

Foundation for Alcohol Research & Education Limited

ABN: 91 096 854 385

Financial Statements

For the Year Ended 30 June 2025

Foundation for Alcohol Research & Education Limited

ABN: 91 096 854 385

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For the Year Ended 30 June 2025

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Foundation for Alcohol Research & Education Limited

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Directors' Report For the Year Ended 30 June 2025

The directors present their report on the Foundation for Alcohol Research & Education Limited (FARE) for the financial year ended 30 June 2025.

1. General information

Directors

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

Names	Appointed/Resigned
Mr Mark Textor	Appointed: 17 June 2019
Professor Nicholas Carah	Appointed: 23 March 2018
Ms Teresa Dyson	Appointed: 22 February 2017 Resigned: 31 August 2024
Ms Kristie Clements OAM	Appointed: 30 June 2015
Mr Steve Ella	Appointed: 25 October 2013
Dr Tanya Hosch	Appointed: 17 May 2021 Resigned: 25 October 2024
Ms Jackie Trad	Appointed: 26 November 2021
Associate Professor Shalini Arunogiri	Appointed: 5 December 2022
Professor Julia Quilter	Appointed: 5 December 2022

Principal activities

The principal activities outlined in FARE's constitution are:

- to promote health and social wellbeing by stopping harm caused by alcohol in Australia, including alcohol-caused disease and injury, and alcohol's harm to others;
- to support evidence-based alcohol-related public health policy, including prevention, treatment and rehabilitation;
- to promote the prevention of alcohol harms, particularly among vulnerable population groups such as children, young people, women and Aboriginal and Torres Strait Islander peoples;
- to promote community awareness and providing education about the harmful effects of alcohol consumption including its impact on chronic disease; and
- to identify, commission, conduct and disseminate research that will lead to a better understanding of what works to stop harm caused by alcohol.

No significant changes in the nature of the FARE's activity occurred during the financial year.

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Directors' Report

For the Year Ended 30 June 2025

Strategy for achieving the objectives

FARE will pursue the following four strategic objectives over the course of the *Strategic plan 2024-2027*:

- **Building individual capacity:** We support the capacity building of people who have experienced alcohol harm to drive change.
- **Raising community awareness:** We develop and deliver evidence-informed health campaigns and resources about alcohol harms and the health and wellbeing benefits of reducing alcohol use.
- **Driving policy change:** We advocate for evidence-informed laws, policies and programs that prevent and reduce harm from alcohol in Australia.
- **Increasing industry accountability:** We shine a light on harmful industry practices that fuel harm.

Management and the Board monitor FARE's overall performance, from the implementation of its vision statement and strategic plan through to the performance of FARE against operating plans and financial budgets.

FARE maintains a capital fund to support its future activities. The balance of the Capital Fund as at 30 June 2025 was \$28,541,273 (2024: \$28,024,417).

Members' guarantee

The Foundation for Alcohol Research & Education Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$50 for all members, subject to the provisions of the Company's constitution.

As at 30 June 2025 the collective liability of members was \$350 (2024: \$450).

2. Other items

Events after the reporting date

The Directors have determined that FARE remains in a healthy cash position and retained stable grants for the 2025/2026 financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

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Directors' Report

For the Year Ended 30 June 2025

Meetings of directors

During the financial year, 16 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	General		Finance Audit & Risk Management		Funding and Investment		Governance & Remuneration		Public Fund Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr Mark Textor	5	5	4	4	2	2	3	2	2	2
Professor Nicholas Carah	5	5	4	3	-	-	-	-	2	2
Ms Teresa Dyson	1	1	-	-	-	-	-	-	-	-
Ms Kristie Clements OAM	5	5	-	-	2	2	-	-	-	-
Mr Steve Ella	5	4	-	-	2	2	-	-	-	-
Dr Tanya Hosch	1	1	-	-	-	-	-	-	-	-
Ms Jackie Trad	5	5	4	4	-	-	*	1	-	-
Associate Professor Shalini Arunogiri	5	3	-	-	-	-	3	2	-	-
Professor Julia Quilter	5	5	-	-	-	-	3	3	2	2

*Jackie Trad is not a part of the Governance & Remuneration Committee but attended 5 November 2024 meeting.

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Directors' Report For the Year Ended 30 June 2025

Information on directors

Mr Mark Textor

Qualifications

Experience

Chair from 1 October 2021
Bec.

Mark was appointed as a Director of FARE on 17 June 2019.

Mark co-founded one of the world's premier market research, campaigns, and communications consultancies – the C|T Group. Headquartered in London, with offices in Europe, the Middle East, the United States, Singapore, and Australia. Mark enjoys high level and trusted relationships with corporate, community and political leaders across the globe.

Mark was also a regular columnist for both the Sydney Morning Herald and The Australian Financial Review.

