fka Children's Services Inc.

(An incorporated association in Victoria)

ABN 90 217 244 399

Annual financial report

For the year ended 31 December 2025

fka Children's Services Inc
18 Harper Street, Abbotsford VIC 3067
Tel 03 9428 4471 Email fkacs@fka.org.au Web www.fka.org.au

fka Children's Services Inc.

ABN 90 217 244 399

Financial report

For the year ended 31 December 2025

Contents

fka Children's Services Inc.

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2025

	Note	2025	2024
		$	$
Income			
Government revenue	2	2,299,399	2,896,951
Philanthropic income		25	123
Membership fees		78,460	75,189
Fee for service	3	476,216	560,526
Interest and dividends		57,050	90,543
Other income		3,559	5,939
Total income		**2,914,709**	**3,629,271**
Expenditure			
Staffing expenses	4	1,814,565	1,833,643
Program / project costs	5	620,273	1,374,140
Occupancy costs		20,090	20,593
Equipment and ICT expenses		75,416	46,524
Administrative and other expenses		76,355	61,429
Depreciation and amortisation	6	118,102	108,635
Finance costs		6,809	5,539
Total expenditure		**2,731,610**	**3,450,503**
Surplus for the year		**183,099**	**178,768**
Other comprehensive income			
Net change in fair value of financial assets		16,183	5,528
Total other comprehensive income		**16,183**	**5,528**
Total comprehensive income for the year		**199,282**	**184,296**

The accompanying notes form part of these financial statements.

fka Children's Services Inc.

Statement of financial position

As at 31 December 2025

	Note	2025	2024
		$	$
Assets			
Current assets			
Cash and cash equivalents	7	1,618,449	2,236,929
Receivables	8	575,347	30,257
Prepayments		35,608	30,036
Investments	9	173,039	156,856
Total current assets		**2,402,443**	**2,454,078**
Non-current assets			
Security deposits		23,981	23,980
Property, plant and equipment	10	37,669	50,757
Intangible assets	11	61,098	71,016
Right-of-use assets	12	227,225	54,903
Total non-current assets		**349,973**	**200,656**
Total assets		**2,752,416**	**2,654,734**
Liabilities			
Current liabilities			
Payables	13	159,216	111,777
Lease liabilities	12	79,406	60,066
Provisions	14	184,781	188,360
Income received in advance	15	351,685	663,028
Total current liabilities		**775,088**	**1,023,231**
Non-current liabilities			
Lease liabilities	12	151,232	-
Provisions	14	3,037	7,726
Total non-current liabilities		**154,269**	**7,726**
Total liabilities		**929,357**	**1,030,957**
Net assets		**1,823,059**	**1,623,777**
Equity			
Reserves		557,583	541,400
Retained surplus		1,265,476	1,082,377
Total equity	16	**1,823,059**	**1,623,777**

The accompanying notes form part of these financial statements.

fka Children's Services Inc.

Statement of changes in equity

For the year ended 31 December 2025

	Note	Reserves $	Retained surplus $	TOTAL $
Balance at 1 January 2024		**535,872**	**903,609**	**1,439,481**
Surplus for the year			178,768	**178,768**
Total other comprehensive income for the year		5,528	-	**5,528**
Balance at 31 December 2024		**541,400**	**1,082,377**	**1,623,777**
Surplus for the year			183,099	**183,099**
Total other comprehensive income for the year		16,183	-	**16,183**
Balance at 31 December 2025	16	**557,583**	**1,265,476**	**1,823,059**

The accompanying notes form part of these financial statements.

fka Children's Services Inc.

Statement of cash flows

For the year ended 31 December 2025

	Note	2025	2024
		$	$
Cash flows from operating activities			
Government grants and service agreements (inclusive of GST)		1,533,527	2,365,942
Other grants and contributions		25	123
Fees and other trading receipts (inclusive of GST)		722,111	729,256
Payments to suppliers and employees (inclusive of GST)		(2,707,725)	(3,252,829)
Interest and dividends received		54,080	88,199
Interest paid		(6,809)	(5,539)
Net GST paid to ATO		(116,844)	(155,647)
Net cash used in operating activities	17	**(521,635)**	**(230,495)**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		505	-
Payments for property, plant and equipment		(6,374)	(13,065)
Payments for intangible assets		(5,920)	(50,588)
Net cash used in investing activities		**(11,789)**	**(63,653)**
Cash flow from financing activities			
Principal portion of lease payments		(85,056)	(84,541)
Net cash used in financing activities		**(85,056)**	**(84,541)**
Net decrease in cash and cash equivalents		**(618,480)**	**(378,689)**
Cash and cash equivalents at beginning of year		**2,236,929**	**2,615,618**
Cash and cash equivalents at end of year	7	**1,618,449**	**2,236,929**

The accompanying notes form part of these financial statements.

