financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs and other income.

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition: fair value through profit or loss (FVTPL), or equity instruments at fair value through other comprehensive income (FVOCI).

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

***(i) Financial assets at fair value through profit or loss (FVTPL)***

Financial assets other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. These assets include both listed and unlisted equity investments.

***(ii) Equity instruments at fair value through other comprehensive income (FVOCI)***

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as other income within the profit or loss statement unless the dividend clearly represents return of capital. This category includes certain listed equity investments.

***Recognition and de-recognition***

All regular purchases and sales of financial assets are recognised on the trade date i.e. the date that The Smith Family commits to purchase or sell the asset. Regular purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are de-recognised when the right to receive cash flows from the financial assets have expired or when the entity transfers substantially all the risks and rewards of the financial assets.

***Impairment***

The Smith Family assesses, on each reporting date, whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has had an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

# Notes to the Financial Statements

For the year ended 30 June 2026

## 2. Summary of material accounting policies *continued*

### (m) Assets and liabilities classified as held for sale

Assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, continue to be measured in accordance with The Smith Family's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

### (n) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation, subject to note 2(m). Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to The Smith Family and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss during the financial period in which they are incurred.

Land is not depreciated. Except as noted below, depreciation on other assets is calculated using the straight line method to allocate their cost or revalue amounts, net of their residual values, over their estimated useful lives, as follows:

| | |
|---|---|
| Buildings | 33.33 years |
| Plant and equipment | 3 - 10 years |
| Vehicles | 5 years |
| Furniture, fittings and other equipment | 3 - 10 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2(h)).

### (o) Intangible assets

The Smith Family has purchased computer software, and developed certain computer software to enhance its business using both internal and external resources. The costs of these purchases and developments are capitalised and amortised over the useful life of the software, which is normally taken to be 3 to 5 years.

### (p) Financial liabilities

The Smith Family's financial liabilities include trade and other payables.

***Trade and other payables***

Trade and other payables represent liabilities for goods and services provided to The Smith Family prior to the end of financial year which were unpaid on the reporting date. The amounts are unsecured, interest free and usually paid within 30 days of recognition.

### (q) Provisions

Provisions for legal claims are recognised when: The Smith Family has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Except as otherwise noted, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation on the reporting date. Subsequent adjustments to the provisions due to the passage of time are recognised as interest expenses.

# Notes to the Financial Statements

For the year ended 30 June 2026

## 2. Summary of material accounting policies *continued*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Smith Family recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value.

### (r) Employee benefits

***(i) Wages and salaries, and annual leave***

Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

***(ii) Long service leave***

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible to the estimated future cash outflows.

***(iii) Superannuation***

Contributions to employee superannuation plans are charged as an expense as the contributions are paid or become payable.

### (s) Goods and Services Tax (GST)

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

The net amount of GST recoverable from or payable to the taxation authority is included with other receivables or payables in the statement of financial position.

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

### (t) Endowment Fund

The Children's Future Education Endowment (referred to in the Financial Statements as the Endowment Fund or the Fund) comprises monies donated or bequeathed to The Smith Family for long-term investment which will generate revenue to support the education of disadvantaged students through the provision of Learning for Life scholarships and education-focussed support for individuals and communities in need. The Smith Family may, at its discretion, transfer additional monies to the Fund from time to time. The balance of the Fund is separately invested in a specific investment portfolio. The revenue for the Fund for the year includes donations, bequests and income from investments, net of associated expenses. Gains or losses on revaluation of the investment portfolio are recorded in the profit and loss.

### (u) New and amended accounting standards and interpretations

There have been a number of new accounting standards and interpretations which became applicable during the financial year. None of these have had a material impact on the results or financial position of The Smith Family.

Certain Australian Accounting Standards and AASB interpretations have recently been issued or amended but are not yet effective. The directors have not early-adopted any of these new or amended standards or interpretations:

# Notes to the Financial Statements

For the year ended 30 June 2026

## 2. Summary of material accounting policies *continued*

***AASB 18 Presentation and Disclosure in Financial Statements***

AASB 18 replaces AASB 101 as the standard describing the primary financial statements and sets out requirements for the presentation and disclosure of information in AASB compliant financial statements. Amongst other changes, it introduces the concept of the "management-defined performance measure" to financial statements and requires the classification of transactions presented within the statement of profit or loss within one of five categories: operating, investing, financing, income taxes and discontinued operations. It also provides enhanced requirements for the aggregation and disaggregation of information. The standard is effective for The Smith Family for the financial year commencing 1 July 2028, and may be early adopted. When the standard is first adopted for the year ending 30 June 2029, there will be no material impact on the financial statements.

