



## PRIMARY ETHICS LIMITED

ACN 147 194 349

Financial Report  
for the year ended  
30 June 2024

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## Primary Ethics Limited

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## Directors' Report

### Primary Ethics Limited

The Board of Directors of Primary Ethics Limited (PEL) presents their report together with the financial statements for the financial year ended 30 June 2024.

#### Directors

The names of the directors in office during the year and at the date of this report are:

NAME	QUALIFICATIONS AND EXPERIENCE
Mr Bruce Hogan AM (Chair)	<p>Founder and Chairman of the Hogan Family Foundation and a director of the Stolen Generations Testimonies Foundation. Bruce has had an extensive non-executive director career following his executive career in investment banking, primarily with Bankers Trust Australia. Past directorships include Chairmanship of Snowy Hydro Ltd, State Super Financial Services, Adelaide Casino and the Coles Myer Superannuation Fund and non-executive director of NSW Treasury Corporation, Coles Myer, Metcash, GIO, Funds SA and Energy Australia.</p> <p><i>Appointed 7 December 2010.</i></p>
Dr Simon Longstaff AO	<p>Simon began his working life on Groote Eylandt in the Northern Territory of Australia. He is proud of his kinship ties to the Anindilyakwa people. After a period studying law in Sydney and teaching in Tasmania, he pursued postgraduate studies as a Member of Magdalene College, Cambridge. In 1991, Simon commenced his work as the first Executive Director of The Ethics Centre. In 2013, he was made an officer of the Order of Australia (AO) for "distinguished service to the community through the promotion of ethical standards in governance and business, to improving corporate responsibility, and to philosophy." Simon is an Adjunct Professor of the Australian Graduate School of Management at UNSW, a Fellow of CPA Australia, the Royal Society of NSW and the Australian Risk Policy Institute.</p> <p><i>Appointed 4 November 2010.</i></p>
Mr Nigel Stokes	<p>Nigel has held the role of Financial Adviser in the NSW Government for 10 years working on a number of Government projects. At Bankers Trust, Nigel worked on a series of significant privatisations including GIO, NSW State Bank and NSW TAB. He also advised on the demutualisation of the ASX as well as consulting to the NSW Treasury Corporation on risk strategy.</p> <p><i>Appointed 4 April 2012.</i></p>
Mr Roger Reidy	<p>Roger provides HR and strategy advice and consults across a wide range of businesses including several top tier corporations. Roger joined Primary Ethics in 2011, providing leadership for the Classroom Support Team while also offering pro bono human resources advice and recruitment skills for senior managers, and acting as CEO when necessary.</p> <p><i>Appointed 11 December 2018.</i></p>
Mr Stephen Knight	<p>Stephen is a finance industry professional with more than 40 years' experience in executive and non-executive roles. He held senior financial markets roles at ANZ and UBS and was CEO at NSW TCorp from 2005-2015. Stephen currently chairs the ASX Clearing &amp; Settlement Boards, the Australian Office of Financial Management (AOFM) Audit and Risk Committee and the Bond Issuance and Due Diligence Committee for the National Housing Finance &amp; Investment Corporation (NHFIC). He is a member of the AOFM Advisory Board and is a non-executive director with Hall &amp; Wilcox and Sydney Financial Forum. Stephen also coaches a number of senior executives across a range of industries.</p> <p><i>Appointed 20 April 2021.</i></p>
Ms Nicola Kaldor	<p>Nicola is an experienced director of both NGO and private companies, including as a current National Justice Project Advisory Board Director, Talent Beyond Boundaries Advisory Board director, and The Australian Ballet Foundation Board Director. She works as an advocate for refugees across the private school sector. Nicola works with private schools to develop policies, procedures and programs that are embedded into their curriculum to develop deeper understanding and connection with refugee communities.</p> <p><i>Appointed 13 June 2023.</i></p>
Ms Matina Moffitt	<p>For the last 35 years, Matina has specialised in audit and accounting for wealth asset managers, wealth management, funds management, superannuation, retail and investment banking and not-for-profits. She has also been the auditor for Primary Ethics. Matina is a Fellow of Chartered Accountants Australia and New Zealand.</p> <p><i>Appointed 8 August 2023.</i></p>

## Directors' Report

### Primary Ethics Limited

#### Company Information

Primary Ethics Limited (the "Company") is a not-for-profit organisation limited by guarantee and domiciled in Australia. The registered office and principal place of business is Suite 303, 24-30 Springfield Avenue Potts Point, NSW, 2011. The Company was incorporated on 4 November 2010.