Note 1. Statement of significant accounting policies

The financial statements cover fka Children's Services Inc. ("fkaCS") as an individual entity. fkaCS is an association incorporated and domiciled in Victoria, operating under the *Associations Incorporation Reform Act 2012 (Victoria)*, and a registered charity with the Australian Charities and Not-for-profits Commission (ACNC).

Basis of preparation

The board of fkaCS has determined that the association is not a reporting entity because there are no users who rely on general purpose financial statements for financial information about the entity. These financial statements are therefore special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act 2012 (Victoria)* and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the Australian Accounting Standards applicable to a 'tier two association' under the *Associations Incorporation Reform Act 2012* and a 'medium registered entity' under the *Australian Charities and Not-for-profits Commission Act 2012*, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of AASB 101: *Presentation of Financial Statements*, AASB 107: *Statement of Cash Flows*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 124: *Related Party Disclosures*, AASB 1048: *Interpretation of Standards* and AASB 1054: *Australian Additional Disclosures*, unless an ACNC exemption applies. fkaCS is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, apart from cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated.

Accounting policies

The following material accounting policies have been applied in preparing the financial statements for the year ended 31 December 2025 and the comparative information for the year ended 31 December 2024, unless otherwise stated.

(a) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the association and is measured at the fair value of the consideration received or receivable. Specific revenues are recognised as follows:

Where grant contracts are enforceable and have sufficiently specific performance obligations, and funding is paid in advance, revenue is deferred and first recognised as a liability in the statement of financial position (income received in advance) until such obligations are met, then recognised as revenue in the statement of comprehensive income as performance occurs in accordance with grant requirements. Grants are otherwise recognised as revenue when control of the underlying assets received or receivable has been obtained and it is probable that the economic benefits will flow to the entity.

Donations are recognised as revenue when control of the cash or other assets has been obtained.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer, and where delivery is in progress, by reference to the percentage stage of completion of the transaction.

Revenue from the sale of goods is recognised when the significant rewards of ownership have been transferred to the buyer, recovery of the consideration is probable and there is no continuing involvement in the goods.

Membership fees are recognised as revenue upon receipt.

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

Dividend revenue is recognised when the right to a receive a dividend has been established.

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

(b) Cash and cash equivalents

Cash and cash equivalents comprises at-call and short term deposits held with financial institutions and cash on hand.

(c) Receivables

Receivables represent trade and other short-term amounts owing to the association. Receivables are measured at the nominal amounts due for settlement less any impairment losses.

(d) Investments

Investments comprise listed equity instruments designated at fair value through other comprehensive income (FVOCI).

Equity instruments are measured at fair value, with changes in fair value recognised in other comprehensive income and accumulated in an equity reserve. On disposal, cumulative gains or losses are transferred to retained earnings.

Investments are classified as current or non-current assets based on the expected timing of realisation at the end of the reporting period.

(e) Property, plant and equipment

Each class of fixed asset is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of physical assets is reviewed annually to ensure it is not materially in excess of the recoverable amount from these assets.

Depreciation

Fixed assets are capitalised and depreciated on a straight-line basis over their estimated useful lives from the date the assets are available for use. The capitalisation threshold for the recognition of individual fixed assets is $1,000 (2024: $1,000).

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Leasehold improvements	33%
Library assets	10%
Furniture and equipment	10-33%

The assets’ residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

(f) Intangible assets

Intangible assets are carried at cost or fair value less any accumulated amortisation and impairment losses.

Amortisation

Intangible assets are capitalised and amortised on a straight-line basis over their estimated useful lives from the date the assets are available for use. The capitalisation threshold for the recognition of individual intangible assets is $1,000 (2024: $1,000).