***AASB 1061 General Purpose Financial Statements – Not-for Profit Private Sector Tier 3 Entities***

AASB 1061 introduces the concept of a Tier 3 NFP entity in the reporting framework. This tier is designed to provide simplified recognition and measurement requirements, reduced disclosure obligations and simplified presentation requirements. The standard is effective for The Smith Family for the financial year commencing 1 July 2029, and may be early adopted. The entity has not undertaken an assessment as to the impact of these changes at this stage.

## 3 Financial risk management objectives and policies

The Smith Family's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Smith Family's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of The Smith Family.

Risk management is carried out by a central finance department (Finance) under policies approved by the Board of Directors. Finance identifies, evaluates and hedges financial risks in close co-operation with The Smith Family's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as mitigating foreign exchange, interest rate and credit risks, use of derivative financial instruments and investing excess liquidity.

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **Financial Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 8 | 22,359 | 19,955 |
| Term Deposits | 8 | 60,834 | 69,834 |
| Trade and other receivables | 9 | 6,552 | 6,580 |
| **Non-current assets** | | | |
| Listed and Unlisted securities | 12 | 23,120 | 20,015 |
| | | **112,865** | **116,384** |
| **Financial liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 15 | 8,561 | 7,776 |
| Lease liability | 19(b) | 2,173 | 1,750 |
| **Non-Current liabilities** | | | |
| Lease liability | 19(b) | 4,073 | 5,501 |
| | | **14,807** | **15,027** |

# Notes to the Financial Statements

For the year ended 30 June 2026

## 3 Financial risk management objectives and policies *continued*

### (a) Market risk

***(i) Price risk***

The Smith Family is exposed to equity securities price risk. This arises from investments held by The Smith Family and classified on the statement of financial position either as FVTPL or FVOCI. The Smith Family is not exposed to commodity price risk.

To manage The Smith Family's price risk arising from investments in equity securities, The Smith Family diversifies its' portfolio in accordance with limits set by The Smith Family's Investment Policy and Mandate. The majority of The Smith Family's equity investments are readily saleable.

At reporting date The Smith Family had $23.1 million (2025: $20.0 million) in financial assets. Equity would further increase / decrease as a result of gains / losses on equity securities and managed funds classified as either FVTPL or FVOCI.

***(ii) Interest rate risk***

The Smith Family's finance costs and operating cash flows are not materially exposed to changes in market interest rates. As at the reporting date The Smith Family had no borrowings. The Smith Family's investments in term deposits all pay fixed interest rates. Based on the balances held in interest bearing bank accounts on the reporting date, The Smith Family's surplus for the year would have been $111,794 higher / $111,794 lower (2025: $99,772 higher / $99,772 lower) had the interest rates increased / decreased up to 0.5%.

### (b) Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables and committed transactions. For banks and financial institutions only independently rated parties with a minimum Standard and Poor's rating of A- are accepted. The Smith Family has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Individual risk limits are set based on internal ratings and these are regularly monitored by management.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised above. Under certain circumstances The Smith Family may retain title over goods sold until full payment is received. The Smith Family may obtain security in the form of letters of credit which can be called upon if the counterparty is in default under the terms of the agreement. The Smith Family may also take trade finance insurance cover for transactions in certain export markets.

### (c) Liquidity risk

The Smith Family's objective is to maintain a balance between continuity of funding from its fundraising activities and its operating expenditures.

### (d) Fair value hierarchy table

The Smith Family uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets.