#### Objectives, Strategies and Principal Activities

- . Provide philosophical ethics education to children in public schools who do not attend special religious education classes.
- . Provide, or support the provision of, philosophical ethics education to children in any school where such provision is approved by the appropriate governing authority.
- . Develop an engaging ethics curriculum and learning/teaching materials that are age appropriate and deliverable to urban, regional and rural schools.
- . Manage quality control over the ethics curriculum content and its delivery.
- . Attract, select, recruit and train suitable volunteer ethics teachers and, where determined appropriate, paid ethics teachers.
- . Coordinate the curriculum delivery via volunteer ethics teachers and, where determined appropriate, paid ethics teachers.
- . Provide a mechanism for receiving and reacting to complaints relating to the provision of ethics
- . To carry out such other functions and purposes which are necessary or incidental to the other objects of the Company, on the basis that the Company operates as a not-for-profit company.

In achieving these objectives, Primary Ethics Limited will establish and expand collaborative partnerships.

Primary Ethics Limited measures its achievements through a suite of key performance indicators established at Board Level.

The PEL is committed to ensuring the PEL has a diverse workforce and an inclusive environment conducive to respect and substantive quality in appointment of well-qualified employees, senior management and board candidates so that we can:

- . Achieve our strategic goals;
- . Maximise member value; and
- . Promote processes within our organisation that deliver long-term economic advantages to the

#### Operating result for the year ended:

	2024	2023
The net income for the year amounted to:	1,309,245	425,708

#### Financial Results

Building the PEL's future sustainability continues to be a key priority for the Board. The Board is committed to building a sustainable financial model, aligning the PEL resources, structure and processes to support the organisation's strategic direction and continually building an engaged, vibrant, well-informed, effective and well-supported workforce.

In accordance with its strategy during FY2023/24, PEL continued to generate revenue to:

- . Advance PEL's mission
- . Increase and improve services to community
- . Set aside additional reserves for ongoing sustainability and future sector developments.

#### Review of Financial Condition

##### Reserves Policy

The PEL maintains reserves for future projects, programs, services or asset acquisition (Project Funds) or as a reserve in the event of future unfavourable or unexpected circumstances (Unrestricted Funds).

## Directors' Report

### Primary Ethics Limited

#### Total Members' Equity Funds as at 30th June:

	2024	2023
Members Equity Funds	18,117,584	16,808,338

Reserves play an important role in the financial stability and long-term sustainability of an organisation. Managing reserves is an important aspect of the overall financial management – a crucial element of good

In line with good governance and proper risk management, the PEL Board regularly considers an appropriate level of reserves for its circumstances, as well as a strategy for building or spending its reserves in a way that is consistent with its purpose. Each year the Board considers the financial risks associated with income and expenditure streams and balance sheet items, to determine the level of reserves sufficient to protect and safeguard assets, meet liabilities as they fall due, provide resilience and capacity to manage unforeseen financial difficulties and deliver against the PEL's strategic mission and aspirations.

#### Assets

	2024	2023
Total assets as at the 30 June:	18,323,238	16,988,441

#### Liabilities

Total liabilities as at 30 June:	205,655	180,103
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DIRECTOR NAME	DATE APPOINTED	DATE OF CESSATION	ATTENDANCE	
			A	B
Mr Bruce Hogan	Dec-10	continuing	6	6
Dr Simon Longstaff	Nov-10	continuing	6	4
Mr Nigel Stokes	Apr-12	continuing	6	6
Mr Roger Reidy	Dec-18	continuing	6	6
Mr Stephen Knight	Apr-21	continuing	6	5
Ms Nicola Kaldor	Jun-23	continuing	6	4
Ms Matina Moffitt	Aug-23	continuing	6	5

A Number of meetings the Director was entitled to attend

B Number of meetings the Director attended

#### Significant Changes in State of Affairs

During the financial year there was no significant change in the state of affairs of the company.

#### Indemnification and Insurance of Directors and Officers

The Company held Directors and Officers liability insurance during the year which indemnifies the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable.