Prior to co-founding C|T Group, Mark was an Australasian Managing Director and one of the three founding Asia-Pacific team leaders of Wirthlin Worldwide, helping to establish offices in Singapore, Hong Kong, Canberra, and Sydney. Mark was mentored by its founder, President Ronald Reagan's pre-eminent pollster and strategist, Dr. Richard B. Wirthlin.

Mark has also provided significant assistance to NFP's focusing on road safety, help for the homeless and in numerous campaigns on recognising and empowering Indigenous Australians.

Special Responsibilities

Mark served as Chair of the Board and as a member of the Funding and Investment Committee, the Finance, Audit and Risk Management Committee, the Governance and Remuneration Committee, and the Public Fund Committee.

Professor Nicholas Carah

Qualifications

Experience

Deputy Chair from 26 March 2021

PhD, Grad Cert (Higher Education), B.Bus (Hons)

Nicholas was appointed a Director of FARE on 23 March 2018.

Nicholas is Director of the Centre for Digital Cultures and Societies in the Faculty of Humanities, Arts and Social Sciences and Professor in the School of Communication and Arts at The University of Queensland. He is a recipient of a UQ Award for Teaching Excellence. He has published extensively on digital media platforms, advertising and branding, digital and algorithmic cultures, and alcohol marketing.

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Directors' Report For the Year Ended 30 June 2025

Information on directors

Nicholas' research examines the automation, promotional culture and advertising model of digital media platforms. His work focusses in particular on the emerging forms of alcohol marketing taking place on digital and social media platforms, and how they intersect with everyday drinking cultures and identities.

Nicholas is a Chief Investigator on the Australian Research Council Discovery Projects 'The Australian experience of automated advertising on digital platforms' (2025-2027) and 'Using machine vision to explore Instagram's everyday promotional cultures' (2020-2024) and the Linkage Project 'Young Australians and the promotion of alcohol and nightlife on social media'. He is an Associate Investigator in the ARC Centre of Excellence for Automated Decision-Making and Society where he co-leads the Australian Ad Observatory project. He also leads the UQ node of the Australian Research Data Commons' Australian Internet Observatory with six Australian universities as partners.

Special Responsibilities

Nicholas served as Deputy Chair of the Board, Member of the Finance, Audit and Risk Management Committee, and Chair of the Public Fund Committee.

Ms Teresa Dyson
Qualifications
Experience

Director from 22 February 2017 until 31 August 2024
LLB (Hons), BA, MTax, MAppFin, FAICD
Teresa was appointed a Director of FARE on 22 February 2017

Teresa is a non-executive Director, following a career in law, with more than 20 years' experience advising governments and the private and not for profit sectors on complex business and governance issues, strategic decision making, mergers and acquisitions, financing transactions, and social infrastructure.

Teresa is formerly a partner of Ashurst Lawyers and Deloitte Australia. She was named Lawyer of the Year in 2011 by the Women Lawyers Association of Queensland.

Teresa is also a Director of Seven West Media Ltd, Shine Justice Ltd, Energy Queensland and Brighter Super. She is a member of the Gold Coast Hospital & Health Services Board and the Takeovers Panel.

Special Responsibilities

Teresa served as the Chair of the Funding and Investment Committee, and as a member on the Finance, Audit and Risk Management Committee, and the Public Fund Committee.

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Directors' Report For the Year Ended 30 June 2025

Information on directors

Ms Kristie Clements OAM

Experience

Director

Kirstie was appointed a Director of FARE on 30 June 2015.

Kirstie is an author, journalist, speaker, and former editor in chief of Vogue Australia and ex-features director of Harper's Bazaar Australia. Her memoir of three decades in fashion publishing, 'The Vogue Factor' (MUP) was released in 2013 and was an international bestseller.

Kirstie has co-authored two reference books, In Vogue Australia: 50 Years of Australian Style, and The Australian Women's Weekly Fashion: The First 50 Years, for the National Library of Australia.

Kirstie is currently employed as a freelance lifestyle and travel journalist and has published her sixth non-fiction book for Murdoch Books in 2022. She received the Order of Australia Medal in 2025 for Services to Fashion.

Special Responsibilities

Kirstie served as a member of the Funding and Investment Committee.

Mr Steve Ella

Qualifications

Experience

Director

Mphil, GradDip, IndigHP

Steve was appointed as a Director of FARE on 25 October 2013.

Steve is a Walbunja Aboriginal man originating from the Yuin Nation on the South Coast of NSW with his cultural links based within the La Perouse Aboriginal community.