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

# Notes to the Financial Statements

For the year ended 30 June 2026

## 3 Financial risk management objectives and policies *continued*

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

| | Year ended 30 June 2026 | | | | Year ended 30 June 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Quoted market price (Level 1) $'000 | Valuation technique – market observable inputs (Level 2) $'000 | Valuation technique – non-market observable inputs (Level 3) $'000 | Total $'000 | Quoted market price (Level 1) $'000 | Valuation technique – market observable inputs (Level 2) $'000 | Valuation technique – non-market observable inputs (Level 3) $'000 | Total $'000 |
| **Financial Assets** | | | | | | | | |
| **Securities** | | | | | | | | |
| Listed securities | 8,570 | - | - | 8,570 | 7,147 | - | - | 7,147 |
| Unlisted securities | - | 14,550 | - | 14,550 | - | 12,868 | - | 12,868 |
| | **8,570** | **14,550** | **-** | **23,120** | **7,147** | **12,868** | **-** | **20,015** |

Quoted market price presents fair value based on quoted prices in active markets as at the reporting date, without any deduction for transaction costs.

## 4 Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Estimates and judgements are continually evaluated in relation to assets, liabilities, contingent liabilities, revenue and expenses, and are based on historical experience and other factors, including expectations of future events which are believed to be reasonable under the circumstances. The estimates and judgements form the basis of the carrying values of assets and liabilities which are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions. There are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### (i) Significant accounting judgements

***Impairment of non-financial assets***

The Smith Family assesses at each reporting date whether there is objective evidence that any significant non-financial asset or group of non-financial assets is impaired by evaluating conditions specific to The Smith Family and to the particular asset or group of assets which may lead to impairment. These include financial performance, technology, the economic environment and future expectations. Certain assets have been tested for impairment and management considers that there are no impairment triggers which might require the value of those assets to be determined.

***Impairment of financial assets***

The Smith Family holds a number of financial assets and follows the requirements of AASB 9: Financial Instruments in determining when a financial asset is impaired. In determining the amount of impairment, judgements are made in identifying financial assets whose decline in fair value below cost is considered significant and prolonged. A significant decline is based on the historical volatility of the share price. A prolonged decline is based on the length of time over which the share price has been depressed below cost. For the year ended 30 June 2026 The Smith Family has determined that there are no financial assets considered impaired (2025: no impairment loss).

***Valuation of unlisted investments***

The Smith Family's financial assets include a portfolio of unlisted investments in managed funds managed by external investment managers. In accordance with The Smith Family's accounting policies, these unlisted investments are measured at FVTPL. The Smith Family generally values its interests in the managed funds using the valuation provided by the external investment manager. For the year ended 30 June 2026 The Smith Family considers the valuation methodology adopted by the relevant investment manager as appropriate.

# Notes to the Financial Statements

For the year ended 30 June 2026

## 4 Critical accounting judgements, estimates and assumptions *continued*

### (ii) Significant accounting estimates and assumptions

***Revenue recognition***

To determine if a grant contract should be accounted for under AASB 1058 or AASB 15, The Smith Family has to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing if the performance obligations are 'sufficiently specific', The Smith Family has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts, review of accompanying documentation (e.g. work plans) and holding discussions with relevant parties. Income recognition from grants received by The Smith Family has been appropriately accounted for under AASB 1058 or AASB 15 based on the assessment performed.

***Make-good provisions***

A provision has been made for the present value of anticipated costs of future restoration of leased premises. Principally these estimated costs relate to the removal of office fitouts and repair and redecoration of office premises. The provision recognised for each site is reviewed periodically and changes are recognised through the statement of financial position by adjusting both the expense and provision. The related carrying amounts are disclosed in Note 16 and Note 18.

***Deferred government funding***

The liability for deferred government funding is recognised on cash receipts from government funders and released to revenue in subsequent accounting periods based on the different conditions specified in each agreement. In determining the value of deferred government funding, expected costs based on best estimate have been taken into account.

