

Mallee Family Care Financial Statements

2025-26

MALLEE FAMILY CARE LTD
Directors' Report
for the Year Ended 30 June 2026

Your directors present their report on Mallee Family Care Ltd ("the Agency") for the financial year ended 30 June 2026.

Directors

The details of the directors in office at any time during or since the end of the year are:-

Mr Ross Lake OAM	– Non-executive Director
Qualifications	– Bachelor of Law, Bachelor of Economics, Diploma of Education
Experience	– Board member for most of the period since the inception of Mallee Family Care in 1984. Mr Lake holds a number of other Directorships including the Sky Temple Pty Ltd, Institute for Future Co-Operation Ltd and Mildura Base Public Hospital Foundation.
Special Responsibilities	– Chair, Member Finance Audit and Risk Committee
Ms Jenna Collett (previously Yetman)	– Non-executive Director
Qualifications	– Master of Business Administration, Bachelor of Laws and Legal Practice, Bachelor of Commerce (Accounting),GAICD
Experience	– Ms Collett was appointed to the Board in 2018 and Deputy Chair in 2020. She is a Managing Lawyer at an Aboriginal Community Controlled Organisation specialising in family violence and related legal services, and brings extensive experience in legal practice, governance and community leadership, with a background in corporate law. She is a graduate of the Northern Mallee Leaders Program and the Australian Institute of Company Directors. Ms Collett has held a number of directorships and governance roles within local communities. Her professional and board experience provides a strong understanding of strategic leadership, organisational governance and community-focused service delivery.
Special Responsibilities	– Deputy Chair
Mrs Christine Cottrell	– Non-executive Director
Qualifications	– Graduate Certificate in Business Administration, Fellow of the Institute of Community Directors Australia (FICDA)
Experience	– Mrs Cottrell has spent 20 years working in Not-For-Profit Services including Australian Institute of Company Directors, Australian Sonographers Association and Royal Australasian College of Medical Administrators. She is currently the Director of Connected Beginnings Mildura, working with Aboriginal and Torres Strait Islander families to improve the lives of children. Mrs Cottrell is currently the Vice President of Nichols Point Football Club.
Special Responsibilities	– Chair of Finance Audit and Risk Committee.
Mr Geoff Dea	– Non-executive Director
Qualifications	– Bachelor of Business (Accounting), Australian Institute of Company Directors (GAICD)
Experience	– Mr Dea was appointed to the board in 2019. He has formally held Board roles in Regional Development and Education and Training organisations. He has held leadership roles in the Not for Profit, Education and Training and Finance sectors.
Special Responsibilities	– None
Dr Suriya Hariprakash	– Non-executive Director
Qualifications	– MBBS, DCH, MRCP(Paediatrics), MRCPCH, CCT in Paediatrics and Paediatric Intensive Care Medicine (UK), FPCCM (Toronto, Canada), FRACP.AFRACMA
Experience	– Dr Hariprakash is the Senior Staff Specialist in Paediatrics and the Clinical Director of Paediatrics at Mildura Base Public Hospital. He received the Lucas Excellence Award in recognition of his contribution to the health and wellbeing of children in this region. Dr Hariprakash is a member of the Royal Australasian College of Physicians and the Australian Society of Clinical Immunology and Allergy.
Special Responsibilities	– None

MALLEE FAMILY CARE LTD
Directors' Report
for the Year Ended 30 June 2026

Ms Belinda Hudak	– Non-executive Director
Qualifications	– Masters of Leadership and Management, Bachelor of Education, Bachelor of Arts
Experience	– Ms Hudak was appointed to the Board in 2022. She is the President of the Victorian Association of State Secondary Principals and former Principal of Mildura Senior College, appointed principal in June 2017. Belinda is a member of the Victorian Violence Reduction Unit Violence Prevention Partnership Collective as an education representative. Ms Hudak has a passion for supporting young people and our regional communities to thrive.
Special Responsibilities	– None
Dr Chelsea Todd	– Non-executive Director
Qualifications	– PHD, Bachelor of Psychology, Advanced Leadership Program
Experience	– Dr Todd has previously been a director of Mallee Family Care Ltd in 2018/2019. She has held senior positions in both the South Australian and Victorian public service, most recently as Principal Advisor for the Mallee region, Department of Families, Fairness and Housing. She now operates her own business (Chelsea Lee Todd) specialising in psychosocial safety, leadership development and Matrescence (the identify shift of becoming a Mother).
Special Responsibilities	– None
Dr Pauline Rogers (commenced April 2026)	– Non-executive Director
Qualifications	– Company Directors Course, 2022 (non-assessed), Graduate Diploma Psychology, PhD Education, Masters of Science (Education), Graduate Diploma, Information Technology in Education, Bachelor of Education, Secondary (Mathematics, Physics)
Experience	– Dr Rogers has extensive Not for Profit and educational board and committee experience having been a member of a number of Boards and Committees including Health Bright, Ambulance Victoria, Women's Health Grampians, Buninyong & District Financial Services, Buninyong Primary School Council, Kids Korner and Rowville CFA.
Special Responsibilities	– None

Directors have been in office since the commencement of the financial year to the date of this report unless otherwise stated.

MALLEE FAMILY CARE LTD

Directors' Report

for the Year Ended 30 June 2026

Company Secretary

Ms Teresa Jayet held the position of Company Secretary at the end of the financial year:

Qualifications: MBA, Bachelor of Social Work, Bachelor of Education, Diploma of Financial Counselling, Graduate Diploma Family Dispute Resolution

Experience: Mrs Jayet has been an employee of the Agency, in various positions, since 1994 and is currently the Chief Executive Officer. She was appointed Company Secretary on 11 March 2021 when the Agency was first incorporated as a Company Limited by Guarantee.