Steve is the District Director of Nunyara Aboriginal Health Unit for the Central Coast Local Health District. Steve has a 20-year background in Aboriginal Drug and Alcohol work and was inducted into the National Indigenous Drug and Alcohol Honour Roll in 2012 at the National Indigenous Drug Alcohol conference in Fremantle. Steve was awarded the First Peoples award at the Australasian Professional Society on Alcohol and other Drugs (APSAD) conference in Brisbane in 2013. Steve is a member of the NSW Aboriginal Directors and Managers Strategic Leadership Group and previously lectured at Sydney University as an Adjunct lecturer. Steve is a Board member of KARI, the largest Indigenous Out of Home care service in Australia. Steve has also co-authored handbook for Aboriginal Alcohol and Drug Work. Steve is an Associate Investigator with the Centre of Research Excellence: Indigenous Health and Alcohol Research. He is past executive member of the NSW Drug and Alcohol Network Executive Committee.

Special Responsibilities

Steve served as a member the Funding and Investment Committee.

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Directors' Report For the Year Ended 30 June 2025

Information on directors

Dr Tanya Hosch
Experience

Director from 17 May 2021 until 25 October 2024
Tanya was appointed a Director of FARE on 17 May 2021.

Ms Hosch is the Executive General Manager Inclusion and Social Policy at the Australian Football League (AFL). Ms Hosch has a long and distinguished history in Australian Indigenous policy, advocacy, and governance and is an accomplished public speaker. Before joining the AFL, as the first Indigenous person and second woman in its executive ranks in August 2016, Ms Hosch was the joint campaign director of the Recognise Movement for Constitutional Recognition. At the AFL, Ms Hosch's portfolios include Aboriginal and Torres Strait Islander issues, gender equality, sexuality and gender diversity, culturally diverse inclusion, racism, and sexism. She is tasked with advising the AFL National Aboriginal and Torres Strait Islander Advisory Council, the maintenance of the Respect and Responsibility Policy 2017, the AFL's Gender Diversity Policy.

Ms Hosch is a Co-Chair of the Indigenous Advisory Group of the National Australia Bank and is a Board Director the Australian Film, Television and Radio School, Council Member of the Australian National University and was a member of the Referendum Council that led the process and final recommendation that resulted in The Uluru Statement of the Heart in May 2017. A career highlight was contributing as a consultant on the ABC drama Total Control. In October 2020, Ms Hosch was announced as the South Australian of the Year for 2021. In December 2022, she was awarded an Honorary Doctorate from Flinders University.

Special Responsibilities

Tanya served as a member of the Governance and Remuneration Committee.

Ms Jackie Trad
Experience

Director
Jackie was appointed as a Director of FARE on 26 November 2021.

Jackie brings more than 30 years' experience in public policy, government, campaigning, communication and engagement. Jackie is the former Deputy Premier of Queensland, Former Queensland Treasurer, and held a variety of Ministerial Portfolios, including Transport, Trade, Local Government, Infrastructure and Planning.

Jackie also held the portfolio of Aboriginal and Torres Strait Islander Partnerships and during that time, commenced the Treaty process in Queensland, led the settlement of the historic Stolen Wages Class Action and developed the legislative recognition and protection of the ancient Torres Strait Islander child rearing practice of Meriba Omasker Kaziw Kazipa.

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Directors' Report

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Information on directors (continued)

Jackie has led legislative and policy reform across the public policy spectrum and particularly in economic, social and environmental areas, including the decriminalisation of abortion in Queensland and the protection of the Great Barrier Reef through the end of broad scale tree clearing and a prohibition on the dumping of dredge spoil in the marine park. She also led support for and the commencement of Queensland largest ever public transport project - Cross River Rail, and the establishment of Australia's first publicly-owned renewable energy company, CleanCo.

Jackie also led the Queensland Government's design of the response to the economic crisis brought on by COVID, which particularly helped and supported small businesses and workers during the pandemic to maintain operations and keep their jobs.

Jackie is proud to be supporting the work of FARE and believes that there is so much more to do to reduce the harms caused by alcohol in our community.

Special Responsibilities

Jackie served as Chair of the Finance, Audit and Risk Management Committee

Associate Professor Shalini Arunogiri Qualifications

Director

MBBS (Hons), FRANZCP (Cert. Addiction Psychiatry), PhD, MPsychiatry, MSc (Addiction Studies).

Experience

Shalini was appointed as a Director of FARE on 5 December 2022.

Associate Professor Shalini Arunogiri is a clinical addiction psychiatrist and researcher.

She is foundation Clinical Director of the Hamilton Centre, the Victorian Statewide Centre for Addiction and Mental Health at Turning Point, and Associate Professor at Monash University. She is immediate past-Chair of the RANZCP Faculty of Addiction Psychiatry, Distinguished Fellow of the International Society of Addiction Medicine, and NHMRC Emerging Leader Fellow at Monash Addiction Research Centre. She has over 60 peer reviewed publications and over \$20M in research funding as a chief investigator on studies for novel treatments for substance use disorder. Her primary research focus is in trauma-related mental health problems and co-occurring addiction.

Shalini is a passionate advocate for clinician-researchers in mental health and addiction and enjoys mentoring health professionals in advancing their research careers.

Special Responsibilities

Shalini served as a member of the Governance and Remuneration Committee.