# Notes to the Financial Statements

For the year ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **5 Revenue** | | | |
| Fundraising | 2(d)(i),(ii) | | |
| Individuals – donations and sponsorships | | 107,772 | 101,456 |
| Bequests | | 21,128 | 18,332 |
| Organisations | | 26,509 | 26,507 |
| Communities | | 2,822 | 2,634 |
| VIEW Clubs | | 5,598 | 5,344 |
| | | **163,829** | **154,273** |
| Government funding | 2(d)(v) | 18,961 | 23,976 |
| Revenue from sale of commercial goods | 2(d)(iii) | 35 | 58 |
| Interest revenue | 2(d)(iv) | 3,616 | 4,852 |
| **Total** | | **186,441** | **183,159** |
| **6 Other Income** | | | |
| Rental income, dividends and third party contributions to programs | | 1,182 | 1,491 |
| Gain from financial assests at FVTPL | | (111) | 873 |
| Net (loss)/gain on disposal of property, plant and equipment | | 4 | (13) |
| **Total other income** | | **1,075** | **2,351** |
| **7 Expenses** | | | |
| Surplus before income tax includes the following specific expenses: | | | |
| **Depreciation relating to property, plant and equipment** | | | |
| Buildings | | 39 | 39 |
| Plant and equipment | | 487 | 615 |
| Leasehold improvements and make-good provision | | 434 | 229 |
| **Total depreciation relating to property, plant and equipment** | | **960** | **883** |
| **Depreciation relating to leases** | | | |
| Right-of-use assets | | 2,043 | 2,143 |
| **Total depreciation relating to leases** | | **2,043** | **2,143** |
| **Amortisation** | | | |
| Intangibles | | 27 | 27 |
| **Total amortisation** | | **27** | **27** |
| **Finance costs** | | | |
| Interest charges relating to lease liabilities | | 336 | 349 |
| **Total finance costs recognised in the surplus before income tax for the year** | | **336** | **349** |
| **Employee expenses** | | | |
| Employee expenses excluding superannuation | | 78,253 | 88,300 |
| Superannuation contributions | | 9,111 | 9,739 |
| **Total employee expenses recognised in the surplus before income tax for the year** | | **87,364** | **98,039** |

# Notes to the Financial Statements

For the year ended 30 June 2026

| | | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|---|
| **8** | **Cash, cash equivalents and other financial assets** | | | |
| | Cash at bank and on hand | 8(b) | 22,226 | 19,816 |
| | Deposits at call | 8(c) | 133 | 139 |
| | **Total cash and cash equivalents** | | **22,359** | **19,955** |
| | Term deposits – current | 8(c) | 60,834 | 69,834 |
| | **Total other financial assets** | | **60,834** | **69,834** |
| | **Total cash, cash equivalents and other financial assets** | **2(i)** | **83,193** | **89,789** |
| **(a)** | **Reconciliation to cash at the end of the year** | | | |
| | The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows: | | | |
| | Balances as above | | 83,193 | 89,789 |
| | Term Deposits | | (60,834) | (69,834) |
| | **Balances per statement of cash flows** | **2(i)** | **22,359** | **19,955** |
| **(b)** | **Cash at bank and on hand** | | | |
| | Cash at bank is held at prevailing bank interest rates. Cash on hand is non interest bearing. | | | |
| **(c)** | **Deposits at call and term deposits** | | | |
| | The deposits are bearing fixed interest rates between 3.55% and 5.59% (2025: 3.75% and 5.23%)<br>Fixed term deposits have an average maturity of 171 days (2025: 114 days). | | | |
| **(d)** | **Interest rate exposure** | | | |
| | The Smith Family's exposure to interest rate risk is discussed in Note 3. | | | |
| **9** | **Current assets – Receivables** | | | |
| | Trade receivables | | - | - |
| | | | **-** | **-** |
| | Other receivables | 9(c) | 3,784 | 4,062 |
| | GST receivable | 9(d) | 528 | 519 |
| | | | **4,312** | **4,581** |
| | Interest receivable | | 824 | 1,038 |
| | Prepayments | | 1,416 | 961 |
| | | **2(j)** | **6,552** | **6,580** |
| **(a)** | **Expected credit losses from trade receivables** | | | |
| | As at 30 June 2026 current trade receivables with a nominal value of $nil (2025: $nil) had no expected credit losses. | | | |
| | The Smith Family had no material losses in respect of expected credit losses from trade receivables during the year ended 30 June 2026 (2025: $nil). | | | |
| **(b)** | **Past due but no expected credit losses** | | | |
| | As of 30 June 2026, trade receivables with a nominal value of $nil (2025: $nil) were past due but had no expected credit losses. | | | |
| **(c)** | **Other receivables** | | | |
| | These amounts include transactions relating to donations received but not receipted by year-end. | | | |
| **(d)** | **GST receivable** | | | |
| | These amounts relate to the GST receivable at the balance date. | | | |

