

Annual Financial Report

2024 - 2025



Annual Financial Report

2024 - 2025

Chair Elizabeth Jameson AM <i>BA (Japanese), LLB (Hon I), LSDA, FAICD, MQLS</i>	Directors' Report	2
Chief Executive Officer David Swain <i>RN, DipBus, BHLthSc, MEd(AWE), GAICD, Wharton AMP</i>	Auditor's Independence Declaration	8
Company Secretary Darryn Hammond <i>BSci (Hons), LLB, G.Dip Corp Gov, MQLS, FGIA, FCIS, GAICD</i>	Consolidated Balance Sheet	9
Registered Office 33 Corporate Drive Cannon Hill Queensland 4170 T: 07 3908 7100 F: 07 3908 7101 E: information@endeavour.com.au W: endeavour.com.au ABN 80 009 670 704	Consolidated Income Statement	10
Auditors KPMG Level 11, 80 Ann Street Heritage Lanes Brisbane, 4000	Consolidated Statement of Comprehensive Income	11
	Consolidated Statement of Changes in Equity	11
	Consolidated Cash Flow Statement	12
	Notes to the Financial Statements	13
	Directors' Declaration	33
	Independent Auditor's Report	34

Directors' Report

For the year ended 30 June 2025

The Directors present their report together with the consolidated financial report of Endeavour Foundation Limited ("the Company"), being the Company and its controlled entities ("the Group"), for the year ended 30 June 2025 and the Auditor's Report thereon.

Directors

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

Name	Qualifications and Special Responsibilities	Years
Current at 30 June 2025		
Elizabeth Marie Jameson AM (Appointed Director) (13 October 2020)	BA (Japanese), LLB (Hon I), LSDA, FAICD, MQLS Chair	5.0
Scott Robinson Elton Ellis (Elected Director) (22 November 2013)	BBus, ASA, MAICD Deputy Chair Chair of Audit, Finance, Risk & Compliance Committee Member of People & Culture Committee	11.9
Mark Andrew Gibson (Elected Director) (28 November 2022)	Assoc BSc, Communication Engineering, GAICD Chair of Client Care Committee Member of Audit, Finance, Risk & Compliance Committee	2.8
Gregory Livingstone (Appointed Director) (1 January 2024)	B.Comm, M.Com Member of People & Culture Committee Member of Audit, Finance, Risk & Compliance Committee	1.8
Michelle Sue Hughes (Appointed Director) (1 January 2024)	MBA, GradDip, GAICD Member of People & Culture Committee	1.8
Wendy Sophia Zernike (Appointed Director) (5 April 2024)	RN, BN, GradCert Leadership & Management, MBA, GAICD, AICGG, MACN Member of Client Care Committee	1.5
Beverley Narelle Knowles (Elected Director) (20 November 2017)	BA, DipEd, MMktg, FAICD, MAMI Member of Client Care Committee Member of People & Culture Committee	7.9
Robyn Lyn McGuiggan (Elected Director) (22 November 2021)	PhD (Marketing), MCom, BSc (Hons), FAICD Chair of People & Culture Committee Member of Audit, Finance, Risk & Compliance Committee	3.9
Pedro Mendiola (Elected Director) (22 November 2013)	BE (Hons), GDMgt, MIEAust, RPEQ, CPEng Member of Client Care Committee Member of Audit, Finance, Risk & Compliance Committee	11.9
Past Directors who served during the year		
None		
Appointments or resignations since the end of the financial year		
None		

Directors' Report (continued)

For the year ended 30 June 2025

Company Secretary

The Company Secretaries of the Company at any time during or since the end of the financial year were:

Darryn Lee Hammond

BSci (Hons), LLB, G.Dip Corp Gov, MQLS,
FGIA, FCIS, GAICD

Appointed 10/01/2023

Directors' Meetings

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

	Board Meetings		People & Culture Committee Meetings		Client Care Committee Meetings		Audit, Finance, Risk & Compliance Committee Meetings		Nominations Committee	
	A	B	A	B	A	B	A	B	A	B
S R E Ellis	8	8	4	4	-	-	6	6	2	2
M A Gibson	8	8	-	-	4	4	6	6	-	-
M S Hughes	8	8	4	3	-	-	-	-	-	-
E M Jameson	8	8	-	4	-	3	-	4	1	1
B N Knowles	8	8	4	4	4	4	-	-	-	-
R L McGuiggan	8	8	4	4	-	-	6	6	1	1
G Livingstone	8	8	4	4	-	-	6	5	-	-
P Mendiola	8	8	-	-	4	4	6	6	-	-
W S Zernike	8	8	-	-	4	3	-	-	-	-

A – Number of meetings held during the time the Director held office during the year as a member of the Board or one of the Committees

B – Number of meetings attended

Directors' Report (continued)

For the year ended 30 June 2025

Board Processes

To assist in the execution of its responsibilities, the Board has established several Board committees, being a People & Culture Committee, a Client Care Committee and an Audit, Finance, Risk & Compliance Committee, and a Nominations Committee.

All Board Committees have written charters, which are reviewed regularly.

Details of each Board committee are as follows:

People & Culture Committee

The People & Culture Committee assists the Board in fulfilling its responsibilities by monitoring, reviewing and making recommendations related to people and culture matters. It makes recommendations to the Board with respect to the composition and desired competencies of the Board, as well as monitoring Board succession. The Committee makes recommendations on the selection, appointment and succession planning process for the Chief Executive Officer (CEO), including conducting an annual review of the CEO and Executive Leadership Team's remuneration. The Committee reviews the overall remuneration framework, monitors organisational culture and the diversity and inclusion strategy.

The People & Culture Committee comprised the following members during or since the end of the financial year

- R L McGuiggan (Chair)
- S R E Ellis
- M S Hughes
- B N Knowles
- G Livingstone

Client Care Committee

The Client Care Committee provides assistance to the Board in fulfilling its responsibilities by monitoring, reviewing and making recommendations relating to the delivery of safe, effective and person-centred care to all clients receiving services from the Company. The Committee also reviews strategies to engage with clients, families, carers and advocates, and reviews reporting by Management on incident, complaint, and client satisfaction data.