#### Likely Developments and Expected Results in PEL's Operations

At the date of this report, the directors are not aware of any developments likely to have a significant effect upon Primary Ethics Limited's operations.

#### Members Guarantee

Primary Ethics Limited is a company limited by guarantee and in accordance with its Constitution, in the event of Primary Ethics Limited being wound up, the liability of members will not exceed \$5.00 per member as per Clause 21.9 of the Constitution. Primary Ethics Limited has one member (The Ethics Centre Ltd).

## Directors' Report

### Primary Ethics Limited

#### Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included in page 7 of this financial report and forms part of the Directors' Report.

The directors have received an independence declaration from the auditor of Primary Ethics Limited, KPMG and a copy is attached to this report.

Signed in accordance with a resolution of the Directors.

**Bruce Hogan**

Director

Sydney

Dated: 17 December 2024

**Matina Moffitt**

Director

Sydney

Dated: 17 December 2024



**STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

**Year ended 30 June 2024**

**Primary Ethics Limited**

	<b>NOTE</b>	<b>2024</b> <b>\$</b>	<b>2023</b> <b>\$</b>
<b>Revenue</b>	3	3,227,219	2,492,587
<b>Expenses</b>			
Employee & sub-contractor benefits expense		1,604,868	1,631,758
Administration expenses		24,409	41,043
Bank & merchant fees		31	48
Contractors & professional services expenses		34,626	195,963
Depreciation		-	18,869
General operating expenses		91,196	26,542
Insurance		13,879	22,229
Marketing & communication expenses		46,211	7,624
Information technology expenses		101,166	120,038
Travel, accommodation and other expenses		1,588	2,766
<b>Total Expenses</b>		<b>1,917,974</b>	<b>2,066,880</b>
<b>Surplus for the year</b>		<b>1,309,245</b>	<b>425,708</b>
Comprehensive Income		-	-
<b>Total Comprehensive Income for the year</b>		<b>1,309,245</b>	<b>425,708</b>

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 12 to 18.



**STATEMENT OF FINANCIAL POSITION****As at 30 June 2024****Primary Ethics Limited**

	<b>NOTE</b>	<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>Current Assets</b>			
Cash and cash equivalents	4	4,805,633	4,934,957
Trade and other receivables	5	400	127,417
Tax Credits		62,194	133,905
		<u>4,868,227</u>	<u>5,196,279</u>
<b>Non-Current Assets</b>			
Investments	6	13,455,011	11,792,162
		<u>13,455,011</u>	<u>11,792,162</u>
<b>Total Assets</b>		<u>18,323,238</u>	<u>16,988,441</u>
<b>Current Liabilities</b>			
Trade and other payables	7	55,135	23,195
Provisions	8	118,997	156,908
		<u>174,132</u>	<u>180,103</u>
<b>Non - Current Liabilities</b>			
Provisions	8	31,523	-
		<u>31,523</u>	<u>-</u>
<b>Total Liabilities</b>		<u>205,655</u>	<u>180,103</u>
<b>Net Assets</b>		<u>18,117,583</u>	<u>16,808,338</u>
<b>Funds</b>			
Accumulated funds		18,117,584	16,808,338
<b>Total Equity</b>		<u>18,117,584</u>	<u>16,808,338</u>

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 12 to 18.

**STATEMENT OF CHANGES IN FUNDS****Year ended 30 June 2024****Primary Ethics Limited**

	<b>Total Funds</b>
	<b>\$</b>
Balance at 1 July 2022	16,382,630
Surplus for the year	<u>425,708</u>
Balance at 30 June 2023	16,808,338
Surplus for the year	<u>1,309,245</u>
Balance at 30 June 2024	<u>18,117,584</u>

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 12 to 18.

**STATEMENT OF CASH FLOWS****Year ended 30 June 2024****Primary Ethics Limited**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and other operating activities		1,455,122	653,570
Payments to employees and suppliers		(1,892,422)	(2,039,954)
Interest income		194,960	146,747
<b>Net cash flows used in operating activities</b>		<b>(242,340)</b>	<b>(1,239,637)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of investments		(166,187)	(3,523,881)
Sale of investments		-	3,576,074
Dividends received		279,203	225,272
<b>Net cash flows from investing activities</b>		<b>113,016</b>	<b>277,465</b>
Net decrease in cash held		(129,324)	(962,172)
Cash and cash equivalents at beginning of the financial year		4,934,957	5,897,129
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>4</b>	<b>4,805,633</b>	<b>4,934,957</b>

The above statement is to be read in conjunction with the notes to the financial statements set out on pages 12 to 18.