# Notes to the Financial Statements

For the year ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **10 Current assets – Inventories** | | | |
| Finished goods at cost | | 146 | 104 |
| | **2(k)** | **146** | **104** |
| **11 Current assets – Assets held for sale** | | | |
| During the financial year, The Smith Family disposed of a property that had been received through a bequest. | | | |
| During the year, management committed to a plan to sell the property and, as at 30 June 2026, the property met the criteria for classification as an asset held for sale under AASB 5 Non-current Assets Held for Sale and Discontinued Operations. Accordingly, the property was presented separately as a current asset in the statement of financial position at 30 June 2026. | | | |
| A contract for the sale of the property was exchanged in February 2026. Settlement of the transaction occurred in July 2026, subsequent to the reporting date. As the expected sale proceeds were not materially different from the carrying amount of the property at 30 June 2026, no impairment loss was recognised during the year. | | | |
| Assets held for sale | | 9,960 | - |
| | **2(m)** | **9,960** | - |
| **12 Non-current assets – Financial assets** | | | |
| Equity securities – listed | | 8,570 | 7,147 |
| Unlisted securities in investment funds | | 14,550 | 12,868 |
| | **3(d)** | **23,120** | **20,015** |
| **Financial Assets** | | | |
| Financial assets at fair value through other comprehensive income (FVOCI) | | 3,440 | 3,020 |
| Financial assets at fair value through profit or loss (FVTPL) | | 19,680 | 16,994 |
| | | **23,120** | **20,015** |
| **Impairment and risk exposure** | | | |
| None of the financial assets are impaired. | | | |
| All financial assets are denominated in Australian currency. An analysis of the sensitivity of these assets to price and interest rate risk is provided in Note 3. | | | |
| The above assets were allocated as follows: | | | |
| Restricted funds (representing the financial assets of the Children's Future Education Endowment) | | 19,046 | 16,425 |
| Unrestricted funds | | 4,074 | 3,590 |
| | | **23,120** | **20,015** |

# Notes to the Financial Statements

For the year ended 30 June 2026

## 13 Non-current assets – Property, plant and equipment

| | Lease Make Good $'000 | Freehold buildings $'000 | Plant and equipment $'000 | Leasehold improvements $'000 | Total $'000 |
|---|---|---|---|---|---|
| **At 30 June 2024** | | | | | |
| Cost | 417 | 1,284 | 3,522 | 931 | 6,154 |
| Accumulated depreciation | (417) | (959) | (2,433) | (488) | (4,297) |
| **Net carrying amount** | **-** | **325** | **1,089** | **443** | **1,857** |
| **Year ended 30 June 2025** | | | | | |
| Opening net book amount | - | 325 | 1,089 | 443 | 1,857 |
| Additions | - | - | 376 | 560 | 936 |
| Disposal - cost | - | - | (225) | (39) | (264) |
| Disposal - accumulated depreciation | - | - | 223 | 26 | 249 |
| Depreciation charge | - | (39) | (615) | (229) | (883) |
| **Closing net carrying amount** | **-** | **286** | **848** | **761** | **1,895** |
| **At 30 June 2025** | | | | | |
| Cost | 417 | 1,284 | 3,673 | 1,452 | 6,826 |
| Accumulated depreciation | (417) | (998) | (2,825) | (691) | (4,931) |
| **Net carrying amount** | **-** | **286** | **848** | **761** | **1,895** |
| **Year ended 30 June 2026** | | | | | |
| Opening net book amount | - | 286 | 848 | 761 | 1,895 |
| Additions | 130 | - | 327 | 211 | 668 |
| Disposal - cost | - | - | (172) | - | (172) |
| Disposal - accumulated depreciation | - | - | 20 | - | 20 |
| Depreciation charge | (130) | (39) | (487) | (304) | (960) |
| **Closing net carrying amount** | **-** | **247** | **536** | **668** | **1,451** |
| **At 30 June 2026** | | | | | |
| Cost | 547 | 1,284 | 3,828 | 1,663 | 7,322 |
| Accumulated depreciation | (547) | (1,037) | (3,292) | (995) | (5,871) |
| **Net carrying amount** | **-** | **247** | **536** | **668** | **1,451** |