The Client Care Committee comprised the following members during or since the end of the financial year

- M A Gibson (Chair)
- B N Knowles
- P Mendiolea
- W S Zernike

Audit, Finance, Risk & Compliance Committee

The Audit, Finance, Risk & Compliance Committee provides assistance to the Board in fulfilling its responsibilities by monitoring, reviewing and making recommendations relating to financial reporting, risk management, internal and external audit functions and monitoring of compliance. The Committee also maintains free and open communication between the Committee and the Auditors, both internal and external.

The Audit, Finance, Risk & Compliance Committee comprised the following members during or since the end of the financial year:

- S R E Ellis (Chair)
- M A Gibson
- G Livingstone
- P Mendiolea
- R L McGuiggan

Directors' Report (continued)

For the year ended 30 June 2025

Nominations Committee

The Nominations Committee assists the Board in fulfilling its responsibilities in relation to the nomination and selection of candidates for election and appointment to the Board. The Committee reviews, advises and makes recommendations to the Board in relation to director eligibility, in accordance with the desirable attributes identified by the Board including skills, experience, geographic region and lived experience.

The Nominations Committee comprised the following members during or since the end of the last financial year:

- E M Jameson (Chair 2024 meeting)
- R L McGuiggan (Chair 2025 meeting)
- S R E Ellis
- an Independent Expert
- National Chairs Advisory Group Representative

Principal Activity and Objectives

The principal activities of the Endeavour Foundation Group during the year were the provision of support services to people with a disability, with a particular focus on people with an intellectual disability, including Residential Accommodation & Support Services, Learning & Lifestyle Support Services, Supported Employment Services and Community Advocacy & Support Services. In addition, Open Employment and Apprenticeship Training services are also provided. In the opinion of the Directors no significant changes have occurred in the nature of these activities during the financial year.

The Endeavour Foundation Group's Purpose and Mission are:

Purpose: Make possibilities a reality

We are dedicated to helping people with a disability to live fulfilling lives, working together to turn possibilities into reality for each individual.

Mission: We partner with people to aspire for more

We believe in ability, and understand that everyone is different. We will work with our clients to make the most of their individual skills and interests, whether that is developing life skills, trying a new activity, work or learning.

Our goal is to ensure we are there for our clients – both now and in the future – and we're committed to achieving more together, making their possibilities a reality.

The Group's Purpose and Mission is delivered through its four core organisational values:

One: We are one, valuing individual strengths and experience so we can achieve more together;

Imaginative: We never stop imagining a better future for our clients;

Care: We care, and treat everyone with respect and kindness;

Passionate: We are passionate, our clients are at the heart of everything that we do.

Preparation of Consolidated Financial Statements

The consolidated annual financial statements comprise Endeavour Foundation Limited ("the Company") and its controlled entities ("the Group").

Directors' Report (continued)

For the year ended 30 June 2025

Results

The Group has recorded an operating deficit for the year of (\$11,067,000) compared to an operating deficit of (\$9,978,000) in the previous year.

The Group's net deficit for the current financial year, after recognising income from non-operating items of \$5,374,000, was (\$5,694,000). The income from non-operating items in the current period included gains on the disposal of properties of \$5,737,000 and no non-recurrent government capital grants. In the previous year the Group recorded a comparative net deficit for the year of (\$6,025,000) after recognising non-operating items of \$3,953,000, comprising gains on the disposal of properties of \$3,848,000 and non-recurrent government capital grants of \$551,000.

Whilst management interventions have occurred and continue to occur to improve the operating results, a range of external and internal factors contributed to the operating deficit, including:

- Gross margin pressure impacted by shortfall in service pricing and increased wage costs;
- Increased operating costs impacted by higher inflation.

Dividends

The Company and its controlled entities are prohibited by their Constitutions from paying dividends.

Events Subsequent to Balance Date

On 11 August 2025, the Ivy Mann Property (42 and 68 Pillar Street, Toowoomba) which was classified as an asset held-for-sale at 30 June 2025 was subsequently sold for \$23,134,000, resulting in a gain on sale of \$13,441,000 which will be recognised in the year ending 30 June 2026.

Other than the matter discussed above, there has not arisen in the interval between the end of the financial year and the date of this reports 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 Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Environmental Regulations

The Group's operations are subject to various environmental regulations under both Commonwealth and State legislation. The Group has an established risk management system which identifies environmental hazards and ensures appropriate controls are adopted. The appropriate licences and consents are in place at each site in accordance with various environmental regulations.

The Directors are not aware of any breaches of the legislation which are material in nature.

Review of Operations

Operations of the Group during the year are reviewed in the Chair and CEO report in the separately issued Annual Social Impact Statement.

Directors' Benefits

Information on Directors' benefits is set out in the following notes to the Annual Financial Report:

- (a) No Directors' Fees are payable
- (b) No Related Party Transactions with Directors exist (Note 18).

Directors' Interests in Contracts

existed at the end of the financial year (Note 18).

Directors' Report (continued)

For the year ended 30 June 2025

Indemnification and Insurance of Officers

Indemnification

Endeavour Foundation Limited's Constitution requires the Company, to the extent permitted by law, to indemnify any person who is an Officer of the Company, including the Directors, the Secretary and other Executive Officers, against a liability incurred by a person in his or her capacity as an officer, including liabilities for costs and expenses. Where the Board considers it appropriate to do so, this indemnity under the Constitution may be extended to a person who is or has been an Officer of a related body corporate.

Consistent with the Constitution, Endeavour Foundation Limited has entered into Deeds of Indemnity, Insurance and Access with each of the directors and officers of the company. These Deeds provide: an indemnity to the full extent permitted by law; insurance against certain liabilities incurred; and for access to certain company documents which relate to the Director or Officer's period in office.

Insurance

Endeavour Foundation Limited has paid a premium in respect of a contract insuring Directors and Officers of the Company, against a liability for costs and expenses incurred by them in defending civil or criminal proceedings involving them as such Officers, with some exceptions.

The external auditors of Endeavour Foundation Ltd are not included in this policy.