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Directors' Report For the Year Ended 30 June 2025

Information on directors (continued)

Professor Julia Quilter
Qualifications
Experience

Director
BA (Hons), LLB, PhD
Julia was elected as a Director of FARE on 5 December 2022.

Julia is an expert on criminal law and policy responses to alcohol-related violence and sexual violence. After completing her PhD in 2000, Julia spent a decade practising criminal and public law as both a solicitor at the NSW Crown Solicitor's Office and as a barrister at the NSW Solicitor General and Crown Advocate's Chambers. She returned to academia in 2010 and is currently a Professor in the School of Law at the University of Wollongong.

Julia leads an Australian Research Council-funded project, 'Intoxication Evidence in Rape Trials: A Double-Edged Sword?', which is the first Australian multi-jurisdictional study of sexual assault trials and how evidence of intoxication is used in such trials. She has recently completed commissioned reports for the Victorian Law Reform Commission's inquiry into 'Improving the Response of the Justice System to Sexual Offences', and for the NSW Department of Communities and Justice on the experiences of complainants in adult sexual offence trials in NSW. She also leads the alcohol and violence theme of a collaborative national study of 'Violence, Risk and Safety: The Changing Face of Australian Criminal Laws' (also funded by the Australian Research Council).

Julia is committed to research translation by engaging with the judiciary, legal profession, and government, contributing to parliamentary and law reform commission inquiries, and serving as an expert media commentator.

She is a graduate of the University of Sydney (Arts, Honours Class 1 English & University Medal, 1993), the University of New South Wales (Bachelor of Laws & the University Medal, 2000) and Monash University (Doctor of Philosophy, 2000).

Special Responsibilities

Julia served as Chair of the Governance and Remuneration Committee and on the Public Fund Committee.

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Directors' Report

For the Year Ended 30 June 2025

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* for the year ended 30 June 2025 has been received and can be found on page 11 of the financial statements.

Signed in accordance with a resolution of the Board of Directors:

Director: 



Director:

Dated: 25/11/25.

AUDITOR'S INDEPENDENCE DECLARATION UNDER S60-40 OF THE *AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012* TO THE DIRECTORS OF FOUNDATION FOR ALCOHOL RESEARCH & EDUCATION LIMITED

As lead auditor for the audit of the financial report of Foundation for Alcohol Research & Education Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been no contraventions of:

- iii. the auditor independence requirements as set out in the *Australian Charities and Not-For-Profits Commission Act 2012* in relation to the audit; and
- iv. any applicable code of professional conduct in relation to the audit.



BellchambersBarrett



Jamie Glenn, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 25th day of November 2025

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2025

		2025	2024
	Note	\$	\$
Revenue	4	8,689,184	7,508,312
Administrative expenses		(464,661)	(395,301)
Depreciation and amortisation expense	5(a)	(133,120)	(167,457)
Employee benefits expense	5(b)	(3,516,713)	(2,759,709)
Finance costs	5(c)	(21,336)	(5,021)
Investment management fees		(128,854)	(118,666)
Occupancy expenses		(155,216)	(109,018)
Project payments		(5,144,326)	(4,484,818)
(Loss) before income tax		(875,042)	(531,678)
Income tax expense	2(a)	-	-
(Loss) for the year		(875,042)	(531,678)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value movements on investments held at FVOCI		1,229,722	1,819,497
Other comprehensive income for the year		1,229,722	1,819,497
Total comprehensive income for the year		354,680	1,287,919

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	3,094,036	4,047,477
Trade and other receivables	7	513,467	474,285
TOTAL CURRENT ASSETS		<u>3,607,503</u>	<u>4,521,762</u>
NON-CURRENT ASSETS			
Other financial assets	11	30,791,643	29,751,149
Plant and equipment	8	56,798	70,448
Intangible assets	9	247	805
Right of use assets	10(a)	252,806	34,195
TOTAL NON-CURRENT ASSETS		<u>31,101,494</u>	<u>29,856,597</u>
TOTAL ASSETS		<u>34,708,997</u>	<u>34,378,359</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	1,384,802	995,124
Lease liabilities	10(b)	53,099	34,511
Employee benefits	14	188,220	147,853
Contract liabilities	13	1,330,497	2,015,615
TOTAL CURRENT LIABILITIES		<u>2,956,618</u>	<u>3,193,103</u>
NON-CURRENT LIABILITIES			
Lease liabilities	10(b)	213,058	2,722
Employee benefits	14	49,992	47,885
TOTAL NON-CURRENT LIABILITIES		<u>263,050</u>	<u>50,607</u>
TOTAL LIABILITIES		<u>3,219,668</u>	<u>3,243,710</u>
NET ASSETS		<u>31,489,329</u>	<u>31,134,649</u>
EQUITY			
Reserves		7,258,770	6,029,048
Retained earnings		24,230,559	25,105,601
TOTAL EQUITY		<u>31,489,329</u>	<u>31,134,649</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2025