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **14 Non-current assets – Intangible assets** | | | |
| Software purchase and development costs | | | |
| **At 1 July** | | | |
| Cost | | 753 | 753 |
| Accumulated amortisation | | (697) | (670) |
| **Net carrying amount** | | **56** | **83** |
| **Movement in intangible assets** | | | |
| Opening net book amount | | 56 | 83 |
| Additions | | - | - |
| Amortisation charge | | (27) | (27) |
| **Closing net carrying amount** | | **29** | **56** |
| **At 30 June** | | | |
| Cost | | 753 | 753 |
| Accumulated amortisation | | (724) | (697) |
| **Net carrying amount** | | **29** | **56** |

# Notes to the Financial Statements

For the year ended 30 June 2026

| | | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|---|
| **15** | **Current liabilities – Payables** | | | |
| | Trade creditors | | 1,843 | 1,840 |
| | Other creditors | | 6,718 | 5,936 |
| | GST payable | | - | - |
| | | **2(p)** | **8,561** | **7,776** |
| **16** | **Current liabilities – Provisions** | | | |
| | Employee benefits | 2(q,r) | 8,559 | 12,148 |
| | Make-good provision | 2(q) | 253 | 279 |
| | Other Provisions | | 253 | 2,226 |
| | | | **9,065** | **14,653** |
| **(a)** | **Make-good provision** | | | |
| | The Smith Family has entered into leases of property, the terms of which include restoration requirements at the end of the lease periods. The costs of restoration have been estimated by management and to the extent that they relate to leases which expire in the next financial year the costs are recognised as current liabilities. | | | |
| **(b)** | **Movements in Make-good provision** | | | |
| | Carrying amount at the start of the year | | 279 | 228 |
| | Additional provision recognised | | (26) | 51 |
| | **Carrying amount at the end of the year** | | **253** | **279** |
| **(c)** | **Amounts not expected to be settled within the next 12 months** | | | |
| | The current provisions for annual and long service leave include all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current since The Smith Family does not have a right to defer settlement. | | | |
| | Under present policy it is a requirement that individual annual leave balances remain at or below one year's accrued entitlement. As a result, the annual leave provision is treated as current. However, based on past experience The Smith Family does not expect all employees to take the full amount accrued for long service leave within the next 12 months. The following amounts reflect long service leave which is not expected to be taken or paid within the next 12 months. | | | |
| | Long service leave obligation expected to be settled after 12 months | | 2,113 | 2,624 |
| | | | **2,113** | **2,624** |
| **17** | **Current liabilities – Deferred Income** | | | |
| | Unexpended funding has been carried forward as follows: | | | |
| | **Current (unsecured)** | | | |
| | Deferred government funding | 2(d)(v) | 5,977 | 8,242 |
| | | | **5,977** | **8,242** |

# Notes to the Financial Statements

For the year ended 30 June 2026

| | | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|---|
| **18** | **Non-current liabilities – Provisions** | | | |
| | Employee benefits | 2(q,r) | 2,096 | 1,613 |
| | Make-good provision | 2(q) | 290 | 217 |
| | | | **2,386** | **1,830** |
| **(a)** | **Make-good provision** | | | |
| | The Smith Family has entered into leases of property, the terms of which include restoration requirements at the end of the lease periods. The costs of restoration have been estimated by management and to the extent that they relate to leases which expire after the next financial year the costs are recognised as non-current liabilities | | | |
| **(b)** | **Movements in Make-good provision** | | | |
| | Carrying amount at the start of the year | | 217 | 185 |
| | Additional / (Reduced) provisions recognised | | 73 | 32 |
| | **Carrying amount at the end of the year** | | **290** | **217** |
| **19** | **Leases** | | | |
| **(a)** | **Right-of-use assets** | | | |
| | Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year: | | | |
| | **Cost** | | | |
| | As at 1 July | | 11,959 | 12,706 |
| | Additions | | 1,211 | 988 |
| | Disposals | | (1,562) | (1,735) |
| | **As at 30 June** | | **11,608** | **11,959** |
| | **Accumulated depreciation** | | | |
| | As at 1 July | | 5,530 | 5,122 |
| | Depreciation charge for the year | | 2,043 | 2,143 |
| | Disposals | | (1,347) | (1,735) |
| | **As at 30 June** | | **6,226** | **5,530** |
| | **Net carrying amount** | | | |
| | **As at 30 June** | | **5,382** | **6,429** |
| **(b)** | **Lease liabilities** | | | |
| | Analysed as: | | | |
| | Current | 2(g) | 2,173 | 1,750 |
| | Non-current | 2(g) | 4,073 | 5,501 |
| | | | **6,246** | **7,251** |
| **(c)** | **Amounts recognised in profit and loss** | | | |
| | The following are the amounts recognised in profit or loss: | | | |
| | Depreciation expense of right-of-use assets | | 2,043 | 2,143 |
| | Interest expense on lease liabilities | | 336 | 349 |
| | Expense relating to short-term leases | | 754 | 545 |
| | Variable lease payments | | - | - |
| | **Total amount recognised in profit or loss** | | **3,133** | **3,037** |