Non-audit services

During any year KPMG, the Group's auditor, may perform certain other services in addition to their statutory duties.

All non-audit services are subject to the corporate governance procedures adopted by Endeavour Foundation Limited and are reviewed by the Audit, Finance, Risk & Compliance Committee to ensure they do not impact the integrity and objectivity of the auditor.

The Board considers any non-audit services provided to satisfy itself that the provision of the non-audit services during any year by the auditor is compatible with, and does not compromise, the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Details of amounts paid to the auditor of the Group, KPMG, and its related practices for audit and non-audit services provided during the year are set out in note 3 to the Annual Financial Report.

Auditor's Independence Declaration

The Auditor's Independence Declaration is set out on page 8 and forms part of the Directors' Report.

Rounding

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016. Accordingly amounts in the financial statements and Directors' Report have been rounded off to the nearest thousand dollars unless otherwise indicated.

Signed on behalf of the Board in accordance with a resolution of Directors.



E M Jameson
Chair

Brisbane
3 October 2025

Auditor's Independence Declaration

For the year ended 30 June 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 Endeavour Foundation Limited

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

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

A handwritten signature in black ink, appearing to read 'Tracey Barker'.

Tracey Barker
Partner

Brisbane
3 October 2025

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

Consolidated Balance Sheet

As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	4	49,146	39,601
Trade and other receivables	5	18,585	18,249
Inventories	6	19,434	25,877
Prepayments		5,072	5,298
Assets classified as held-for-sale	7	14,189	2,452
Total current assets		106,426	91,477
Non-current assets			
Other assets	8	5,131	4,861
Property, plant & equipment	9	141,658	159,656
Total non-current assets		146,789	164,517
Total assets		253,215	255,994
Current liabilities			
Trade and other payables	10	20,089	26,659
Lease liability	11	1,823	1,381
Revenue received in advance		5,873	4,538
Provision for employee entitlements and other provisions	12	33,802	26,197
Total current liabilities		61,587	58,775
Non-current liabilities			
Lease liability	11	1,938	2,168
Provision for employee entitlements	13	3,134	3,130
Total non-current liabilities		5,072	5,298
Total liabilities		66,659	64,073
Net assets		186,556	191,921
Equity			
Reserves		396	396
Retained earnings		186,160	191,525
Total equity		186,556	191,921

The Consolidated Balance Sheet is to be read in conjunction with the Notes to the Financial Statements.

Consolidated Income Statement

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Revenue			
Sale of goods and services		286,717	265,529
Fundraising activities		41,768	40,290
Service user contributions		7,695	7,091
Government subsidies		28,282	30,578
Interest income		2,125	2,117
Other revenue		11,648	8,322
	2	378,235	353,927
Expenses			
Cost of goods sold & commercial fundraising activities		(47,129)	(49,468)
Employee and supported employee expenses		(268,980)	(246,514)
Utilities & leased property expenses		(8,655)	(9,975)
Transport, maintenance and household expenses		(26,264)	(28,467)
Depreciation & amortisation expenses		(14,680)	(14,139)
Other expenses		(20,786)	(15,342)
Restructuring expense	12	(2,808)	-
		(389,302)	(363,905)
Operating deficit		(11,067)	(9,978)
Government capital grants and other capital donations		-	551
Gain on disposal of properties	2	5,374	3,402
Net deficit for the year		(5,693)	(6,025)

The Consolidated Income Statement is to be read in conjunction with the Notes to the Financial Statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Net deficit for the year		(5,693)	(6,025)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net increase in fair value of investments	8	328	207
Realised gain on disposal of investments		-	13
Actuarial adjustment to defined benefit superannuation plan		-	99
Other comprehensive income for the year		328	319
Total comprehensive income for the year		(5,365)	(5,706)

Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Subsidies reserve \$'000	Retained earnings \$'000	Total Equity \$'000
Total equity at 30 June 2023	396	197,231	197,627
Total comprehensive income for the year	-	(5,706)	(5,706)
Total equity at 30 June 2024	396	191,525	191,921
Total comprehensive income for the year	-	(5,365)	(5,365)
Total equity at 30 June 2025	396	186,160	186,556

The Consolidated Statement of Comprehensive Income and Consolidated Statement of Changes in Equity are to be read in conjunction with the Notes to the Financial Statements.

Consolidated Cash Flow Statement

For the year ended 30 June 2025

Note	2025 \$'000 Inflows (Outflows)	2024 \$'000 Inflows (Outflows)
Cash flows from operating activities		
Cash receipts in the course of operations	374,367	356,521
Cash payments to suppliers & employees	(364,311)	(354,501)
Dividends received	122	101
Interest received	2,125	2,145
Interest paid	(183)	(6)
Legacies & bequests received	375	930
Net cash provided by operating activities	12,495	5,190
Cash flows from investing activities		
Acquisition of property, plant & equipment	(9,359)	(19,761)
Acquisition of investments	(328)	(460)
Proceeds from disposal of property, plant & equipment	8,951	5,358
Proceeds from sale of investments	47	585
Proceeds from non-operational capital grants and donations	-	582
Net cash utilised by investing activities	(689)	(13,696)
Cash flows from financing activities		
Lease payments	(2,261)	(2,207)
Net cash utilised by financing activities	(2,261)	(2,207)
Net increase/(decrease) in cash held	9,545	(10,713)
Cash at the beginning of the financial year	39,601	50,314
Cash at the end of the financial year	49,146	39,601

4

The Consolidated Cash Flow Statement is to be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