2025

	Retained Earnings	FVOCI reserve	Total
	\$	\$	\$
Balance at 1 July 2024	25,105,601	6,029,048	31,134,649
Loss for the year	(875,042)	-	(875,042)
Total other comprehensive income for the year	-	1,229,722	1,229,722
Balance at 30 June 2025	24,230,559	7,258,770	31,489,329

2024

	Retained Earnings	FVOCI reserve	Total
	\$	\$	\$
Balance at 1 July 2023	25,637,279	4,209,551	29,846,830
Loss for the year	(531,678)	-	(531,678)
Total other comprehensive income for the year	-	1,819,497	1,819,497
Balance at 30 June 2024	25,105,601	6,029,048	31,134,649

The accompanying notes form part of these financial statements

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Statement of Cash Flows For the Year Ended 30 June 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Payments to suppliers and employees	(9,441,971)	(7,688,798)
Funding development activities	74,733	96,480
Finance costs	(21,336)	(5,021)
Project fund	6,699,798	4,380,689
Net cash (used in) operating activities	<u>(2,688,776)</u>	<u>(3,216,650)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net proceeds from investments	189,229	(2,300,694)
Interest & dividends received	1,783,560	1,550,649
Purchase of plant and equipment	(37,158)	(58,098)
Investment management fees	(128,854)	(118,666)
Net cash generated from / (used in) investing activities	<u>1,806,777</u>	<u>(926,809)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payment of lease liabilities	(71,442)	(125,478)
Net cash (used in) financing activities	<u>(71,442)</u>	<u>(125,478)</u>
Net (decrease) in cash and cash equivalents held	(953,441)	(4,268,937)
Cash and cash equivalents at beginning of year	4,047,477	8,316,414
Cash and cash equivalents at end of financial year	<u>6</u> <u>3,094,036</u>	<u>4,047,477</u>

The accompanying notes form part of these financial statements.

Foundation for Alcohol Research & Education Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2025

The financial statements cover the Foundation for Alcohol Research & Education Limited (the Company) as an individual entity. The Company is a not-for-profit Company, registered and domiciled in Australia.

The functional and presentation currency of the Company is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

These general purpose financial statements that have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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 amounts presented have been rounded to the nearest dollar.

2 Summary of Material Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

The Company is a Health Promotion Charity operating as a Company Limited by Guarantee and has an exemption from the Commissioner for Taxation and accordingly does not account for Income tax.

(b) Revenue and other income

Revenue from contracts with customers

The Company is first required to determine whether amounts received are accounted for as Revenue per AASB 15: *Revenue from Contracts with Customers* or Income per AASB 1058: *Income of Not-for-Profit Entities*.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 156. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the Company is required to consider whether any other financial statement elements should be recognised (e.g. financial liabilities representing repayable amounts), with any difference being recognised immediately in profit or loss as income.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

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Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(b) Revenue and other income

Operating Grants

When the Company receives operating grant revenue it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Interest Income

Interest income is recognised using the effective interest method.

Dividend income

The Company recognises dividends in profit or loss only when the Company's right to receive payment of the dividend is established.

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Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(c) Goods and services tax (GST)

Revenue, 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable 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) Plant and equipment

Each class of plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Plant and equipment

Plant and equipment are measured on the costs basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event 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 in profit or loss.

Depreciation

Plant and equipment is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Computer equipment	50%
Furniture, fixtures and fittings	20%
Other plant and equipment	25%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

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Notes to the Financial Statements For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transactions costs are expensed to profit or loss immediately.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss – FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI – equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(e) Financial instruments (continued)

Financial assets (continued)

Fair value through other comprehensive income – Equity instruments

The Company has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Company does not hold any assets that fall into this category.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(e) Financial instruments (continued)

Financial assets (continued)

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(e) Financial instruments (continued)

Financial liabilities (continued)

The financial liabilities of the Company comprise trade payables and finance lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(g) Leases

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (lease with remaining term of 12 months or less) and leases of low value assets are recognised 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 Company uses the incremental borrowing rate.

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

- fixed lease payments less any lease incentives;
- variable lease payments that dependent 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 payment under extension options if 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.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(g) Leases (continued)

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 a 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 Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(h) Employee benefits

Short-term employee provision

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The Company's obligations for short-term employee benefits such as wages salaries are recognised as part of current trade and other payables in the statement of financial position.

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Company is estimated to be less than the annual benefit for sick leave.

Contributions are made by the Company to complying superannuation funds and are charged as expenses when incurred.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(h) Employee benefits (continued)

Other long-term employee benefits

The Company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Company's obligation for other long-term employee benefits, which 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 market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

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

(i) Economic dependence

The Company was established by its members on 17 October 2001 and the FARE Constitution outlines its purpose and objectives.