Meetings of Directors

During the financial year, 15 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Finance Audit and Risk Committee	
	No. eligible to attend	No. attended	No. eligible to attend	No. attended
Mr Ross Lake	9	8	6	4
Ms Jenna Collett	9	8	0	0
Mrs Christine Cottrell	9	7	6	5
Mr Geoff Dea	9	8	0	0
Dr Suriya Hariprakash	9	7	0	0
Ms Belinda Hudak	9	6	0	0
Dr Chelsea Todd	9	8	0	0
Dr Pauline Rogers	3	2	0	0

Review of Operations

2025/2026 was a year of consolidation for Mallee Family Care.

Construction of the head office in Mildura at 123 Ninth Street, has continued at a steady pace. In preparation for the move, the agency has worked solidly behind the scenes to ensure a seamless transition.

This work has included the huge task of digitising all documentation and archives, cataloguing resources and reviewing fleet vehicles.

As Mallee Family Care's operating model has evolved since COVID-19, the organisation now requires fewer fleet vehicles.

There has been ongoing investment in transformation projects designed to reinforce our systems and enhance support for the programs we provide.

The agency undertook an extensive strategic business model review aimed specifically at strengthening operational resilience and exploring areas for growth.

The Mallee Family Care Community Legal Centre celebrated 30 years of service in 2026 and solidified their presence in Far West New South Wales with the extension of contracts to 30 June 2030.

Our reach into the Robinvale area has also increased with the introduction of a Creative Therapies program in early 2026.

Mallee Family Care's commitment to lead and build a skilled workforce continued with extensive professional development opportunities for employees including agency wide "Voice of the Child" training. Targeted staff recruitment has successfully addressed vacancies in specialised program areas.

At an operational level, the cost-of-living crisis has continued to create higher demand for our services across all areas of the Mallee. The cost of delivering reliable, high-quality services has outgrown government funding with indexation received not matching the rising inflationary costs.

Despite this, Mallee Family Care's financial position has remained strong, with a sound net equity balance of \$32M.

MALLEE FAMILY CARE LTD
Directors' Report
for the Year Ended 30 June 2026

New Accounting Standards Implemented

No new Accounting Standards which impact on the operations of the Agency have come into effect during the 2025/26 financial year.

Significant Changes in the State of Affairs

No significant changes in the state of affairs of the Agency occurred during the financial year.

Principal Activities

The principal activity of the Agency is the advancement of social and community welfare through the provision of a diverse range of services and supports to vulnerable children; disadvantaged families and individuals; and, people with a disability.

No significant change in the nature of these activities has occurred during the year.

Likely Developments and Expected Results of Operations

Finalisation of the construction of the Federally funded new Mildura office is expected to occur in the 2026/2027 Summer period. The consolidation of Mildura based services into one location will reduce operating costs, drive efficiencies and improve the overall quality of care for clients.

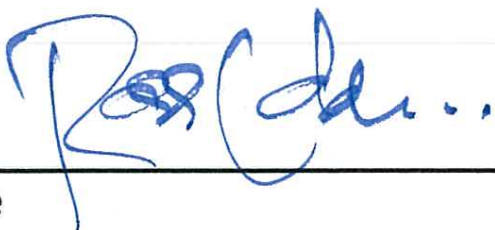
Reinforced by the initiatives identified in the 2025/2026 strategic business model review, 2026/2027 will see the introduction of diverse new opportunities for Mallee Family Care including the DCJ NSW Justice System Navigator Pilot program and Primary Mental Health in Residential Aged Care.

The impact of economic instability is predicted to continue in 2026/2027 with demand for our services and operational expenditure expected to increase in accordance with cost of living, whilst revenue streams are not expected to rise by the same level. Although the budgeted result for the 2026/2027 financial year is anticipated to show a deficit, the strong historical financial position held by Mallee Family Care will mitigate the expected result for 2026/2027.

Auditors' Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the Corporations Act 2001 is set out on page 5.

This report is signed in accordance with a resolution of the Board of Directors


Ross Lake

Chair of the Board

Dated: 20 August 2026

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012

To those charged with governance of Mallee Family Care Ltd

As auditor for the audit of Mallee Family Care Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- 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
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mallee Family Care Ltd and the entities it controlled during the year.

William Buck (SA)
ABN 38 280 203 274



G.W. Martinella
Partner

Dated this 20th day of August, 2026.

MALLEE FAMILY CARE LTD

Statement of Profit and Loss and Other Comprehensive Income for the Year Ended 30 June 2026

	Note	2026 \$	2025 \$
<i>Income</i>			
Contract income from Government	2.1	26,469,646	25,720,149
Fee for service income	2.2	2,733,343	2,885,771
Other program income		73,862	82,469
Donations and fundraising	2.3	172,754	192,124
Investment income	2.4	659,625	995,645
Sundry income		290,112	231,916
Profit on sale of fixed assets		145,455	171,709
Capital grants		-	2,359,259
Total Revenue		30,544,797	32,639,042
<i>Less: Expenses</i>			
Employee benefits	3.1	21,943,038	21,408,539
Program delivery		3,043,702	3,433,125
Administration		2,177,617	2,129,188
Building occupancy and operating		871,405	876,844
Motor vehicles		213,750	226,226
Payments to beneficiaries		122,220	60,097
Fundraising costs		171,013	181,831
Interest and finance charges		39,851	24,090
Depreciation	3.3	501,373	311,073
Total Expenditure		29,083,969	28,651,013
Net Surplus For The Year		1,460,828	3,988,029
<i>Other Comprehensive Income</i>			
Revaluation of land and buildings	4.1	-	-
Total Comprehensive Income For The Year		1,460,828	3,988,029

The accompanying notes form part of these financial statements.