For the year ended 30 June 2025

Note	Contents	Page
1	Summary of Material Accounting Policies	14
2	Operating Revenue and Other Income	21
3	Auditor's Remuneration	22
4	Cash and Cash Equivalents	22
5	Current Assets – Trade and Other Receivables	23
6	Current Assets – Inventories	23
7	Current Assets – Non-current Assets Classified as Held-For-Sale	23
8	Non-current Assets – Other Assets	24
9	Non-current Assets – Property, Plant & Equipment	24
10	Current Liabilities – Trade and Other Payables	25
11	Current and Non-Current Liabilities – Lease Liabilities	25
12	Current Liabilities – Provision for Employee Entitlements and Other Provisions	26
13	Non-current Liabilities – Provision for Employee Entitlements	26
14	Financial Instruments	27
15	Contingent Assets and Contingent Liabilities	27
16	Commitments for Expenditure	27
17	Limitation of Members' Liability	28
18	Related Party Transactions	28
19	Key Management Personnel	28
20	Employee Entitlements	29
21	Group Entities	29
22	Deed of Cross Guarantee	30
23	Parent Entity Disclosures	32
24	Events Subsequent to Reporting Date	32

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies

Reporting entity

Endeavour Foundation Limited (“the Company”) is a not-for-profit organisation, incorporated as a public company limited by guarantee and is domiciled in Australia. The Company is a Registered Charity with the Australian Charities and Not-for-profits Commission. The address of the Company’s registered office is 33 Corporate Drive, Cannon Hill, QLD 4170.

The consolidated financial statements of the Company for the financial year ended 30 June 2025 comprise the Company and its controlled entities (together referred to as “the Group”). A list of controlled entities is included in note 21.

The principal activities of the Group are to provide support to people with disabilities and their families, and individuals and communities who have significant personal, social, economic and cultural disadvantage in accessing services and resources.

Statement of compliance

The consolidated financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) – Simplified Disclosures, made by the Australian Accounting Standards Board (AASB) and the Australian Charities and *Not-for-profits Commission Act 2012*.

The financial report was authorised for issue by the Directors on 3 October 2025.

Basis for preparation of financial report

The financial report has been prepared on an accruals basis and is based on historical costs, except for:

- Investments measured at fair value through other comprehensive income; and
- The defined benefit plan asset/(liability) is measured as the net total of the plan assets, plus unrecognised past service cost and unrecognised actuarial losses, less unrecognised actuarial gains and the present value of the defined benefit obligation; and
- Revenue is recognised on an accruals basis with the exception of donations, bequests and legacies which are accounted for on a cash basis.

Except as noted above, the financial report does not take into account changing money values or fair values of non-current assets.

In the opinion of the Directors, having regard to the not-for-profit nature of the Group’s business, the terms “Profit” or “Loss” are not appropriate. Accordingly, where appropriate, the words “Surplus/(Deficit)” have been substituted for the terms “Profit/(Loss)”.

The financial statements are presented in Australian Dollars, which is the Group’s functional currency, rounded to the nearest thousand unless otherwise stated as per ASIC Corporations (*Rounding in Financial/Directors’ Reports*) Instrument 2016/191.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

New accounting standards early adopted

The Group has not elected to early adopt any accounting standards and amendments, issued by the Australian Accounting Standards Board (AASB).

New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the Group.

The Group’s assessment of the impact of those that may be relevant was assessed as having no impact on the Group, other than AASB 18 Presentation and Disclosure in Financial Statements which will replace AASB 101 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard will change the presentation and disclosure of information in financial statements, particularly the statement of profit or loss.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies (continued)

Use of estimates and judgements

The preparation of 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.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the note:

- Note 9 – Non-current Assets – Property, Plant & Equipment depreciation.
- Note 12 – Current liabilities – Provision for employee entitlements and other provisions.

Going concern basis

The financial statements have been prepared on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group is in a sound financial position with the Group's current assets exceeding its current liabilities by \$44,839,000 as at 30 June 2025 (2024: \$32,702,000).

The Group is economically dependent on the Commonwealth Government of Australia to fund the National Disability Insurance Scheme. The funding levels under the scheme are revised periodically in recognition of the increased cost of providing services.

At 30 June 2025 the Group had untied cash reserves of \$44,830,000 (2024: \$34,952,000) to support the continuation of services under the current operating conditions.

Accordingly, the Directors believe that the preparation of the financial report on a going concern basis is appropriate.

Material accounting policies

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

(a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions are eliminated.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies (continued)

Material accounting policies (continued)

(b) Revenue recognition

Revenue is recognised on an accruals basis with the exception of non-specific donations, bequests and legacies which are accounted for on a cash basis.

Sale of goods or services

Revenue from the sale of goods or services is measured based on the consideration specified in a contract with a customer and is recognised when control over goods are transferred to a customer or upon the discharge of performance obligations in the contract with customers.

Government subsidies and grants

Revenue from government subsidies and grants is recognised when the Group obtains control of the grant or subsidies and discharges performance obligations associated with the subsidies or grants.

Subsidies and grants which are received on the condition that specific performance obligations are fulfilled, failing which the funds are to be refunded, are initially recognised as deferred revenue/(liability) with revenue recognised as the services are performed or the specific performance obligations are fulfilled.

Lottery Tickets Sold

Revenue from the sale of lottery tickets is measured at the fair value of the consideration received. Monies received for tickets in undrawn lotteries is deferred and recorded as advance lottery receipts in revenue received in advance.

Specific Donations/Bequests/Fundraising Activities

Revenue received by way of donations, bequests or fundraising activities that have a specific objects clause and performance obligations attached, are measured at the fair value of the consideration received and recognised as revenue when the Group expends the funds received for the specific purposes for which the contribution was made. Any such amounts that remain unexpended for the purposes for which they were received are repayable either to the original donor or if this is not practicable, to the Public Trustee for distribution to another organisation with similar objects clauses to Endeavour Foundation, to be expended for the same purposes as stipulated in the original specific donation, bequest or fundraising activity.

Other Donations/Bequests/Fundraising Activities

Revenue received via non-specific donations, bequests or fundraising activities are measured at the fair value of the consideration received and are recognised when the Group receives the donation or bequest or conducts the fundraising activity.

Sale of non-current assets

The sale of non-current assets are recognised at the date the significant risks and rewards of ownership of the asset passes to the buyer, usually upon settlement of the contract of sale. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Interest revenue

Interest revenue is recognised as it accrues, using the effective interest rate method.