The Company has an accumulated pool of funds which it is permitted to use for its continued existence and has established a capital fund to assist in ensuring the long-term sustainability of the Company.

(j) Related party disclosures

Grants awarded to organisations that the Company directors are directors and/or employees of are made at arm's length and are under the same terms and conditions as all grantees of the Company.

The Company directors of the related parties were not involved in the decision making process of the grants awarded to those organisations.

Tenders awarded to organisations that the Company directors are directors and/or employees of are made at arm's length and are under the same terms and conditions as all service providers of the Company. The Company directors of the related parties were not involved in the decision making process of the tenders awarded to those organisations.

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Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Summary of Material Accounting Policies (continued)

(k) Fair value of assets and liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company 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 market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values 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. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market of 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, the most advantageous market available to the Company at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also 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 fair value of liabilities and the Company's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2025

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgments during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgments are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgments made have been described below.

Key estimates – impairment

All assets are assessed for indicators of impairment each year. Refer to Note 2(f). No indicators of impairment were identified for the period ended 30 June 2025 (2024: nil).

Key estimates – receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgement – Lease term and Option to Extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised are a key management judgement that the entity will make. The entity determines the likeliness to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.

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Notes to the Financial Statements

For the Year Ended 30 June 2025

4 Revenue and other income

	2025	2024
	\$	\$
Funding development activities		
- Donors/gifts/partnerships	74,733	96,480
Total funding development activities	<u>74,733</u>	<u>96,480</u>
Funding		
- Government funding	6,784,484	5,806,877
Total funding	<u>6,784,484</u>	<u>5,806,877</u>
Finance revenue		
Investment income		
- Dividend and interest	1,399,251	1,179,515
- Qualitas distribution	203,112	217,950
- Tax imputation credits	206,013	180,232
Total investment income	<u>1,808,376</u>	<u>1,577,697</u>
Total finance revenue	<u>1,808,376</u>	<u>1,577,697</u>
Other revenue		
- Other revenue	21,591	27,258
	<u>21,591</u>	<u>27,258</u>
Total revenue and other income	<u><u>8,689,184</u></u>	<u><u>7,508,312</u></u>

5 Expenses

The result for the year includes the following specific expenses:

(a) Depreciation and amortisation

		2025	2024
	Note	\$	\$
Computer equipment	8(a)	33,544	15,708
Other plant and equipment	8(a)	3,879	1,619
Furniture and fixtures	8(a)	13,384	30,299
Right of use asset	10(c)	81,755	119,273
Software		558	558
Total		<u><u>133,120</u></u>	<u><u>167,457</u></u>

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Notes to the Financial Statements

For the Year Ended 30 June 2025

5 Expenses (continued)

(b) Employee benefits

	2025	2024
	\$	\$
Salaries & wages	2,959,905	2,317,571
Superannuation expense	379,080	252,529
Long service leave accrual	21,529	20,106
Directors' fees	126,313	148,756
Workers compensation	29,886	20,747
Total	<u>3,516,713</u>	<u>2,759,709</u>

(c) Finance costs

	2025	2024
	\$	\$
Interest expense on lease liabilities	21,336	5,021
Total	<u>21,336</u>	<u>5,021</u>

(d) Auditor's remuneration

	2025	2024
	\$	\$
Audit fees	18,500	17,800
Total	<u>18,500</u>	<u>17,800</u>

6 Cash and cash equivalents

	2025	2024
	\$	\$
Operating funds	317,247	727,880
Trust fund	595,621	1,271,386
Public fund	192,035	115,515
Interest fund	1,749,220	1,121,113
Lease guarantee	19,634	-
Business online saver – bank guarantee	-	36,685
Paypal	10	10
Capital fund	220,269	774,888
Total cash and cash equivalents	<u>3,094,036</u>	<u>4,047,477</u>

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Foundation for Alcohol Research & Education Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2025

7 Trade and other receivables

		2025	2024
	Note	\$	\$
CURRENT			
Trade receivables	15	199,723	179,970
Accrued income		24,161	27,084
Prepayments		83,570	88,957
Imputation credits		206,013	178,274
Total current trade and other receivables		513,467	474,285

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Plant and equipment

		2025	2024
		\$	\$
PLANT AND EQUIPMENT			
Furniture, fixtures and fittings			
At cost		10,619	151,876
Accumulated depreciation		(6,435)	(138,984)
Total furniture, fixtures and fittings		4,184	12,892
Computer equipment			
At cost		94,861	153,208
Accumulated depreciation		(53,604)	(101,218)
Total computer equipment		41,257	51,990
Other plant and equipment			
At cost		22,764	13,094
Accumulated depreciation		(11,407)	(7,528)
Total other plant and equipment		11,357	5,566
Total plant and equipment		56,798	70,448

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Notes to the Financial Statements