MALLEE FAMILY CARE LTD
Statement of Financial Position
as at 30 June 2026

	Note	2026 \$	2025 \$
Current Assets			
Cash and cash equivalents	5.2	6,025,430	12,955,390
Cash investments	5.2	7,436,511	4,563,639
Receivables	2.5	470,334	821,779
Other current assets	7.4	409,471	453,101
Total Current Assets		14,341,746	18,793,909
Non-Current Assets			
Property, plant and equipment	4.1	30,344,987	25,132,242
Total Non-Current Assets		30,344,987	25,132,242
Total Assets		44,686,733	43,926,151
Current Liabilities			
Payables	3.7	1,548,196	2,299,464
Employee benefits	3.5	2,266,650	2,129,543
Other current liabilities	2.6	8,052,008	8,098,918
Hire purchase liability (net)	5.3	163,426	132,087
Total Current Liabilities		12,030,280	12,660,012
Non-Current Liabilities			
Employee benefits	3.5	90,467	110,718
Hire purchase liability (net)	5.3	441,806	492,069
Total Non-Current Liabilities		532,273	602,787
Total Liabilities		12,562,553	13,262,799
Net Assets		32,124,180	30,663,352
Equity			
Accumulated surplus		25,221,402	23,795,282
General reserves	5.5	4,491,514	4,491,514
Chances for Children - Special Purpose Reserve	8	959,126	924,418
Chances for Children Bequests - Special Purposes Reserve	8	1,452,138	1,452,138
Total Equity		32,124,180	30,663,352

The accompanying notes form part of these financial statements

MALLEE FAMILY CARE LTD
Statement of Changes in Equity
for the Year Ended 30 June 2026

	Special Purposes Reserves									
	Total 2026 \$	Total 2025 \$	Accum. Surplus 2026 \$	Accum. Surplus 2025 \$	General Reserves (Note 5.5) 2026 \$	General Reserves (Note 5.5) 2025 \$	Chances For Children (Note 8.2) 2026 \$	Chances For Children (Note 8.2) 2025 \$	Chances For Children Bequests (Note 8.2) 2026 \$	Chances For Children Bequests (Note 8.2) 2025 \$
Balance at beginning of the financial year	30,663,352	26,675,323	23,795,282	19,934,570	4,491,514	4,491,514	924,418	797,101	1,452,138	1,452,138
Surplus (Deficit) for the year	1,460,828	3,988,029	1,426,120	3,860,712	-	-	34,708	127,317	-	-
Other comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	-	-
Transfers to (from) Reserves	-	-	-	-	-	-	-	-	-	-
Balance at end of the financial year	32,124,180	30,663,352	25,221,402	23,795,282	4,491,514	4,491,514	959,126	924,418	1,452,138	1,452,138

The accompanying notes form part of these financial statements.

MALLEE FAMILY CARE LTD
Statement of Cashflows
for the Year Ended 30 June 2026

	Note	2026 \$ Inflows (Outflows)	2025 \$ Inflows (Outflows)
<i>Cash flows from operating activities</i>			
Receipts			
Contract payments from Government		28,886,946	28,030,998
Donations and fundraising		172,754	192,124
Interest received		57,878	111,297
Other receipts		3,840,659	5,800,447
		32,958,237	34,134,866
Payments			
Payments to employees		(21,642,210)	(21,157,873)
Payments to suppliers and providers		(8,361,225)	(8,573,200)
Payments to Beneficiaries, Chances For Children		(128,331)	(63,102)
GST paid		(1,816,561)	(1,459,777)
		(31,948,327)	(31,253,952)
Net cash provided by operating activities	5.1	1,009,910	2,880,914
<i>Cash flows from investing activities</i>			
Payments for fixed assets and intangibles		(5,574,925)	(8,128,394)
Proceeds from sale of fixed assets		145,455	171,709
Proceeds from sale of assets held for resale		-	-
Net cash used in investing activities		(5,429,470)	(7,956,685)
<i>Cash flows from financing activities</i>			
Hire Purchase contracts repaid		(197,968)	(134,873)
Transfer from (to) term deposits with terms exceeding 3 months		(2,312,432)	3,118,355
Net cash from (used in) financing activities		(2,510,400)	2,983,482
Net increase (decrease) in cash for the year		(6,929,960)	(2,092,289)
Cash at beginning of financial year		12,955,390	15,047,680
Cash at end of financial year	5.2	6,025,430	12,955,390

The accompanying notes form part of these financial statements

NOTE 1: Statement of Significant Accounting Policies

The financial statements were authorised for issue by the Board on 20 August 2026.

Basis of Preparation

Mallee Family Care Ltd ("the Agency") applies Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards board ("AASB").

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-For-Profit Commission Act 2012. The Agency is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

Historical cost convention

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are prepared on a going concern basis.

Accounting Policies

a) Rounding

The amounts presented in the financial statements have been rounded to the nearest dollar. All amounts are expressed in Australian dollars.

b) Internal Transactions

In compiling this financial report, internal transactions, including charges to programs for use of motor vehicles, property, occupancy, general administration and other services have been eliminated.

c) Goods and Services Tax

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 Tax Office ("ATO").