Dividends

Dividend revenue is recognised net of any franking credits. Revenue from dividends is recognised when dividends and franking credits are received.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies (continued)

(c) Finance costs

Interest payments in respect of financial instruments classified as liabilities are included in finance costs. Finance costs are expensed as incurred, using the effective interest rate method.

For purposes of income statement disclosures, finance costs, excluding interest on lease liabilities, of \$183,000 (2024: \$6,000) is a component of Other Expenses in the Consolidated Income Statement.

(d) Goods and Services Tax

Revenues, expenses and fixed assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as an expense. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Balance Sheet. Receivables and payables are stated with the amount of GST included.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(e) Taxation

Endeavour Foundation and its controlled entities are registered charitable institutions, exempt from income tax under section 50-5 of the *Income Tax Assessment Act 1997*.

(f) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, an estimate is made of the asset's recoverable amount. An asset's recoverable amount is the higher of its 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 and the asset's value in use cannot be estimated. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In common with many not-for-profit entities, in assessing value in use, where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Group would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset.

(g) Property, plant and equipment – note 9

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line basis over their estimated useful lives. The useful lives used for each class of asset are as follows:

	2025	2024
Buildings	34 years	34 years
Right-of-use lease assets	1-3 years	1-3 years
Plant and equipment	3-10 years	3-10 years

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies (continued)

(h) Non-current assets held for sale – note 7

Non-current assets are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell if their carrying value will be recovered principally through a sale transaction rather than through continuing use.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet and are not depreciated or amortised while they are classified as held for sale.

(i) Inventories – note 6

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

Cost is allocated on an average cost basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

(j) Investments – note 8

Investments not held for trading purposes are classified as financial assets at fair value through other comprehensive income.

These investments are initially recognised at fair value plus transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised in other comprehensive income and presented within retained earnings. When an investment is derecognised, the cumulative gain or loss is recognised in other comprehensive income as a transfer directly to retained earnings and is not recognised in the income statement.

Dividends or other distributions received from these investments are still recognised in the income statement as part of other income.

(k) Employee entitlements – note 20

(i) Salaries, wages and annual leave

Liabilities for employee benefits for salaries, wages and annual leave expected to be settled within 12 months of the year end are recognised, and are measured, as the amount unpaid at the reporting date in respect of employees' services up to that date calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay, including related on-costs.

(ii) Long service leave

A liability for long service leave is recognised, and is 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 and related on-costs, experience of employee departures, periods of service and employment policies. Expected future payments are discounted using interest rates attaching, as at the reporting date, to corporate bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies (continued)

(k) Employee entitlements – note 20 (continued)

(iii) Superannuation

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Further information on the defined benefit plan is set out in note 8 and note 20(b).

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.

(l) Leased assets

The Group as a lessee

At inception of a contract, the Group 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.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets 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 the 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 Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group 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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies (continued)

(l) Leased assets (continued)

The Group as a lessee (continued)

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

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 guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at the 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 Group's estimate of the amount to be payable under a residual value guarantee, if the Group 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.

The Group presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities as "lease liabilities" in the balance sheet.

For purposes of income statement disclosures, interest on lease liabilities is disclosed separately from the depreciation charge on right-of-use assets. The interest expense on lease liabilities is a component of Other Expenses in the Consolidated Income Statement.

For purposes of cash flow disclosures, lease payments shown under financing activities include the principal and interest portions of the lease liability payments.

Short-term leases and leases of low value assets and peppercorn leases

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets, short term leases (with a term of 12 month or less) and peppercorn leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(m) Trade and other receivables – note 5

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are generally due for settlement within 30 days. All trade and other receivables are recognised initially at fair value and subsequently measured as amortised cost, less provision for impairment. A provision for impairment is established based on an expected credit loss model. The amount of the provision is the difference between the assets' carrying amount and the expected value of the amounts to be received.

For purposes of income statement disclosures, the impairment loss on trade receivables of \$113,000 (2024: \$132,000) is a component of Other Expenses in the Consolidated Income Statement.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

1. Summary of Material Accounting Policies (continued)

(n) Trade and other payables – note 10

Liabilities are measured at amortised cost using the effective interest rate method and are recognised for goods or services received, whether or not billed to the Group.

(o) Provisions – note 12

A provision is recognised when there is a legal or constructive obligation as a result of a past event and it is probable that a future sacrifice of economic benefits will be required to settle the obligation, the timing or amount of which is uncertain.

(p) Financial instruments – non-derivative financial instruments

Financial instruments where the Group becomes party to a contractual provision of that instrument comprise only the following non-derivative financial instruments: Investments (refer note 1(j)), Trade and other receivables (refer note 1(m)) and Trade and other payables (refer note 1(n)).

The Group does not have any derivative financial instruments.

2. Operating Revenue and Other Income

Sale of goods and services – other

Sale of goods and services – NDIS revenues

Fundraising activities

- Commercial fundraising activities
- Donations & appeals
- Other

Service user contributions

State Government subsidies

Federal Government subsidies - other

Interest income

Rent received

Dividend income

Other

Total operating revenue

Non-operating items

Government capital grants and other capital donations

Gain on disposal of property

Total revenue and other income for the period

2025 \$'000	2024 \$'000
73,890	65,275
212,827	200,254
286,717	265,529
38,983	37,441
1,637	1,442
1,148	1,407
41,768	40,290
7,695	7,091
12,117	12,520
16,165	18,058
28,282	30,578
2,125	2,117
9,281	7,396
122	101
2,245	825
11,648	8,322
378,235	353,927
-	551
5,374	3,402
5,374	3,953
383,609	357,880

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

3. Auditor's Remuneration

Audit Services

Auditor of Endeavour Foundation – *KPMG Australia*

Audit of financial reports

Other regulatory audit services

Other Services

Compilation services

Business advisory services

2025 \$	2024 \$
201,400	201,400
2,800	-
204,200	201,400
18,500	-
360,000	-
378,500	-
582,700	201,400

4. Cash and Cash Equivalents

Untied cash

Quarantined cash

For cash management purposes, the Group operates a treasury function that notionally distinguishes between Untied cash and Quarantined cash.