*continued over* ›

# Notes to the Financial Statements

For the year ended 30 June 2026

| | | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|---|
| **19** | **Leases** *continued* | | | |
| **(d)** | **Amounts recognised in cash flow** | | | |
| | The following are the amounts recognised in cash flow from operating activities: | | 3,158 | 2,913 |
| | Cash outflow for leases | | 3,158 | 2,913 |
| | The Smith Family leases several building assets used in its operations. Leases of buildings generally have lease terms between 1 and 8 years. The Smith Family's obligations under its leases are secured by the lessor's title to the leased assets. Generally, The Smith Family is restricted from assigning and subleasing the leased assets. | | | |
| **(e)** | **Presented below is a maturity analysis of future lease payments:** | | | |
| | Within 1 year | | 2,500 | 2,039 |
| | Later than 1 year and not later than 5 years | | 4,171 | 4,747 |
| | Later than 5 years | | - | - |
| | | | **6,671** | **6,786** |
| **20** | **Reserves and retained surplus** | | | |
| **(a)** | **Movements in the retained surplus were as follows:** | | | |
| | Balance at the beginning of the year | | 69,056 | 76,044 |
| | Surplus/(Deficit) for the year | | 12,062 | (5,275) |
| | Transfer of Endowment fund surplus to reserve | | (3,621) | (1,713) |
| | **Balance at the end of the year** | | **77,497** | **69,056** |
| **(b)** | **Movements in the Endowment Fund reserve were as follows:** | | | |
| | Balance at the beginning of the year | | 15,197 | 13,484 |
| | Transfer of Endowment fund surplus to reserve | | 3,621 | 1,713 |
| | **Balance at the end of the year** | **2(t)** | **18,818** | **15,197** |
| **(c)** | **Movements in the investment revaluation reserve were as follows:** | | | |
| | Balance at the beginning of the year | | 863 | 463 |
| | Increase in value of the investment revaluation reserve for the year | | 420 | 400 |
| | **Balance at the end of the year** | | **1,283** | **863** |
| **21** | **Remuneration of auditors** | | | |
| | During the year the following fees were paid or payable for services provided by the auditor of The Smith Family, and its related practices: | | | |
| | **Assurance services** | | | |
| | *Audit services* | | | |
| | Ernst & Young Australia | | | |
| | Audit | | 135 | 124 |
| | **Total remuneration for audit services** | | **135** | **124** |
| **22** | **Contingent liabilities** | | | |
| | **Contingent liabilities** | | | |
| | The Smith Family had no contingent liabilities at 30 June 2026 and at the date of this report. | | | |
| | **Guarantees** | | | |
| | The Smith Family had provided the following guarantees relating to leased premises at 30 June 2026: | | | |
| | Bank guarantees | | 493 | 1,740 |
| | | | **493** | **1,740** |