For the Year Ended 30 June 2025

8 Plant and equipment (continued)

(a) Movements in carrying amounts of plant and equipment

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Furniture, fixtures and fittings \$	Computer equipment \$	Other plant and equipment \$	Total \$
Year ended 30 June 2025				
Balance at the beginning of year	12,892	51,990	5,566	70,448
Additions	4,677	22,811	9,670	37,158
Depreciation expense	(13,384)	(33,544)	(3,879)	(50,807)
Balance at the end of the year	4,185	41,257	11,357	56,799

	Furniture, fixtures and fittings \$	Computer equipment \$	Other plant and equipment \$	Total \$
Year ended 30 June 2024				
Balance at the beginning of year	43,191	13,909	2,876	59,976
Additions	-	53,789	4,309	58,098
Depreciation expense	(30,299)	(15,708)	(1,619)	(47,626)
Balance at the end of the year	12,892	51,990	5,566	70,448

9 Intangible assets

	2025 \$	2024 \$
Computer software		
Cost	1,677	18,637
Accumulated amortisation and impairment	(1,430)	(17,832)
Net carrying value	247	805

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Notes to the Financial Statements For the Year Ended 30 June 2025

10 Leases

(a) Right-of-use assets

	Office Premise \$	Office Printer \$	Total \$
Year ended 30 June 2025			
At fair value	300,367	7,503	307,870
Accumulated depreciation	(50,062)	(5,002)	(55,064)
Balance at end of year	250,305	2,501	252,806
	Office Premise \$	Office Printer \$	Total \$
Year ended 30 June 2024			
At fair value	593,590	7,503	601,093
Accumulated depreciation	(564,397)	(2,501)	(566,898)
Balance at end of year	29,193	5,002	34,195

(b) Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	Total lease liabilities \$
2025			
Lease liabilities	53,099	213,058	266,157
2024			
Lease liabilities	34,511	2,722	37,233

(c) Income statement

Statement of Profit or Loss and Other Comprehensive Income (OCI)

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2025 \$	2024 \$
Interest expense on lease liabilities	21,336	5,021
Depreciation of right-of-use assets	81,755	119,273
	103,091	124,294

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Notes to the Financial Statements

For the Year Ended 30 June 2025

10 Leases (continued)

(d) Statement of cash flows

	2025	2024
	\$	\$
Total cash outflow for leases	<u>(71,442)</u>	<u>(125,478)</u>

11 Other financial assets

	2025	2024
	\$	\$
NON-CURRENT		
Investments – JBWere	28,321,004	27,249,529
Investments – Qualitas Private Debt Fund	2,467,378	2,498,124
Investments – Others	3,261	3,496
Total other financial assets	15 <u><u>30,791,643</u></u>	<u><u>29,751,149</u></u>

12 Trade and other payables

	2025	2024
	\$	\$
CURRENT		
Trade payables	15 1,259,423	892,527
GST payable	(125,679)	(94,198)
Accrued expense	141,620	118,342
Credit card liability	15 (2,832)	2,955
Other payables	69,221	50,749
Superannuation liability	43,049	24,749
Total trade and other payables	1,384,802	995,124

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Contract liabilities

	2025	2024
	\$	\$
CURRENT		
Grants received in advance	1,178,555	1,781,383
Unexpended interest	151,942	234,232
Total contract liabilities	1,330,497	2,015,615

Foundation for Alcohol Research & Education Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2025

14 Employee benefits

	2025	2024
	\$	\$
Current liabilities		
Long service leave	49,163	29,741
Provision for annual leave	139,057	118,112
	<u>188,220</u>	<u>147,853</u>
	2025	2024
	\$	\$
Non-current liabilities		
Provision for employee benefits	49,992	47,885
	<u>49,992</u>	<u>47,885</u>
a. Aggregate employee benefit liability	238,212	195,738
b. Number of employee benefits	33	23

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.

The measurement and recognition criteria relating to employee benefits have been included in Note 2(i) to the financial statements.

15 Financial risk management

The Company's financial instruments consist mainly of deposits with banks, investments in listed entities, accounts receivable and payable and lease liabilities.

The totals of each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

Foundation for Alcohol Research & Education Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2025

15 Financial risk management (continued)

	Note	2025 \$	2024 \$
Financial assets			
Held at amortised cost			
Cash and cash equivalents	6	3,094,036	4,047,477
Trade and other receivables	7	199,723	179,970
Fair value through OCI			
Investments	11	30,791,643	29,751,149
Total financial assets		<u>34,085,402</u>	<u>33,978,596</u>
Financial liabilities			
Financial liabilities at fair value			
Trade and other payables	12	1,256,591	895,482
Total financial liabilities		<u>1,256,591</u>	<u>895,482</u>

Financial Risk Management Policies

Those charged with governance have overall responsibility for the establishment of the Company's financial risk management framework. This includes oversight by the Investment committee and regular assessment of the portfolio and risk mitigation strategies.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The day-to-day risk management is carried out by the Company's finance function under policies and objectives which have been approved by those charged with governance. The Operations Director has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and assessment of market forecasts for interest rate movements.