## Primary Ethics Limited

### 1 General information and statement of compliance

The financial report of Primary Ethics Limited for the year ended 30 June 2024 was authorised in accordance with a resolution of the directors on 27 November 2024. The Company is a company limited by guarantee, incorporated on 4 November 2010 and domiciled in Australia.

The directors have prepared the financial statements on the basis that PEL is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore general purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Charitable Fundraising Act 1991*.

PEL is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

### 2 Summary of accounting policies

#### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements have been prepared in accordance with the historical cost convention except for investments which are measured at fair value.

The financial report is presented in Australian dollars.

#### New and revised standards that are effective for these financial statements

A number of new standards were effective from 1 July 2023 but do not have a material effect on Primary Ethics Limited.

#### Change in accounting interpretations

Software-as-a-Service (SaaS) arrangements are service contracts providing the Company with the right to access the cloud provider's application software over the contract period. As such the Company does not receive a software intangible asset at the contract commencement date.

The Company's arrangements have typically been configured and customised by third parties which is considered distinct from the underlying SaaS software. As such, these services are expensed.

Recognise as an operating expense over the term of the service contract	Fee for use of application software
	Customisation costs (not distinct)
Recognise as an operating expense as the service is received	Customisation costs (distinct)
	Configuration costs
	Data conversion and migration costs
	Testing costs

Costs incurred for the development of software code that enhances or modifies or creates additional capability to existing on-premise systems and meets the definition of recognition criteria for an intangible asset are recognised as intangible software assets.

## Primary Ethics Limited

### (b) Statement of Compliance

The financial statements are General Purpose Financial Statements for the purpose of fulfilling the requirements of the Australian Charities and Not-for profits Commission Act 2012. They have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board and the Australian Charities and Not-for-Profits Commission Act 2012 and the Charitable Fundraising Act 1991.

### 2.1 Overall considerations

The material accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

### 2.2 Revenue

PEL recognises revenue under AASB 1058 or AASB 15 when appropriate. 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 (i.e. when it transfers control of a product or service to a customer).

Revenue is measured based on the consideration to which PEL expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. In other cases, AASB 1058 applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives and the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

#### 2.2.1 Donation & Sponsorship Income

Donations and bequests are recognised as revenue when received.

As a charitable institution, the Company has requirements under the Charitable Fundraising Act 1991. This Act provides the manner in which fundraising appeals are conducted, controlled and reported. These are shown in Note 16 of the financial statements.

#### 2.2.2 Grants

Grants received are recognised as revenue when the Company obtains control over the asset comprising the contributions.

#### 2.2.3 Investment Income

*Interest income:* is recognised as it accrues, using the effective interest method.

*Dividend/distribution income:* from investments is recognised when the shareholder's or unit holder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

*Unrealised gains/(losses):* are calculated as the difference between the fair value at balance date and the fair value at the previous valuation point. All changes are recognised in the Income Statement in the period in which they occur.

*In-kind donations:* The accounting policy of the Company is not to recognise in-kind donations ('non-reciprocal transfers'), being facilities and services donated and services rendered by volunteers or where a third party is bearing the cost.

All revenue is stated net of the amount of goods and services tax.

### 2.3 Operating expenses

Operating expenses are recognised in surplus or deficit upon utilisation of the service or at the date of the origin.

## Primary Ethics Limited

### 2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on-demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.5 Income taxes

No provision for income tax has been raised as PEL is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

### 2.6 Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

### 2.7 Employee benefits

#### Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating annual leave and sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

#### Other long-term employee benefits

PEL's liabilities for long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service.

They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the timing of the estimated future cash outflows.

Any re-measurements arising from experience adjustments and changes in assumptions are recognised in surplus or deficit in the periods in which the changes occur. PEL presents employee benefit obligations as current liabilities in the statement of financial position if PEL does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

#### Post-employment benefits plans

PEL provides post-employment benefits through defined contribution plans.