Quarantined cash represents revenue received in advance and other cash reserves that have been designated for a specific purpose which are available for draw down only once the services they are meant to fund have actually been delivered.

Credit standby arrangements with banks

The Group has the following lines of credit at reporting date:

Credit card facilities

Indemnity guarantee facilities

Facilities utilised at reporting date:

Credit card facilities

Indemnity guarantee facilities

Facilities not utilised at reporting date:

Credit card facilities

Indemnity guarantee facilities

2025 \$'000	2024 \$'000
44,830	34,952
4,316	4,649
49,146	39,601
1,710	1,710
2,000	2,000
3,710	3,710
788	688
1,273	1,192
2,061	1,880
922	1,022
727	808
1,649	1,830

The banking facilities are secured by registered first mortgages over nine properties with a carrying amount of \$27,332,780 (2024: nine properties with a carrying amount of \$27,937,000) and a registered mortgage debenture over all of the assets and undertakings of the Company.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

5. Current Assets – Trade and Other Receivables

Trade debtors
Less: impairment provision
Other debtors

Impairment losses related to trade and other receivables is as follow:

Balance at 1 July
Movement in impairment provision

6. Current Assets – Inventories

Raw materials
Work in progress
Finished goods
Total trading stock
Lottery prize home stock work in progress
Lottery prize home stock finished goods
Less: impairment provision

In 2025, inventories of \$25,546,000 (2024: \$25,934,000) were recognised as an expense during the year and included in the cost of goods sold.

In 2025, \$nil inventories were written down to their net realisable value (2024: reversal of previous write-downs of \$600,000). Write-downs and reversals are included in the cost of goods sold.

7. Non-Current Assets Classified As Held-For-Sale

Land and buildings – at carrying value

Land and buildings that are classified as held-for-sale comprise properties that are either surplus to current operational requirements or that no longer meet the current functional requirements of the Group's activities and which are expected to be disposed of within 12 months of reporting date.

The sale proceeds of non-functional properties are expected to be applied in the purchase of replacement properties where appropriate, with any surplus cash being used to retire any borrowings or held as cash.

2025 \$'000	2024 \$'000
10,450	9,756
(108)	(298)
8,243	8,791
18,585	18,249
298	404
(190)	(106)
108	298
1,392	1,656
177	75
612	658
2,181	2,389
6,166	15,063
11,187	8,525
(100)	(100)
19,434	25,877
14,189	2,452

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

8. Non-Current Assets – Other assets

Investments in other corporations

Quoted on Stock Exchanges

- Shares – at market value

The investments are quarantined to support specific objectives and are not accessible by Endeavour Foundation to fund normal service delivery.

Present value of plan assets

Present value of funded obligations

Net defined benefit plan asset

	2025 \$'000	2024 \$'000
	2,413	2,085
	5,503	5,677
	(2,785)	(2,901)
	2,718	2,776
	5,131	4,861

9. Non-Current Assets – Property, Plant & Equipment

Balance at 1 July 2024

Gross carrying amount

Accumulated depreciation

Assets classified as held for sale

Net carrying amount at 1 July 2024

Additions

Disposals - cost

Disposals – accumulated depreciation

Depreciation

Reclassified as held for sale

Net carrying amount at 30 June 2025

Balance at 30 June 2025

Gross carrying amount

Accumulated depreciation

Assets classified as held for sale

Net carrying amount at 30 June 2025

	Land and buildings \$'000	Plant and equipment \$'000	Right-of- use assets \$'000	Total \$'000
	206,797	64,108	6,231	277,136
	(68,885)	(43,398)	(2,745)	(115,028)
	(2,452)	-	-	(2,452)
	135,460	20,710	3,486	159,656
	5,405	3,954	2,274	11,633
	(5,479)	(1,473)	(1,125)	(8,077)
	2,385	1,353	1,125	4,863
	(6,637)	(5,910)	(2,133)	(14,680)
	(11,737)	-	-	(11,737)
	119,397	18,634	3,627	141,658
	206,723	66,589	7,380	280,692
	(73,137)	(47,955)	(3,753)	(124,845)
	(14,189)	-	-	(14,189)
	119,397	18,634	3,627	141,658

Refer to note 4 for details of security over property, plant and equipment.

The Group had a net gain on the disposal of property, plant and equipment of \$5,737,000 (2024: \$3,848,000).

Included in the total carrying amount of land and buildings is an amount of \$18,196,000 (2024: \$18,971,000) in respect of buildings located on non-freehold land, comprised of reserve and deed of grant in trust land that the Group holds as trustee and certain term leasehold land, leased from State Governments and Councils under long term renewable leases, expiring between the balance date and 20/01/2045.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

10. Current Liabilities – Trade and Other Payables

Trade creditors and accruals

Other creditors

11. Current and Non-Current Liabilities – Lease Liabilities

Current: realisable within 1 year

Non-current: realisable after 1 year

The lease liabilities represent 25 property leases with lease terms of between one year and five years, carrying a weighted average interest rate of 3.59% (2024: 20 property leases with lease terms of between one year and four years, carrying a weighted average interest rate of 3.49%).

Future lease payments

The face value of the lease liability is payable as follows:

- Due within 1 year
- Due between 1 year and 5 years
- Due in more than 5 years

Amounts recognised in profit or loss

Depreciation expense on right-of-use assets

Expenses including short-term leases and lease of low-value assets

Interest expense on lease liabilities

2025 \$'000	2024 \$'000
10,069	17,666
10,020	8,993
20,089	26,659
1,823	1,381
1,938	2,168
3,761	3,549
1,940	1,477
1,404	2,242
597	-
3,941	3,719
2,133	2,084
1,722	1,502
199	146

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

12. Current Liabilities – Provision for Employee Entitlements and Other Provisions

Employee entitlements – staff

Employee entitlements – supported employees

Provision for staff wage remediation¹

Provision for legal claims²

2025 \$'000	2024 \$'000
23,171	21,968
4,799	4,166
3,024	63
2,808	-
33,802	26,197

¹The Group is aware of a potential underpayment of wages of certain employees. While the Group continues to perform a detailed investigation into this matter, it is probable the remediation will be required. The provision is based on financial modelling that has reconstructed the Group's payroll obligations based on management's best estimate of the facts and circumstances existing at reporting date. It is reasonably possible that the final outcomes may differ to those reported, the impact of which will be reflected in future periods. A provision of \$3,024,457 has been raised at 30 June 2025 in respect of the estimated wage remediation costs.