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Notes to the Financial Statements

For the Year Ended 30 June 2025

15 Financial risk management (continued)

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Notes to the Financial Statements

For the Year Ended 30 June 2025

15 Financial risk management (continued)

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Company is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the Company to interest rate risk are limited to lease liabilities, listed shares, government and fixed interest securities, and cash on hand.

The Company also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

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Notes to the Financial Statements

For the Year Ended 30 June 2025

16 Key Management Personnel (KMP) remuneration

The totals of remuneration paid to the KMP of the Company during the year are as follows:

	2025	2024
	\$	\$
Short-term employee benefits		
Director fees	115,628	136,265
Executive salaries	375,131	370,051
Total short-term employee benefits	490,759	506,316
Post employment benefits		
Director superannuation	10,686	12,491
Executive superannuation	45,490	40,705
Total post-employment benefits	56,176	53,196
Total	546,935	559,512

17 Auditors' remuneration

	2025	2024
	\$	\$
Remuneration of the auditor – BellchambersBarrett:		
- auditing & reviewing the financial statements	18,150	17,800
- other services		
Total	18,150	17,800

Foundation for Alcohol Research & Education Limited

ABN: 91 096 854 385

Notes to the Financial Statements

For the Year Ended 30 June 2025

18 Contingencies

In the opinion of the Directors, the Company did not have any contingent assets or liabilities at 30 June 2025 (30 June 2024: None).

19 Related parties

(a) Details of key management personnel

Mr Mark Textor	Chair of the Board
Professor Nicholas Carah	Deputy Chair, Chair of the Public Fund Committee
Ms Teresa Dyson	Chair of the Funding and Investment Committee
Ms Kristie Clements	Director
Ms Jackie Trad	Chair of the Finance, Audit and Risk Management Committee
Mr Steve Ella	Director
Dr Tanya Hosch	Director

Associate Professor Shalini Arunogiri	Director
Professor Julia Quilter	Chair of the Governance & Remuneration Committee

Executive

Ms Ayla Chorley	Chief Executive Officer effective March 2025 and Company Secretary
Ms Caterina Giorgi	Chief Executive Officer until February 2025

KMP remuneration – refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Related party transactions

Professor Nicholas Carah is a member of the entity's Board of Directors and is a supervisor on an Australian Research Council (ARC) grant that is administered to FARE through University of Queensland (UQ). The ARC Grant was awarded to a fellow who is employed by FARE. Both FARE and UQ are recipients of the funding.

Foundation for Alcohol Research & Education Limited

ABN: 91 096 854 385

Notes to the Financial Statements

For the Year Ended 30 June 2025

20 Cash flow information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2025	2024
	\$	\$
(Loss) for the year	(875,042)	(531,678)
Cash flows excluded from (loss) attributable to operating activities		
- Investment income	(1,783,560)	(1,550,649)
- Investment expense	128,854	118,666
Non-cash flows in (loss):		
- depreciation	133,120	167,457
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(44,569)	(197,892)
- (increase)/decrease in prepayments	5,387	(10,496)
- (decrease) in income in advance	(685,118)	(1,803,726)
- increase/(decrease) in trade and other payables	389,678	565,601
- increase/(decrease) in employee benefits	42,474	26,067
Cashflows from operations	<u>(2,688,776)</u>	<u>(3,216,650)</u>

21 Events after the end of the reporting period

The Directors have determined that the Company remains in a healthy cash position and retained stable grants for the 2026 financial year.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company.

22 Statutory information

The registered office of and principal place of business of the Company is:

Foundation for Alcohol Research & Education Limited
Suite 3, Level 3
10 Rudd Street, Canberra, ACT 2601

Foundation for Alcohol Research & Education Limited

ABN: 91 096 854 385

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

There are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable; and

- The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.
- Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person: 



Responsible person:

Dated: 25/11/2025

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF FOUNDATION FOR ALCOHOL RESEARCH & EDUCATION LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Foundation for Alcohol Research & Education Limited (the registered entity), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Foundation for Alcohol Research & Education Limited is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), including:

- i. giving a true and fair view of the registered entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and Division 60 of *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the 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.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2025 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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF FOUNDATION FOR ALCOHOL RESEARCH & EDUCATION LIMITED

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act and for such internal control as the directors 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. The directors are also responsible for overseeing the registered entity's financial reporting process.

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

Auditor's Responsibility for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity'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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF FOUNDATION FOR ALCOHOL RESEARCH & EDUCATION LIMITED

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

A handwritten signature in black ink that reads 'Bellchambers Barrett' in a cursive style.

BellchambersBarrett

A handwritten signature in black ink that reads 'Jamie Glenn' in a cursive style, followed by a period.

Jamie Glenn, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 25th day of November 2025