#### Defined contribution plans

PEL pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. PEL has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

## Primary Ethics Limited

### 2.8 Financial instruments

Financial assets and financial liabilities are recognised when PEL becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through surplus or deficit, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### Investments

Investments are measured at fair value. Gains or losses on investments are recognised in the Income Statement. Purchases and sales of financial assets that require delivery of assets within the timeframe generally established by regulation or convention in the market place are recognised on the trade date i.e. the date that the Company commits to purchase the asset.

Fair values of investments and derivatives have been determined as follows:

- Shares in listed entities and other fixed interest securities:  
at last sale price quoted by the Stock Exchange at close of business on the balance date;
- Shares in unit trusts:  
unit trusts are valued on the basis of the exit prices determined by the managers of the trusts at the balance date

#### Trade and other receivables

PEL makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, PEL uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

#### Trade and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by PEL during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

### 2.9 Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business. PEL's continued existence is ultimately dependent upon the success of future productions.

If PEL is unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and in amounts different from those stated in the financial report.

### 2.10 Current vs non-current classification

The company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within 12 months after the reporting period.
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period; or
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

## Primary Ethics Limited

	2024	2023
	\$	\$
<b>3 Revenue</b>		
<b>Fundraising Activities</b>		
Donations	1,161,626	638,787
Non - Government Grants	20,000	60,000
	<u>1,181,626</u>	<u>698,787</u>
<b>Trading Activities</b>		
Interest	194,960	146,747
Dividends and distributions	279,203	327,031
Realised Gains	-	176,422
Un-realised Gains	1,496,662	1,056,258
Investment Rebates	62,194	83,693
Curriculum License Fees	11,000	3,650
Other Income	1,574	-
	<u>3,227,219</u>	<u>2,492,587</u>
<b>4 Cash and cash equivalents</b>		
Cash at bank and on hand	4,805,633	4,934,957
	<u>4,805,633</u>	<u>4,934,957</u>
<b>5 Trade and other receivables</b>		
<b>Current</b>		
Trade receivables	-	25,257
Sundry receivables	400	102,160
	<u>400</u>	<u>127,417</u>
<b>6 Investments</b>		
<b>Non-current</b>		
Investments held by Primary Ethics Limited are as follows:		
Vanguard Australian Shares Index ETF	6,096,413	5,566,236
Vanguard Msci International Shares Etf	4,176,974	3,519,016
Vanguard Global Infrastructure Fund Etf - VBLD	803,072	747,240
Vanguard Aust Property Securities Index Etf VAP	486,752	409,690
Vanguard Msci Index International Share VGAD	1,891,800	1,549,980
	<u>13,455,011</u>	<u>11,792,162</u>
<b>Investment Movement</b>		
Opening Balance	11,792,162	10,611,415
Additions	166,187	3,523,528
Disposals	-	(3,399,039)
Unrealised gains	1,496,662	1,056,258
Closing Balance	<u>13,455,011</u>	<u>11,792,162</u>
<b>7 Trade and other payables</b>		
<b>Current</b>		
Trade creditors	7,797	7,381
Other creditors and accruals	47,338	15,814
	<u>55,135</u>	<u>23,195</u>



## Primary Ethics Limited

	2024	2023
	\$	\$
<b>8 Provisions</b>		
<b>Current</b>		
Annual leave	118,997	156,908
	<u>118,997</u>	<u>156,908</u>
<b>Non-current</b>		
Long service leave (LSL)	31,523	-
	<u>31,523</u>	<u>-</u>

**9 Contingent liabilities**

There are no contingent liabilities that have been incurred by PEL in relation to 2024 or 2023.

**10 Related party transactions**

Donations were received from the members of the Primary Ethics Limited Board of \$107,200 (2023: \$ 109,000). This is comprised of \$100,000 donation from the Hogan Family Foundation (2023: \$104,000), an entity related to Bruce Hogan, \$5,000 donation from Nigel Stokes (2023: \$5,000), \$1,000 from Stephen Knight (2023: \$Nil); \$500 from Roger Reidy (2023: \$Nil); and \$200 from Matina Moffitt (2023: \$Nil).

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

**(a) Transactions with related entities**

The Directors act in an honorary capacity and receive no compensation for their services.

Where legal services have been provided by a Directors, these services were provided on a pro-bono basis and no remuneration was received.

**11 Key Management Personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of PEL, directly or indirectly, including any Director (whether executive or otherwise) of that PEL is considered key management personnel.

**(i) Directors**

There are no directors receiving income from being members of the Board of Primary Ethics Limited.

