



PRIMARY ETHICS LIMITED

ACN 147 194 349

Financial Report
for the year ended
30 June 2025

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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 2025.

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	<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. Resigned 2 February 2025</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 (Chair)	<p>Roger provides Management, Strategy and HR Management consulting services across a wide range of businesses, from large Corporates to Small to Medium Enterprises (SMEs). Roger joined Primary Ethics in 2011, establishing and later managing the Classroom Support Team, alongside providing pro bono human resources services for all employees and managers, and acting as CEO when required.</p> <p><i>Appointed 11 December 2018.</i></p>
Mr Stephen Knight	<p>Stephen currently chairs the ASX Clearing and Settlement Boards. He is a member of the Australian Office of Financial Management (AOFM) Advisory Board, and is a non-executive director with Hall & Wilcox and the Sydney Financial Forum. Stephen is an independent member of the Asset Liability Committee for Housing Australia. 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 Co CEO at Lonre Capital. She is an experienced director of both NGO and private companies, including as a current National Justice Project Advisory Board Director, and Talent Beyond Boundaries Advisory Board director. She works as an advocate for refugees and works to assist placement of refugees children into private schools across Sydney. 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>Matina is an audit partner with BDO, prior to this Matina was an Associate Partner with EY. Over 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. <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 is Suite 303, 24-30 Springfield Avenue Potts Point, NSW, 2011, and principal place of business is Legion House, Level 2, 161 Castlereagh St Sydney, NSW, 2000. 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 education.
- 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 organisation.

Operating result for the year ended:

	2025	2024
The net income for the year amounted to:	962,470	1,309,245

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 FY2024/25, 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.

Directors' Report

Primary Ethics Limited

Total Members' Equity Funds as at 30th June:	2025	2024
Members Equity Funds	19,080,053	18,117,583

Members Equity Funds play an important role in the financial stability and long-term sustainability of an organisation.

In line with good governance and proper risk management, the PEL Board regularly considers the appropriate level of investments to be held for its circumstances, as well as a strategy for investing or disposing its investments 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 investment is 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	2025	2024
Total assets as at the 30 June:	19,310,208	18,323,238

Liabilities	2025	2024
Total liabilities as at 30 June:	230,155	205,655

DIRECTOR NAME	DATE APPOINTED	DATE OF CESSATION	ATTENDANCE	
			A	B
Mr Bruce Hogan	Dec-10	2-Feb-25	4	4
Dr Simon Longstaff	Nov-10	continuing	6	6
Mr Nigel Stokes	Apr-12	continuing	6	6
Mr Roger Reidy	Dec-18	continuing	6	6
Mr Stephen Knight	Apr-21	continuing	6	6
Ms Nicola Kaldor	Jun-23	continuing	6	6
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.

R W Reidy

Roger Reidy
Director
Sydney
Dated: 24 October 2025

Matina Moffitt

Matina Moffitt (Oct 24, 2025 11:27:34 GMT+11)

Matina Moffitt
Director
Sydney
Dated: 24 October 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 Primary Ethics Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Primary Ethics Limited 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

Sam Grose

Sam Grose

Partner

Sydney

24 October 2025

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

Year ended 30 June 2025

Primary Ethics Limited

	NOTE	2025 \$	2024 \$
Revenue	3	2,863,758	3,227,219
Expenses			
Employee & sub-contractor benefits expense		1,507,940	1,604,868
Administration expenses		95,937	24,409
Bank & merchant fees		383	31
Contractors & professional services expenses		82,042	34,626
General operating expenses		75,360	91,196
Insurance		16,514	13,879
Marketing & communication expenses		29,349	46,211
Information technology expenses		92,453	101,166
Travel, accommodation and other expenses		1,310	1,588
Total Expenses		1,901,288	1,917,974
Surplus for the year		962,470	1,309,245
Comprehensive Income		-	-
Total Comprehensive Income for the year		962,470	1,309,245

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 2025

Primary Ethics Limited

	NOTE	2025 \$	2024 \$
Current Assets			
Cash and cash equivalents	4	4,262,056	4,805,633
Trade and other receivables	5	30,160	400
Tax Credits		127,377	62,194
		<u>4,419,593</u>	<u>4,868,227</u>
Non-Current Assets			
Investments	6	14,890,615	13,455,011
		<u>14,890,615</u>	<u>13,455,011</u>
Total Assets		<u>19,310,208</u>	<u>18,323,238</u>
Current Liabilities			
Trade and other payables	7	113,476	55,135
Provisions	8	75,105	118,997
		<u>188,581</u>	<u>174,132</u>
Non - Current Liabilities			
Provisions	8	41,574	31,523
		<u>41,574</u>	<u>31,523</u>
Total Liabilities		<u>230,155</u>	<u>205,655</u>
Net Assets		<u>19,080,053</u>	<u>18,117,583</u>
Funds			
Accumulated funds		19,080,053	18,117,583
Total Equity		<u>19,080,053</u>	<u>18,117,583</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 2025****Primary Ethics Limited**