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

d) Income Tax

The Agency has an Income Tax Exemption under Subdivision 50-B of the Income Tax Assessment Act 1997 and therefore is not subject to income tax.

NOTE 1: Statement of Significant Accounting Policies

e) Fair Value of Assets and Liabilities

The Agency measures some of its assets and liabilities at fair value on a recurring basis.

Fair value is the price the Agency would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market value may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. The valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, information is extracted from the most advantageous market available to the entity at the reporting date (i.e. the market that maximises the receipts from the sale of an asset or minimises the payment that would be required to transfer a liability, after taking into account transaction and transport costs).

f) Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed in the relevant notes.

g) New Accounting Standards For Application in Future Periods

Certain new Australian Accounting Standards have been issued that are not mandatory for the 30 June 2026 reporting period. The Agency has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

NOTE 2: Funding Our Diverse Services

The Agency provides around 45 discreet service lines across a very broad range of disciplines, from Family Services and Mental Health Support to Relationship Services and Legal Services. Funding for these services is derived from a variety of sources, which are summarised below.

Recognition of Income

Government Contract Income

Service delivery contracts with government departments and other agencies are assessed to determine whether they are enforceable and have specific performance obligations in accordance with AASB 15.

The core principle of AASB 15 is that revenue is recognised proportionally on a basis that reflects the provision of promised services to funders. Income is recognised by applying a five-step model as follows: identify the contract with the customer, identify the performance obligations, determine the transaction price, allocate the transaction price to the performance obligations and recognise revenue as and when control of the performance obligations is transferred.

Where AASB 15 applies, the Agency identifies each performance obligation relating to the contract; recognises a liability, contract income in advance (refer 2.6 below), for its obligations under the contract when funds are received; and recognises income as it satisfies its performance obligations. Where contracts are not enforceable or performance obligations are not specific, income is recognised when received.

Other Income

- Fee for Service income is recognised at the point when services are delivered to clients.
- Donations and bequests are recognised as revenue when received.
- Interest revenue is recognised using the effective interest method, which for floating rate financial assets, is the rate inherent in the instrument.
- Income from other sources is recognised at the point the Agency has a contractual right to bill, or when the income is received.

All revenue is recognised net of goods and services tax.

2.1 Government Contract Income

	2026 \$	2025 \$
Victorian Government	14,853,099	14,993,718
Commonwealth Government	6,762,355	6,302,216
New South Wales Government	4,854,192	4,424,215
	26,469,646	25,720,149

2.2 Fee For Service Income

Income from services provided on a fee for time basis and service delivery contracts not directly funded by government	2,733,343	2,885,771
	2,733,343	2,885,771

Includes activity funded by the National Disability Insurance Scheme.

2.3 Donations and Fundraising

Bequests	-	-
Other fundraising	172,754	192,124
	172,754	192,124

2.4 Investment Income

Interest	659,625	995,645
	659,625	995,645

MALLEE FAMILY CARE LTD

Notes to the Financial Statements for the Year Ended 30 June 2026

NOTE 2: Funding Our Diverse Services

2.5 Receivables	2026 \$	2025 \$
Sundry debtors and other receivables is largely made up of amounts owing in respect of services undertaken on a fee for time basis and income from other sources in the ordinary course of business.		
Sundry debtors	480,334	831,779
Other receivables	-	-
less Provision for expected credit losses	(10,000)	(10,000)
	470,334	821,779
Movement in Provision for Expected Credit Losses:		
Opening balance	10,000	10,000
Charged to expense	-	-
Closing balance	10,000	10,000
Financial assets at amortised cost classified as receivables:		
Total current	470,334	821,779

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Receivables are non interest bearing and are generally collected within 30 days.

2.6 Other Current Liabilities

Contract Income in Advance	8,052,008	8,098,918
	8,052,008	8,098,918
Balance at beginning of year	8,098,918	8,126,241
Add Funding received	27,460,332	26,889,761
Less recognised as Income	(27,224,384)	(26,508,841)
Less repaid to funder	(282,858)	(408,243)
Balance at end of year	8,052,008	8,098,918

Contract income in advance relates mainly to service contracts with various government departments for delivery of a range of welfare services in future periods. The movement in income in advance is attributable to payments received from customers in advance of services to be provided less the recognition of income from amounts received for services provided during the year.

MALLEE FAMILY CARE LTD

Notes to the Financial Statements for the Year Ended 30 June 2026

NOTE 3: The Costs of Service Delivery

2026 \$

2025 \$

Details of the expenses associated with the provision of services by the Agency and the liabilities associated with the those expenses are outlined below:-

3.1 Employee Benefits

Superannuation contributions	2,198,170	2,078,658
------------------------------	-----------	-----------

In accordance with statutory requirements the Agency contributed 12% (2025: 11.5%) of gross remuneration for its accumulation members to a range of funds as designated by the members. Assets accumulate in the funds to meet members' benefits as they retire. These contributions are recognised as an expense when incurred.

3.2 Key Management Personnel Compensation

Any persons having authority and responsibility for planning, directing and controlling activities of the Agency, directly or indirectly, are considered to be key management personnel (KMP). The totals of remuneration paid to KMP of the Agency during the year are as follows:

Key management personnel compensation	611,112	692,466
---------------------------------------	---------	---------

For details of any other transactions with KMP, refer to Note 7.1.