The amortisation rate used for each class of intangible assets are:

Class of intangible asset	Useful life
Database management system	33%
E-learning modules	33%
Website	33%

The assets’ residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

(g) Leases

At inception of a contract, the association assesses if the contract is, or contains, a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the association. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less), or leases of low value assets, are recognised as operating expenses on a straight-line basis over the term of the lease.

Where a lease is present, the lease liability is initially 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 association uses its incremental borrowing rate, being the estimated rate it would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

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

(h) Impairment of assets

The association assesses the carrying amounts of its tangible and intangible assets at the end of each reporting period for indications of impairment. If any such indication exists, the asset's recoverable amount is estimated at the higher of the asset's fair value less costs to sell and value in use, and compared against its carrying amount. Any excess of the asset's carrying value over its recoverable amount is recognised as an impairment loss in the statement of profit or loss and other comprehensive income.

(i) Payables

Payables represent trade and other short-term liabilities outstanding at the end of the reporting period and are measured at their nominal amounts.

(j) Provisions

Provisions are made when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. The amounts recognised represent an estimate of the obligations as at the end of the reporting period.

(k) Income received in advance

Income received in advance represents liabilities for amounts received by the association before it is entitled to recognise those amounts as revenue, including where performance obligations have not yet been satisfied. Refer also Note 1 (a).

(l) Employee benefits

The association recognises liabilities for short-term and long-term employee benefits in respect of services rendered by employees up to the end of the reporting period. These benefits include salaries and wages, annual and long-service leave entitlements and superannuation. The liabilities for annual and long-service leave are recognised in the provision for employee benefits. All other employee benefit obligations are presented as payables.

Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, including related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits plus related on-costs.

The association participates in the Victorian Portable Long Service Leave Benefits Scheme for eligible employees, under which obligations are met through contributions to the scheme. Provisions for long-service leave are presented net of employee amounts recoverable from the scheme.

Superannuation Guarantee Contributions are made by the entity to employee-nominated superannuation funds and are charged as expenses as they become payable.

(m) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for investing and financing activities, the GST component of which is disclosed as part of operating cash flow.

(n) Income Tax

fkaCS is endorsed as an income tax exempt charity under Division 50 (Subdivision 50-B) of the Income Tax Assessment Act 1997.

(o) Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(p) Accounting judgments and estimates

The preparation of the association's financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. Estimates and assumptions are based on historical experience, best available current information and reasonable expectations of future events. Actual results may differ from estimates.

Estimates and assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognised in the period or periods affected by the revision.

(q) New and revised accounting standards

The association has applied Australian Accounting Standards that are relevant to and mandatory for the association's financial statements for the current reporting period. There are no new or amended standards which became effective during the period that have a significant impact on the association's financial statements.

fka Children's Services Inc.

Notes to the financial statements

For the year ended 31 December 2025

Note 2. Government revenue

Revenue from government grants and service agreements, by level of government and department:

	2025 $	2024 $
State Government:		
- Department of Education (Victoria)	2,299,399	2,896,951
Total government revenue	**2,299,399**	**2,896,951**

Note 3. Fee for service

	2025 $	2024 $
Cultural inclusion support, training and consultancy	235,942	309,820
Sub-contracted service delivery	239,470	250,396
Other fees and charges	804	310
Total fee for service	**476,216**	**560,526**

Note 4. Staffing expenses

	2025 $	2024 $
Salaries and wages	1,470,777	1,550,743
Superannuation	172,407	176,907
Changes to leave entitlements	(8,268)	19,701
Portable long service leave levy	23,846	25,182
Workers compensation insurance	25,968	25,378
Temporary / agency staff	103,039	-
Other staffing costs	26,796	35,732
Total staffing expenses	**1,814,565**	**1,833,643**

Note 5. Program / project costs

	2025 $	2024 $
Contractors and consultants *	463,328	1,185,090
Resources and publications	47,282	39,222
Marketing and communications	17,336	16,917
Conference, event and workshop costs	76,748	101,554
Travel costs	15,579	30,857
Other program / project costs	-	500
Total program / project costs	**620,273**	**1,374,140**

* Includes external professional services and sub-contracted program delivery.