	Total Funds
	\$
Balance at 30 June 2023	16,808,338
Surplus for the year	<u>1,309,245</u>
Balance at 30 June 2024	18,117,583
Surplus for the year	962,470
Balance at 30 June 2025	<u>19,080,053</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 2025

Primary Ethics Limited

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and other operating activities		622,894	1,455,122
Payments to employees and suppliers		(1,876,789)	(1,892,422)
Interest income		186,013	194,960
Net cash flows used in operating activities		(1,067,882)	(242,340)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		(340,076)	(166,187)
Sale of investments		340,183	-
Dividends received		524,198	279,203
Net cash flows from investing activities		524,305	113,016
Net decrease in cash held		(543,577)	(129,324)
Cash and cash equivalents at beginning of the financial year		4,805,633	4,934,957
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	4	4,262,056	4,805,633

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 2025 was authorised in accordance with a resolution of the directors on 24 October 2025. 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 material 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 2024 but do not have a material effect on Primary Ethics Limited.

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.

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 Statement of Profit & Loss and Other Comprehensive Income.

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.

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

	2025	2024
	\$	\$
3 Revenue		
Fundraising Activities		
Donations	607,142	1,161,626
Non - Government Grants	34,000	20,000
	<u>641,142</u>	<u>1,181,626</u>
Trading Activities		
Interest	186,013	194,960
Dividends and distributions	524,198	279,203
Realised Gains	27,542	-
Un-realised Gains	1,408,168	1,496,662
Investment Rebates	65,193	62,194
Curriculum License Fees	11,500	11,000
Other Income	2	1,574
	<u>2,863,758</u>	<u>3,227,219</u>
4 Cash and cash equivalents		
Cash at bank and on hand	4,262,056	4,805,633
	<u>4,262,056</u>	<u>4,805,633</u>
5 Trade and other receivables		
Current		
Sundry receivables	30,160	400
	<u>30,160</u>	<u>400</u>
6 Investments		
Non-current		
Investments held by Primary Ethics Limited are as follows:		
Vanguard Australian Shares Index ETF	6,700,575	6,096,413
Vanguard Msci International Shares Etf	4,718,335	4,176,974
Vanguard Global Infrastructure Fund Etf - VBLD	558,400	803,072
Vanguard Aust Property Securities Index Etf VAP	901,265	486,752
Vanguard Msci Index International Share VGAD	2,012,040	1,891,800
	<u>14,890,615</u>	<u>13,455,011</u>
Investment Movement		
Opening Balance	13,455,011.00	11,792,162
Additions	340,076.00	166,187
Disposals	340,183.00	-
Realised gains	27,542.40	-
Unrealised gains	1,408,168.33	1,496,662
Closing Balance	<u>14,890,615</u>	<u>13,455,011</u>
7 Trade and other payables		
Current		
Trade creditors	31,040	7,797
Other creditors and accruals	82,436	47,338
	<u>113,476</u>	<u>55,135</u>

Primary Ethics Limited

	2025	2024
	\$	\$
8 Provisions		
Current		
Annual leave	75,105	118,997
	<u>75,105</u>	<u>118,997</u>
Non-current		
Long service leave (LSL)	41,574	31,523
	<u>41,574</u>	<u>31,523</u>

9 Contingent liabilities

There are no contingent liabilities that have been incurred by PEL in relation to 2025 or 2024.

10 Related party transactions

Donations were received from the members of the Primary Ethics Limited Board of \$6,715 (2024: \$107,200). This is comprised of \$nil donation from the Hogan Family Foundation (2024: \$100,000), an entity related to Bruce Hogan, \$nil donation from Nigel Stokes (2024: \$5,000), \$1,035 from Stephen Knight (2024: \$1,000); \$2,070 from Roger Reidy (2024: \$500), \$104 from Matina Moffitt (2024: \$200); \$3,506 from Nicola Kaldor (2024: \$nil), and from Dr Simon Longstaff \$4,000 (2024: \$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.