3.3 Depreciation

Depreciation is comprised of the following:

Buildings and building improvements	65,706	65,456
Furniture and equipment	302,508	179,306
Motor vehicles	133,159	66,311
Total Depreciation	501,373	311,073

The depreciation rates used for each class of depreciable asset are based on an assessment of the useful life of the asset class as discussed at Note 4.4 and are set out in the table below:-

Depreciable Asset	Depreciation Method:	Depreciation Rate:
Furniture and equipment	Prime Cost	10.0% to 20.0%
Computer equipment	Prime Cost	25.0% to 40.0%
Buildings	Prime Cost	1.67%
Building improvements	Prime Cost	5% to 20%
Motor vehicles	Prime Cost	20%

3.4 Other Expense Items for Disclosure

Provision for expected credit losses	-	-
Lease payments, short term and low value leases	302,138	317,332

NOTE 3: The Costs of Service Delivery

3.5 Employee Benefits as Liabilities

Current	2026 \$	2025 \$
Provision for annual leave	1,208,721	1,208,308
Provision for time-off in lieu of overtime	23,574	30,342
Provision for long service leave	1,034,355	890,893
	2,266,650	2,129,543
Non Current		
Provision for long service leave	90,467	110,718
Total	2,357,117	2,240,261

Short term employee benefits

Provision is made for the Agency's obligation for short-term employee benefits.

Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and time-off in lieu of overtime. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Agency's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Long term employee benefits

Provision is made for employees' annual leave and long service leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to end-of-reporting-period market yields on government bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit and loss in the periods in which the changes occur.

The Agency's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Agency does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

NOTE 3: The Costs of Service Delivery

3.6 Accounting Judgements and Estimates Relating to Employee Benefits as Liabilities

Employee benefits provision - current

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the Agency expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the Agency believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

Employee benefits provision - non-current

As discussed in note 3.5, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	2026 \$	2025 \$
3.7 Payables		
Current		
<i>Unsecured</i>		
Trade creditors	377,160	1,363,413
Sundry creditors	174,335	102,486
GST and PAYG payable	309,945	251,681
Other creditors	686,756	581,884
	1,548,196	2,299,464
Financial liabilities at amortised cost classified as payables:		
Total current	1,238,251	2,047,783
<i>Collateral pledged</i>		
No collateral has been pledged for any payables balances.		

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

3.8 Prepayments

Prepayments	409,471	453,101
-------------	---------	---------

Prepayments are payments in advance, predominantly for services like insurance, licences and maintenance, which extend for a period beyond the current accounting period.

MALLEE FAMILY CARE LTD

Notes to the Financial Statements for the Year Ended 30 June 2026

NOTE 4: Assets Used to Support Service Delivery

	2026 \$	2025 \$
--	---------	---------

The Agency uses a range of infrastructure and other assets to meet its objectives in service delivery. Details of material items are outlined below:-

4.1 Property, Plant and Equipment

(a) Gross carrying amount and accumulated depreciation

Land at fair value (i)	4,875,828	4,875,828
	4,875,828	4,875,828
Buildings at fair value (i)	3,885,095	3,885,095
Capital Work in Progress - Buildings (i)	20,241,732	15,139,811
less Accumulated depreciation	(129,762)	(64,879)
	23,997,065	18,960,027
Building improvements at cost and fair value (i)	18,371	14,498
less Accumulated depreciation	(12,728)	(11,903)
	5,643	2,595
Motor vehicles (at cost)	1,449,868	1,617,818
less Accumulated depreciation	(918,799)	(1,057,943)
	531,069	559,875
Furniture and equipment (at cost)	2,084,396	1,580,423
less Accumulated depreciation	(1,149,014)	(846,506)
	935,382	733,917
Net Property, Plant and Equipment	30,344,987	25,132,242

(i) The Board has reviewed fair values at 30 June 2026 and is satisfied that carrying values are consistent with fair values at that date. Refer below and Note 4.3.

(b) Reconciliations of the carrying amounts of each class of asset

Year Ended 30 June 2026 Reconciliation of carrying values by asset class

	Land	Building Improvements	Buildings	Motor Vehicles	Furniture and Equipment	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	4,875,828	2,595	18,960,027	559,874	733,918	25,132,242
Additions	-	3,873	5,101,919	104,354	503,972	5,714,118
Disposals	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Fair Value Adjustment						-
Depreciation expense	-	(825)	(64,881)	(133,159)	(302,508)	(501,373)
Carrying amount at the end of year	4,875,828	5,643	23,997,065	531,069	935,382	30,344,987

Year Ended 30 June 2025 Reconciliation of carrying values by asset class

	Land	Building Improvements	Buildings	Motor Vehicles	Furniture and Equipment	Total
	\$	\$	\$	\$	\$	\$
Balance at the beginning of year	4,875,828	3,169	11,477,254	164,677	242,615	16,763,543
Additions	-	-	7,547,655	461,508	670,609	8,679,772
Disposals	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Fair Value Adjustment						-
Depreciation expense	-	(574)	(64,882)	(66,311)	(179,306)	(311,073)
Carrying amount at the end of year	4,875,828	2,595	18,960,027	559,874	733,918	25,132,242

NOTE 4: Assets Used to Support Service Delivery

4.1 Property, Plant and Equipment (Continued)

Valuation

Land and buildings are measured at fair value based on periodic, but completed approximately every 5 years, valuations by external independent valuers, less accumulated depreciation for buildings.