# Notes to the Financial Statements

For the year ended 30 June 2026

| | | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|---|
| **23** | **Commitments** | | | |
| | **Property, plant and equipment commitments** | | | |
| | Commitments in relation to capital expenditure contracted for the year ended 30 June 2026: $nil (2025: $nil) | | | |
| **24** | **Related party transactions** | | | |
| **(a)** | **Directors**<br>The names of persons who were directors of The Smith Family at any time during the financial year and up until the date of this report are as follows: G.D. Barnes, S.A. Davis, C.J. Fishpool, R.M. Garnon, A.J. Kloeden, N.W. Moore, L. Paul, P.J. Radoll, M.A. Ryan, D.D. Taylor.<br>There were no other transactions between directors and The Smith Family other than donations made or reimbursements of out-of-pocket expenses on an arm's length basis. | | | |
| **(b)** | **Key management and personnel compensation**<br>Key management personnel compensation for the years ended 30 June 2026 and 2025 is set out below. The key management personnel are:<br>– all the directors of The Smith Family (none of whom was paid with the exception of D.D. Taylor, who held office as a director in his role as Chief Executive Officer), and<br>– Eight other executives (2025: Eight) with the greatest authority for the strategic direction and management of The Smith Family. | | | |
| | Short term benefits | | 2,364 | 2,629 |
| | Post employment benefits | | 215 | 268 |
| | Other long term benefits | | - | - |
| | Termination benefits | | - | - |
| | **Total** | | **2,579** | **2,897** |

# Notes to the Financial Statements

For the year ended 30 June 2026

| | Note | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **25** | **Reconciliation of deficit after income tax to net cash inflow/(outflow) from operating activities** | | |
| | Net deficit for the year from continuing operations | 12,062 | (5,275) |
| | Depreciation and amortisation | 3,030 | 3,053 |
| | Loss/(gain) on disposal of property, plant and equipment | (4) | 13 |
| | Interest income | (3,616) | (4,852) |
| | Lease related interest | 336 | 349 |
| | Dividends and distributions | (453) | (944) |
| | (Increase)/decrease in receivables | (184) | 139 |
| | (Increase)/decrease in assets held for sale | (9,960) | - |
| | (Increase)/decrease in inventories | (42) | 10 |
| | Increase/(decrease) in financial assets at FVTPL and FVOCI | 48 | (822) |
| | Increase/(decrease) in right-of-use assets and lease liabilities | 42 | 113 |
| | Increase/(decrease) in trade and other creditors | 785 | 1,439 |
| | Increase/(decrease) in other operating liabilities | (2,265) | (11,900) |
| | Increase/(decrease) in provisions | (5,032) | 1,109 |
| | **Net cash (outflow)/inflow from operating activities** | **(5,253)** | **(17,568)** |

## 26 Events after balance date

On 20 July 2026, The Smith Family completed settlement of the sale of a property which had been classified as an asset held for sale as at 30 June 2026. The sale was completed in accordance with the sale contract in place at the reporting date. As the asset had been classified as held for sale at 30 June 2026, the settlement of the transaction after year end did not result in any adjustment to the carrying value of the asset recognised in these financial statements.

Other than the above, there have been no significant events occurring after balance date which may affect either The Smith Family's operations or results of those operations or The Smith Family's state of affairs.

# Directors' Declaration

In accordance with a resolution of the directors of The Smith Family, I state that in the opinion of the directors:

(a) the financial statements and notes of The Smith Family are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

  (i) giving a true and fair view of The Smith Family's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Regulation 2022;*

(b) there are reasonable grounds to believe that The Smith Family will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**N.W. Moore**
Chairman

Sydney 17 September 2026

# Independent Auditor's Report to the Members



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## Independent auditor's report to the members of The Smith Family

## Report on the financial report

### Opinion

We have audited the financial report of The Smith Family (the Company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with 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 30 June 2026 and of its financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulations 2022*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the 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 also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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 and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors for the financial report

The directors 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 and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is

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necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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.

- 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.

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## Report on the requirements of the *WA Charitable Collections Act (1946)* and the *Charitable Collections Regulations (1947)*

We have audited the financial report as required by the Western Australian *Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Western Australian *Charitable Collections Act (1946)* and *Charitable Collections Regulations (1947)* (collectively the 'Act and Regulations').

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the Act and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

### Opinion

In our opinion:

a. The financial report of the Company has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2026, in all material respects, in accordance with the Western Australian *Charitable Collections Act (1946)* and *Charitable Collections Regulations (1947);* and

b. The money received as a result of fundraising appeals conducted by the Company during the financial year ended 30 June 2026 has been properly accounted for and applied, in all material respects, in accordance with the above-mentioned Act and Regulations.

Ernst & Young

Yvonne L Barnikel
Partner
Sydney
17 September 2026

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The Smith Family

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2025–26 Financial Report