	2025	2024
	\$	\$
Short-term benefits	132,088	133,405
Post-employment benefits (super)	15,149	14,635
	<u>147,237</u>	<u>148,040</u>

12 Auditor's Remuneration

Amounts received or due and receivable by the auditor for audit services in 2025 were \$Nil (2024: \$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

	2025	2024
	\$	\$
15 Goods-in Kind		
During the financial year, services were donated to the Company. The services rendered by volunteers and provided by third parties during the year were:	13,568,923	12,618,425
16 Information furnished under the Charitable Fundraising Act 1991		
Details of aggregate gross income and total expenditure of fundraising appeals		
Proceeds from Fundraising appeals		
Donations	607,142	1,181,826
Gross proceeds from fundraising appeals	<u>607,142</u>	<u>1,181,826</u>
Direct costs of fundraising appeals		
Donations	52,419	39,489
Total direct costs of fundraising appeals	<u>52,419</u>	<u>39,489</u>
Net surplus from fundraising appeals	<u>554,723</u>	<u>1,142,137</u>
Statement showing how funds received are applied for charitable purposes		
Office administration	92,452	93,892
Delivery of services	1,756,417	1,783,955
Subtotal	<u>1,848,869</u>	<u>1,877,847</u>
Total expenditure	1,901,288	1,917,336
(Shortfall)/surplus	(1,294,146)	(775,119)
Other funding was provided by the following sources:		
Other Income	45,502	31,575
Interest earned	186,013	194,960
Income/(loss) from trading activities	2,025,102	1,838,058
	<u>2,256,617</u>	<u>2,064,593</u>
Surplus transferred to Accumulated Funds for future use	<u>355,329</u>	<u>147,257</u>
Comparison by monetary figures and percentages		
Gross income from fundraising appeals	607,142	1,181,826
Total direct cost of fundraising appeals	52,419	39,489
Total direct cost of fundraising as a percentage gross of income from Fundraising appeals	8.63%	3.34%
Net surplus from fundraising appeals	554,723	1,142,137
Net surplus from fundraising as a percentage of gross income from fundraising appeals	91.37%	96.64%
Total cost of direct services	1,756,417	1,783,955
Total expenditure (excluding direct cost of fundraising appeals)	1,848,869	1,877,847
Total cost of direct services as a percentage of total expenditure	95.00%	95.00%
Total income received (including net profit from fundraising appeals)	2,829,757	3,205,730
Total cost of direct services as a percentage of total income received	62.07%	55.65%

Primary Ethics Limited

In accordance with a resolution of the directors of Primary Ethics Limited, I state that in the opinion of the directors

1. The Annual Financial Report, notes and the additional disclosures included in the Directors' Report of Primary Ethics Limited:
 - a. The Primary Ethics Limited is not publicly accountable;
 - b. Give a true and fair view of Primary Ethics Limited's financial position as at 30 June 2025 and of its performance for the year ended on that date.
 - c. Comply with:
 - (i) Australian Accounting Standards – Simplified Disclosure Requirements;
 - (ii) Australian Charities and Not-for-Profits Commission Act 2012;
 - (iii) Australian Charities and Not-for-Profits Commission Regulation 2022;
 - d. There are reasonable grounds to believe that Primary Ethics Limited is able to pay its debts as and when they become due and payable.

On behalf of the Board

R W Reidy

Roger Reidy
Director

Sydney

Dated: 24 October 2025

Primary Ethics Limited

Declaration by the Chair of the Audit Committee in respect of fundraising appeals under the Charitable Fundraising Act 1991 (NSW). In accordance with a resolution of the directors of the Primary Ethics Limited, I state that:

- a. Primary Ethics Limited has taken reasonable steps to comply with the provisions of the NSW Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the authority Act; and
- b. Primary Ethics Limited's financial statements comply with the provisions of the NSW Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the authority; and
- c. There are reasonable grounds to believe that Primary Ethics Limited will be able to pay its debts as and when they become due and payable; and
- d. The financial statements give a true and fair view of the state of affairs with respect to fundraising appeals conducted by Primary Ethics Limited; and
- e. The internal controls exercised by Primary Ethics Limited are appropriate and effective in accounting for all income received and applied by The Foundation from any of its fundraising appeals.

Matina Moffitt
Matina Moffitt (Oct 24, 2025, 11:27:34 GMT+11)

Matina Moffitt
Director/Chair of Audit Committee

Sydney

Dated: 24 October 2025



Independent Auditor's Report

To the members of Primary Ethics Limited

Opinion

We have audited the **Financial Report** of Primary Ethics 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*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2025, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework*, Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises

- i. Statement of financial position as at 30 June 2025;
- ii. Statement of profit or loss and other comprehensive income, Statement of changes in funds and Statement of cash flows for the year then ended;
- iii. Notes, including material accounting policies;
- iv. Directors' declaration; and
- v. Treasurer's Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



Other information

Other Information is financial and non-financial information in Primary Ethics 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.

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

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards - Simplified Disclosures Framework*, the ACNC and ACNCR, sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.
- ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iii. Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

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

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

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

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



We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Company's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. Conclude on the appropriateness of the Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

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

KPMG

KPMG

Sam Grose

Partner

Sydney

24 October 2025