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

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases in the same class of assets are recognised in other comprehensive income under the heading of revaluation surplus. Other decreases are recognised in profit and loss.

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

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event that the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in surplus or deficit, or as a revaluation decrease, if the impairment losses relate to a revalued asset.

Impairment

At the end of each reporting period, the Agency assesses whether there is any indication that an asset may be impaired.

If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit and loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

Subsequent Costs

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

Capitalisation and Useful Lives

Assets with a cost in excess of \$1,500 are capitalised and depreciation has been provided on depreciable assets so as to allocate their cost - or valuation - over their estimated useful lives using the methods as set out on the following page. Estimates of the remaining useful lives and depreciation method for all assets are reviewed at least annually.

Disposal

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit and loss in the period in which they occur. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

NOTE 4: Assets Used to Support Service Delivery

4.2 Fair Value Measurements

For non-financial assets, the fair value measurement takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The Agency has assets as set out in the table below that are measured at fair value on a recurring basis after initial recognition. The Agency does not subsequently measure any liabilities on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

	Note		
Non-financial assets			
Freehold land (i)	4.1 (a)	4,875,828	4,875,828
Freehold buildings (ii)	4.1 (a)	24,002,708	18,962,622
		28,878,536	23,838,450

(i) For freehold land, the fair values have been determined using a market approach based on 2024 independent valuations. The board has reviewed the carrying values at 30 June 2026 and is satisfied that these are consistent with fair value at that date.

(ii) For freehold buildings, the fair values have been determined using a market approach based on 2024 independent valuations. The board has reviewed the carrying values at 30 June 2026 and is satisfied that these are consistent with fair value at that date.

4.3 Accounting Judgements and Estimates Related to Non-Financial Assets

Estimation of useful lives of assets

The Agency determines the estimated useful lives and related depreciation and charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets

The Agency assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Agency and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

MALLEE FAMILY CARE LTD

Notes to the Financial Statements for the Year Ended 30 June 2026

NOTE 5: Financing Our Operations

Details of the sources of finance used by the Agency to fund its operations and activities, including operation cashflow, cash holdings, investments and borrowings.

	2026 \$	2025 \$
5.1 Cash Flow From Operations		
Reconciliation of Net Result for the year to Net Cash Inflow from Operating Activities		
Net surplus for the year	1,460,828	3,988,029
<i>Non-cash items in current year surplus:</i>		
Depreciation and amortisation	501,373	311,073
Hire purchase finance charges	39,851	24,090
Provision for doubtful debts	-	-
Intangible asset written off	-	-
Interest reinvested in deposits with maturities longer than 3 months	(560,440)	(839,068)
Profit on sale of fixed assets	(145,455)	(171,709)
Profit on sale of asset held for resale	-	-
<i>Changes in assets and liabilities:</i>		
Increase (decrease) in payables	(625,560)	(26,373)
Increase (decrease) in contracts income in advance	(46,910)	(27,323)
Increase (decrease) in employee provisions	116,856	261,452
Increase (decrease) in GST and PAYG payable	(125,708)	(231,794)
Decrease (increase) in accounts receivable	351,445	(294,078)
Decrease (increase) in prepayments	43,630	(113,388)
Net cash from operating activities	1,009,910	2,880,911
5.2 Cash and Cash Equivalents and Cash Investments		
Cash at bank - unrestricted	2,100,068	1,881,189
Cash at bank - Chances for Children Note 8	516,846	563,636
Short term investments - term deposits	3,408,516	10,510,565
Cash and Cash Equivalents	6,025,430	12,955,390
Term deposits where term exceeds 3 months	5,542,093	2,750,719
Term deposits where term exceeds 3 months - Chances for Children Note 8	1,894,418	1,812,920
Cash Investments	7,436,511	4,563,639

The effective interest rate on short-term bank deposits was 4.10% (2025: 4.71%). These deposits have maturities ranging from 28 to 365 days.

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. For purposes of the Statement of Cashflows, cash and cash equivalents includes cash on hand, at bank and on deposit.

MALLEE FAMILY CARE LTD

Notes to the Financial Statements for the Year Ended 30 June 2026

NOTE 5: Financing Our Operations

5.3 Hire Purchase Liabilities

Current

Secured hire purchase contracts	199,366	169,388
Less Unexpired finance charges	(35,940)	(37,301)
	163,426	132,087

Non-Current

Secured hire purchase contracts	471,971	539,639
Less Unexpired finance charges	(30,165)	(47,570)
	441,806	492,069

Hire Purchase Commitments:

Payments due not later than 12 months	199,366	169,388
Payments due between 12 months and 5 years	471,971	539,639
Minimum Hire Purchase Payments	671,337	709,027
Less: Future finance charges	(66,105)	(84,871)
	605,232	624,156

Each hire purchase contract is secured by the underlying asset, which in all cases is a motor vehicle.

5.4 Lease Commitments

The Agency has entered into rental lease agreements for use of premises at 59 Darling St, Wentworth; 1/22 Victoria St, Kerang; 60 Madden Ave, Mildura; 62 Madden Ave, Mildura; 32 Sulphide St, Broken Hill; 96 Deakin Ave, Mildura and 157 Stradbroke Avenue, Swan Hill.

The Directors, after considering the modelling of the application of AASB16 have determined that there are currently no material leases to be recognised under the standard and therefore there has been no impact in the 30 June 2026 financial statements. The Directors will continue to consider leases on an annual basis and material leases will be accounted for under AASB16 (Refer below).