²A restructuring provision has been recognised in relation to the approved organisational reset program. The provision reflects direct expenses including relevant costs associated with selected site closures.

A reconciliation for each class of other provisions is provided below:

Balance as at 1 July 2024

Provisions utilised during the year

Provisions made during the year

Balance as at 30 June 2025

Restructuring	Wage Remediation
-	63
-	(63)
2,808	3,024
2,808	3,024

13. Non-Current Liabilities – Provision for Employee Entitlements

Employee entitlements – staff

Employee entitlements – supported employees

2025 \$'000	2024 \$'000
2,908	2,916
226	214
3,134	3,130

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

14. Financial Instruments - Accounting Classifications

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

Financial assets measured at amortised cost

Cash and cash equivalents

Trade and other receivables

Financial assets measured at fair value through other comprehensive income

Investments

Financial liabilities measured at amortised cost

Trade and other payables

Lease liabilities

2025 \$'000	2024 \$'000
49,146	39,601
18,585	18,249
67,731	57,850
2,413	2,085
2,413	2,085
20,089	26,659
3,761	3,549
23,850	30,208

15. Contingent assets and contingent Liabilities

There are no contingent assets or liabilities at reporting date which would have a material effect on the financial statements as at 30 June 2025 (2024: nil).

In accordance with various funding agreements, the State and Commonwealth Governments may continue to have interests in particular land and buildings held by Group entities for which they have made grants to assist in their acquisition. The Directors understand that the Governments may have the right to a refund of their interest in the event of a sale. Should this occur, it is the Directors' intention to negotiate with the Governments that the Group entities be entitled to use these funds for another approved purpose.

Contingent liabilities may exist to restore presently leased land and/or premises to their original condition. The Directors are of the opinion that no provision is currently required.

16. Commitments for Expenditure

(a) Capital expenditure contracted but not provided for and payable:

Due within 1 year

(b) Commitments for prize home purchases contracted but not provided for and payable:

Due within 1 year

2025 \$'000	2024 \$'000
938	2,789
2,565	1,803

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

17. Limitation of Members' Liability

Endeavour Foundation Limited is a company limited by guarantee and in accordance with the Constitution, in the event of the Company being wound up, the liability of members would not exceed \$2.00 per member. At 30 June 2025 the number of members was 812 (2024: 722).

18. Related Party Transactions

The names of persons who were Directors of the Company at any time during the financial year are as follows: SRE Ellis, MA Gibson, MS Hughes, EM Jameson, BN Knowles, G Livingstone, RL McGuiggan, P Mendiola and WS Zernike.

No Directors' remuneration is payable.

No Director or related party has entered into a material contract with the Company or its controlled entities since the end of the previous financial year and there were no material contracts involving Directors' interests subsisting at year end. Directors may have family members or relatives who utilise the services that the Company and its controlled entities provide. Such transactions are conducted at arms length.

Balances due from/(to) controlled entities

The aggregate amounts receivable from/(payable to) controlled entities by the Company at balance date are:

- Amount due to Community Solutions Group Limited
- Amount due to BRACE Education Training & Employment Limited

Transactions with controlled entities

The aggregate amount of transactions between the Company and controlled entities for the period are:

- Corporate charges
- Rent
- Interest
- Sales

2025 \$'000	2024 \$'000
(11,923)	(14,401)
(7)	(5)
(11,930)	(14,406)
2,423	1,927
496	476
773	576
1,306	1,699

19. Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

The Group's key management personnel comprise the directors listed on page 2 of the Directors' Report and a team of nine executive managers, comprising the Chief Executive Officer, and eight Executive General Managers (2024: eight executive managers, comprising the Chief Executive Officer, and seven Executive General Managers).

All directors perform their duties in a voluntary capacity, and as such, no remuneration was payable nor was any paid to them.

Other key management personnel compensation comprises:

Short-term employee benefits
Termination benefits
Number of key management personnel

2025 \$	2024 \$
2,967,280	2,480,036
108,780	219,900
9	8

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

20. Employee Entitlements

(a) Employee entitlements

Aggregate employee entitlement liability

2025 \$'000	2024 \$'000
36,733	34,594

The aggregate employee entitlement liability includes amounts for salaries and wages, annual and long service leave.

Liabilities are measured at amortised cost using the effective interest rate method and are recognised for goods or services received, whether or not billed to the Group.

(b) Superannuation commitments

The Group contributes to the Endeavour Foundation Staff Retirement Plan, which is a defined benefit and a defined contribution superannuation plan, as well as a number of other registered defined contribution superannuation plans chosen by employees.

In respect of the defined contribution plans, there is a legally enforceable obligation to contribute to the plans.

In respect of the defined benefit plan, employer contributions are based on the advice of the plan's actuary. The defined benefit plan is closed to new members and is a salary related defined benefit superannuation plan. Benefits are payable on retirement, resignation, death, or total and permanent disablement as a lump sum. Income protection benefits (fully insured) are also payable from the Plan to members.

Contributions to defined contribution plans recognised as an expense in profit or loss during the year were \$24,922,000 (2024: \$22,760,000).

21. Group Entities

Particulars in relation to controlled entities, all of which are incorporated in Australia and are registered charities with the Australian Charities and Not-for-profits Commission:

Endeavour Foundation Disability Research Fund Limited**

Endeavour Foundation Disability Research Fund Trust**

Community Solutions Group Limited*

BRACE Education Training & Employment Limited *#

2025 %	2024 %
-	100
-	100
100	100
100	100

* These entities are endorsed as Deductible Gift Recipients (DGR) by the Australian Charities and Not-for-profits Commission.

An ASIC-approved Deed of Cross Guarantee has been entered into by Endeavour Foundation and this entity (see note 22).