**ii) Other personnel**

Compensation received or receivable by key personnel of Primary Ethics Limited in connection with management of the affairs of Primary Ethics Limited, whether as an executive officer or otherwise.

	2024	2023
	\$	\$
Short-term benefits	133,405	129,860
Post-employment benefits (super)	14,635	13,598
	<u>148,040</u>	<u>143,458</u>

**12 Auditor's Remuneration**

Amounts received or due and receivable by the auditor for audit services in 2024 were \$Nil (2023: \$Nil)

Pro bono services provided by KPMG	50,000	50,000
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**13 Subsequent Events**

There were no events subsequent to balance sheet date that would materially impact the financial results as reported

**14 Limitation of members' liability**

Primary Ethics Limited is a company limited by guarantee and in accordance with its Constitution, in the event of Primary Ethics Limited being wound up, the liability of members will not exceed \$5.00 per member as per Clause 21.9 of the Constitution. Primary Ethics Limited has one institutional member, The Ethics Centre Ltd.

## Primary Ethics Limited

	2024 \$	2023 \$
<b>15 Goods-in Kind</b>		
During the financial year, services were donated to the Company. The services rendered by volunteers and provided by third parties during the year were:	12,618,425	13,154,945
<b>16 Information furnished under the Charitable Fundraising Act 1991</b>		
Details of aggregate gross income and total expenditure of fundraising appeals		
<b>Proceeds from Fundraising appeals</b>		
Donations	1,181,826	107,507
<b>Gross proceeds from fundraising appeals</b>	1,181,826	107,507
<b>Direct costs of fundraising appeals</b>		
Donations	39,489	30,115
<b>Total direct costs of fundraising appeals</b>	39,489	30,115
<b>Net surplus from fundraising appeals</b>	1,142,337	77,392
Statement showing how funds received are applied for charitable purposes		
Office administration	93,892	108,731
Delivery of services	1,783,955	1,928,034
<b>Subtotal</b>	1,877,847	2,036,765
<b>Total expenditure</b>	1,917,336	2,066,880
(Shortfall)/surplus	(735,510)	(1,959,373)
Other funding was provided by the following sources:		
Other Income	31,575	594,930
Interest earned	194,960	146,747
Income/(loss) from trading activities	1,838,058	1,643,403
	2,064,593	2,385,081
<b>Surplus transferred to Accumulated Funds for future use</b>	147,257	425,708
<b>Comparison by monetary figures and percentages</b>		
Gross income from fundraising appeals	1,181,826	107,507
Total direct cost of fundraising appeals	39,489	30,115
<b>Total direct cost of fundraising as a percentage gross of income from Fundraising appeals</b>	<b>3.34%</b>	<b>28.01%</b>
Net surplus from fundraising appeals	1,142,337	77,392
<b>Net surplus from fundraising as a percentage of gross income from fundraising appeals</b>	<b>96.66%</b>	<b>71.99%</b>
Total cost of direct services	1,783,955	1,928,034
Total expenditure (excluding direct cost of fundraising appeals)	1,877,847	2,036,765
<b>Total cost of direct services as a percentage of total expenditure</b>	<b>95.00%</b>	<b>94.66%</b>
Total income received (including net profit from fundraising appeals)	3,206,730	2,462,472
<b>Total cost of direct services as a percentage of total income received</b>	<b>55.63%</b>	<b>78.30%</b>

**Primary Ethics Limited**

In the opinion of the Directors of the Primary Ethics Limited:

- (a) the company is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 8 to 19 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including;
  - (i) Giving a true and fair view of its financial position as at 30 June 2024 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 2013; and
- (c) There are reasonable grounds to believe that the Primary Ethics Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

**Bruce Hogan**

Director

Sydney

Dated: 17 December 2024

**Matina Moffitt**

Director

Sydney

Dated: 17 December 2024

Primary Ethics Limited

In my opinion, I state that the:

- (a) Income Statement gives a true and fair view of all income and expenditure of the Company with respect to fundraising appeals;
- (b) Balance Sheet gives a true and fair view of the state of affairs of the company with respect to fundraising appeals conducted;
- (c) Provisions and regulations of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015 and the conditions attached to the authority to fundraise have been complied with; and
- (d) Internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.

**Matina Moffitt**  
Director/Treasurer

Sydney

Dated: 17 December 2024