	2026 \$	2025 \$
Minimum lease payments under short term and low value leases:		
Payments due not later than 12 months	185,560	87,894
Payments due between 12 months and 5 years	186,078	50,301
Minimum Operating Lease Payments	371,638	138,195

At the inception of a contract, the Agency assesses if the contract contains or is a lease. If there is a lease present that is material to the financial statements, a right of use asset and a corresponding lease liability is recognised by the Agency where the Agency is a lessee. However, where leases are not material together with all contracts that are classified as short term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low value assets, lease payments are recognised as an operating expense on a straight line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Agency uses the incremental borrowing rate.

NOTE 5: Financing Our Operations

5.4 Lease Commitments (continued)

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right of use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right of use assets is at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right of use asset reflects that the Agency anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

5.5 Reserves

Reserves are amounts set aside from past surpluses which have been used for specified purposes, as set out below:-

Swan Hill building reserve	95,000	95,000
Kerang building reserve	72,820	72,820
Mildura building reserve	269,638	269,638
General capital reserve	551,343	551,343
Asset Revaluation Reserve	3,502,713	3,502,713
	4,491,514	4,491,514

Building Reserves - Swan Hill , Kerang and Mildura

These reserves were created to identify funds raised specifically for the construction and upgrade of buildings at the three locations. The funds were treated as income when received.

General Reserve

The general capital reserve is used to record funds received and brought to account as income which have been applied to the acquisition of capital assets.

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. The Assets Revaluation Reserve is comprised as follows:-

	Land		Buildings	
	2026 \$	2025 \$	2026 \$	2025 \$
Balance at the beginning of the year	2,022,143	2,022,143	1,480,570	1,480,570
Revaluation increment (decrement)	-	-	-	-
Balance at the end of the year	2,022,143	2,022,143	1,480,570	1,480,570

NOTE 6: Contingencies, Risks and Valuation Practices

6.1 Capital Commitments

As at 30 June 2026 the Agency had capital commitments for the construction of new premises at 123 Ninth Street Mildura totalling \$3,357,070 (including GST) being contract cost of \$24,833,434 less amounts paid \$21,476,364 (2025: \$5,221,445 - incl GST).

6.2 Contingent Assets And Liabilities

As at 30 June 2026 the Agency had no contingent assets or contingent liabilities (2025: nil).

6.3 Events Occurring Subsequent To Reporting Date

No events have occurred subsequent to balance date which are likely to materially effect any of the balances or values reported in the financial statements.

6.4 Financial Risk Management

	2026 \$	2025 \$
Financial assets		
Cash and cash equivalents	11,050,677	15,142,473
Cash and cash equivalents, Chances for Children	2,411,264	2,376,556
Loans and receivables	470,334	821,779
	13,932,275	18,340,808
Financial liabilities		
Financial liabilities at amortised cost		
- payables	1,238,251	2,047,783
- hire purchase liabilities	605,232	624,156
	1,843,483	2,671,939

Financial Instruments - Recognition, Measurement and Classification

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Agency commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as at fair value through profit and loss, in which case the transaction costs are recognised immediately as expense in profit and loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments, that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rates method.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

NOTE 6: Contingencies, Risks and Valuation Practices

Impairment

At each reporting date, the Agency assesses whether there is objective evidence that a financial instrument has been impaired. Impairment gains and losses are recognised in the Statement of Profit and Loss and Other Comprehensive Income

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Agency no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either extinguished, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the profit and loss.

NOTE 7: Related Parties and Other Disclosures

7.1 Related Party Transactions

(i) Responsible Persons

The names of the board members who held office during the reporting period are:-

Mr Ross Lake (Chair)

Mrs Christine Cottrell (Chair of Finance Audit and Risk Committee)

Mr Geoff Dea

Dr Suriya Hariprakash

Ms Belinda Hudak

Dr Pauline Rogers

Dr Chelsea Todd

Ms Jenna Collett (Deputy Chair)

(ii) Board Members' Remuneration

No remuneration was paid to board members during the year.

(iii) Board Members' Transactions

During the year the following transactions with Board Members or Board Member-related entities were recognised:

A business in which Ross Lake has a beneficial interest is a supplier of fuel to the Agency. The terms of the transactions were net 30 days and the total payments recognised in the financial report were \$19,188 (2025 - \$16,150). An amount of \$0 was owed by the Agency at 30 June 2026 (2025 \$3,700).

(iv) Retirement and Superannuation Payments

Amounts paid directly on retirement from office or to prescribed superannuation funds for the provision of retirement benefits for board members were \$nil (2025 - \$nil).

(v) Loans

No loans have been made, guaranteed or secured by the Agency to Key Management Personnel during the reporting period.

(vi) Other related party transactions

There are no other matters to report.

7.2 Operating Region

Mallee Family Care Ltd operates in one geographic area being the Mallee region of north west Victoria and south west New South Wales.

The principal places of business of the Agency are as follows:-

1-3 Devenport Street

DARETON

1/22 Victoria Street

KERANG

122 Ninth Street

MILDURA

32 Sulphide Street

BROKEN HILL

229 Beveridge Street

SWAN HILL

NOTE 7: Related Parties and Other Disclosures

7.3 Members' Guarantee

The Agency is incorporated under the Corporations Act 2001 and is a Company Limited By Guarantee. If the entity is wound up the Constitution requires that each member is required to contribute to a maximum of \$10 each towards meeting any outstanding obligations of the Agency. At 30 June 2026, the number of members was 8.