** These entities were wound-up in February 2025.

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

22. Deed of Cross Guarantee

Pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785 the wholly controlled subsidiary listed below is relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports and Directors' reports.

It is a condition of the instrument that the Company and the subsidiary enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debts in the event of winding up of the subsidiary under certain provisions of the Corporations Act 2001. If a winding up occurs under the provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiary has also given similar guarantees in the event that the Company is wound up.

The subsidiary subject to the Deed is:

BRACE Education Training & Employment Limited
(Deed executed on 28 February 2022)

A summarised consolidated statement of comprehensive income and summarised consolidated statement of financial position comprising the Company and the wholly controlled entity which is a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 30 June 2025 is set out as follows:

Statement of profit or loss and other comprehensive income and retained earnings

Operating revenue

Operating expenses

Operating deficit

Government capital expenditure grants and other capital grants

Gain on disposal of properties

Net deficit for the year

Other comprehensive income for the year

Items that will not be classified to profit or loss

Actuarial adjustment to defined benefit superannuation plan

Equity transfer from divestment

Net increase in fair value of investments

Total comprehensive loss for the year

Retained earnings at beginning of year

Retained earnings at end of year

2025 \$'000	2024 \$'000
323,408	304,746
(337,228)	(317,441)
(13,820)	(12,695)
-	551
5,374	3,402
(8,446)	(8,742)
-	99
2,232	-
328	-
(5,886)	(8,643)
154,312	162,955
148,426	154,312

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

22. Deed of Cross Guarantee (continued)

Statement of financial position

Current Assets

Cash and cash equivalents	23,849	20,154
Trade and other receivables	15,915	15,471
Inventories	19,434	25,877
Other current assets	4,588	5,266
Assets classified as held-for-sale	-	2,452

Total current assets

Non-current assets

Net defined benefit plan asset	2,717	2,776
Property, plant & equipment	155,354	156,421

Total non-current assets

Total assets

Current liabilities

Trade and other payables	20,844	24,990
Lease liability	1,217	930
Employee entitlements and other provisions	28,719	24,101
Revenue received in advance	5,559	4,189

Total current liabilities

Non-current liabilities

Lease liability	1,595	1,737
Loan from group entity	12,076	14,758
Employee entitlements	3,025	3,004

Total non-current liabilities

Total liabilities

Net Assets

Equity

Reserves	396	396
Retained earnings	148,426	154,312

Total equity

Notes to the Financial Statements (continued)

For the year ended 30 June 2025

23. Parent Entity Disclosures

As at, and throughout the financial year ending 30 June 2025, the parent company of the Group was Endeavour Foundation Limited.

Results of the parent entity

Net deficit for the year

Other comprehensive income

Total comprehensive income for the year

Financial position of the parent entity at year end

Current assets

Total assets

Current liabilities

Total liabilities

Total equity of the parent entity comprising

Reserve

Retained earnings

Total equity

Parent entity contingencies

The parent entity had no contingent assets or liabilities at reporting date (2024: nil).

Parent entity commitments for capital expenditure

The parent entity commitments for capital expenditure, that forms part of the Group disclosures under note 16 Commitments for Expenditure, are as follows:

(a) Capital expenditure contracted but not provided for and payable:

Due within 1 year

(b) Commitments for prize home purchases contracted but not provided for and payable:

Due within 1 year

2025 \$'000	2024 \$'000
(8,293)	(8,696)
5,701	99
(2,592)	(8,597)
63,967	66,393
218,874	225,590
53,126	54,096
72,610	73,595
396	396
145,868	151,599
146,264	151,995
938	2,789
2,580	1,803

24. Events Subsequent to Reporting Date

On 11 August 2025, the Ivy Mann Property (42 and 68 Pillar Street, Toowoomba) which was classified as an asset held-for-sale at 30 June 2025 was subsequently sold for \$23,134,000, resulting in a gain on sale of \$13,441,000 which will be recognised in the year ending 30 June 2026.

Other than the matter discussed above, there has not arisen in the interval between the end of the financial year and the date of this reports 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 Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Directors' Declaration

For the year ended 30 June 2025

In the opinion of the Directors of Endeavour Foundation Limited ("the Company"):

- (a) the Company is classified as not publicly accountable under *AASB 1053 Application of Tiers of Australian Accounting Standards* for purposes of preparing this financial report;
- (b) the consolidated financial statements and notes that are set out on pages 9 to 32 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2022*;
- (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;
- (d) there are reasonable grounds to believe that the Company and the group entity identified in Note 22 will be able to meet any obligations or liabilities to which they are or may become subject to by virtue of the Deed of Cross Guarantee between the Company and those group entities pursuant to *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*.

Signed in accordance with a resolution of the Directors



E M Jameson
Chair

Brisbane
3 October 2025

Independent Auditor's Report

For the year ended 30 June 2025



To the members of Endeavour Foundation Limited

Opinion

We have audited the **Financial Report** of Endeavour Foundation Limited (the Company).

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

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

The **Financial Report** comprises:

- i. Consolidated Balance Sheet as at 30 June 2025;
- ii. Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, and Consolidated Cash Flow Statement for the year then ended;
- iii. Notes, including material accounting policies; and
- iv. Directors' Declaration.

The Group consists of *Endeavour Foundation Limited (the Company)* and the entities it controlled at the year end or from time to time during the financial year.

Basis of 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 Group 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, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

Independent Auditor's Report

For the year ended 30 June 2025



Other information

Other Information is financial and non-financial information in Endeavour Foundation Limited'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.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or 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:

- Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC and ACNCR.
- Implementing necessary internal control to enable the preparation of Financial Statements that gives a true and fair view and free from material misstatement, whether due to fraud or error.
- Assessing the Group and 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 Group and 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:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. 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 the Financial Report.

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

Independent Auditor's Report

For the year ended 30 June 2025



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 Group'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 Group and 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 Group and 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.

The KPMG logo, consisting of the letters 'KPMG' in a stylized, handwritten-like font.

KPMG

A handwritten signature in black ink, appearing to read 'Tracey Barker'.

Tracey Barker
Partner

Brisbane
3 October 2025