7.4 Other Current Assets

Other current assets, as reported in the Statement of Financial Position, is comprised of the following items

	NOTE	2026 \$	2025 \$
Prepayments	3.8	409,471	453,101
		409,471	453,101

MALLEE FAMILY CARE LTD

Notes to the Financial Statements for the Year Ended 30 June 2026

NOTE 8: Chances For Children- Our Philanthropic Fund

The Chances for Children Fund (“Chances”) was established in the 2001 financial year. Chances was founded as a partnership between the Agency and three water authorities, Lower Murray Water, First Mildura Irrigation Trust and Sunraysia Rural Water. Its charter is to raise money from public subscription and general donation which is to be used to enhance opportunities for disadvantaged young people from the region. Chances will provide funding to assist such children with education, and deprivations arising from disadvantage.

The Agency considers that funds raised through the efforts of Chances (less any applicable expenses) are quarantined for use in assisting beneficiaries, in accordance with the recommendations of a separate advisory board. As such, Chances is operated as a Special Purpose Reserve within the Agency.

Financial statements for the Chances for Children Fund Special Purposes Reserve are set out in 8.1 to 8.3 below:-

		2026 \$	2025 \$
8.1 Chances For Children Reserve - Statement of Profit and Loss			
<i>Revenue</i>	Note 8.3(a)		
Sustaining Supporters		40,887	56,424
Other donations		114,898	128,158
Bequests		-	-
Fundraising activities		1,606	3,367
Interest on investments		-	-
Sundry income		-	-
Total Operating Revenue		157,391	187,949
<i>Expenditure</i>	Note 8.3(a)		
Other operating and project expenses		463	535
Total Operating Expenditure		463	535
Funds Available For Distribution		156,928	187,414
less Payments to beneficiaries		(122,220)	(60,097)
Operating Surplus Chances For Children		34,708	127,317
8.2 Chances For Children Reserve - Statement of Financial Position			
<i>Current Assets</i>			
Cash at bank		516,846	563,636
Term deposit where term exceeds 3 months		1,894,418	1,812,920
Total Current Assets		2,411,264	2,376,556
TOTAL ASSETS		2,411,264	2,376,556
NET ASSETS		2,411,264	2,376,556
<i>Fund Equity</i>			
Opening general reserve balance		924,418	797,101
Surplus for year		34,708	127,317
Closing general reserve balance		959,126	924,418
Opening bequests reserve balance		1,452,138	1,452,138
Closing bequests reserve balance		1,452,138	1,452,138
TOTAL FUND EQUITY		2,411,264	2,376,556

NOTE 8: Chances For Children- Our Philanthropic Fund

8.3 Chances For Children Reserve - Notes to Financial Statements

(a) Basis of Accounting

Income and expenditure identified as relating to Chances is recognised accordingly in the Statement of Profit and Loss and Other Comprehensive Income.

Assets representing the net balance of the fund are identified in the Balance Sheet and the capital of the fund is disclosed as a Special Purpose Reserve within Equity.

(b) Internal Transactions

Revenue and expenditure in these supplementary financial statements may include internal transactions with the operating fund of the Agency. In the Statement of Profit and Loss and Other Comprehensive Income, these transactions have been eliminated in accordance with the accounting policy outlined in Note 1(b).

(c) Contingent Liability For Future Beneficiary Payments

A significant proportion of payments to beneficiaries of Chances For Children represents support for young people undertaking tertiary study. No guarantee is given to tertiary beneficiaries at the commencement of the first year of their studies that support will automatically be granted over the duration of their course. However, in the normal course of events beneficiaries do receive support from Chances For Children for the second and following years of their studies. Circumstances where funding will not be continued include deferral or termination of the course and an improvement in the student's financial situation.

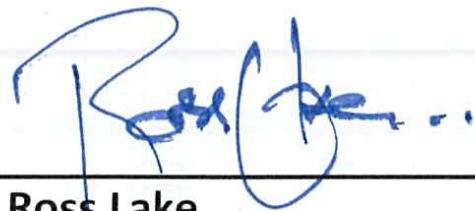
At 30 June 2026, the estimated commitment to future funding of existing tertiary beneficiaries is \$175,135 (2025: \$228,616). This figure is calculated based on the net present value of estimated future cash outflows relating to these beneficiaries. It takes account of anticipated future drop out rates and other mitigating factors.

MALLEE FAMILY CARE LTD
Directors' Declaration
for the Year Ended 30 June 2026

In accordance with a resolution of the Directors of Mallee Family Care Limited, the directors of the registered entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 6 to 28, satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards – Simplified Disclosures applicable to the entity; and
 - b. give a true and fair view of the financial position of the registered entity as at 30 June 2026 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60-15(2) of the Australian Charities and Not-For -Profits Commission Regulations 2013.



Ross Lake

Chair of the Board

Dated: 20-Aug-26

Independent auditor's report to the members of Mallee Family Care Ltd

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Mallee Family Care Ltd (the Company) has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

What was audited?

We have audited the financial report of the Company, which comprises

- the statement of financial position as at 30 June 2026,
- the statement of profit or loss and other comprehensive income for the year then ended,
- the statement of changes in equity for the year then ended,
- the statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information, and
- the responsible entity's declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The members of the Board are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the members of the Board for the financial report

The members of the Board of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*. The members of the Board's responsibility also includes such internal control as the members of the Board determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the members of the Board are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members of the Board either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The members of the Board are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

William Buck (SA)
ABN 38 280 203 274



G.W. Martinella
Partner
Dated this 20th day of August, 2026.