Note 6. Depreciation and amortisation

	2025 $	2024 $
Leasehold improvements	2,865	2,293
Furniture and equipment	16,093	18,004
Intangible assets	15,838	5,983
Right-of-use assets	83,306	82,355
Total depreciation and amortisation	**118,102**	**108,635**

Note 7. Cash and cash equivalents

Total cash and cash equivalents as stated in the statement of financial position and statement of cash flows:

	2025 $	2024 $
Cash at bank (at-call)	364,578	418,976
Term deposits	1,253,553	1,817,067
Cash on hand	318	886
Total cash and cash equivalents	**1,618,449**	**2,236,929**

Note 8. Receivables

	2025 $	2024 $
Trade debtors	22,857	8,480
Government funding receivables	514,486	-
Accrued income	38,004	21,777
Total receivables	**575,347**	**30,257**

Note 9. Investments

	2025 $	2024 $
Investments at fair value through other comprehensive income:		
Shares in listed corporations	173,039	156,856
Total investments	**173,039**	**156,856**
Movements in investments:		
Opening balance	156,856	151,328
Unrealised gains	16,183	5,528
Closing balance	**173,039**	**156,856**

Note 10. Property, plant and equipment

	2025 $	2024 $
Leasehold improvements:		
At cost	63,958	63,958
Accumulated depreciation	(63,298)	(60,433)
Net carrying value	**660**	**3,525**
Library assets:		
At cost	50,218	50,218
Accumulated depreciation	(50,218)	(50,218)
Net carrying value	**-**	**-**
Furniture and equipment: *		
At cost	155,023	176,271
Accumulated depreciation	(118,014)	(129,039)
Net carrying value	**37,009**	**47,232**
Total property, plant and equipment	**37,669**	**50,757**

* During the year, the association derecognised a number of assets, including disposals and assets identified as no longer in use. These assets were largely fully depreciated and had minimal carrying value, and accordingly had no material impact on the financial results.

Movemens in carrying amounts

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

	Leasehold improvements $	Furniture & equipment $	Total $
Balance at 1 January 2024	**1,106**	**56,883**	**57,989**
Additions	4,712	8,353	13,065
Depreciation expense	(2,293)	(18,004)	(20,297)
Balance at 31 December 2024	**3,525**	**47,232**	**50,757**
Additions	-	6,374	6,374
Disposals (at written down value)	-	(504)	(504)
Depreciation expense	(2,865)	(16,093)	(18,958)
Balance at 31 December 2025	**660**	**37,009**	**37,669**

Note 11. Intangible assets

	2025 $	2024 $
Database management system:		
At cost	32,397	32,397
Accumulated amortisation	(32,397)	(32,397)
Net carrying value	**-**	**-**
E-learning modules: *		
At cost	32,069	26,149
Net carrying value	**32,069**	**26,149**
Website:		
At cost	47,514	47,514
Accumulated amortisation	(18,485)	(2,647)
Net carrying value	**29,029**	**44,867**
Total intangible assets	**61,098**	**71,016**

* The e-Learning modules represent development in progress and are not yet available for use. Accordingly, no amortisation has been recognised to date. Amortisation will commence once the modules are completed and available for use.

Movements in carrying amounts

Movement in carrying amounts for each applicable class of intangible asset:

	Database $	E-learning modules $	Website $	Total $
Balance at 1 January 2024	**3,336**	**-**	**23,075**	**26,411**
Additions	-	26,149	24,439	50,588
Amortisation charge	(3,336)	-	(2,647)	(5,983)
Balance at 31 December 2024	**-**	**26,149**	**44,867**	**71,016**
Additions	-	5,920	-	5,920
Amortisation charge	-	-	(15,838)	(15,838)
Balance at 31 December 2025	**-**	**32,069**	**29,029**	**61,098**

Note 12. Leases

In June 2025, the association renewed its lease for its current business premises for a three-year period, from September 2025 to August 2028. The previous lease expired in August 2025. The lease has been measured in accordance with the association’s accounting policy as outlined in Note 1 (g). The impact of the lease on the financial statements is as follows:

(a) Amounts recognised in the statement of financial position

	2025 $	2024 $
Right-of-use assets:		
Leased building	255,628	247,064
Accumulated depreciation	(28,403)	(192,161)
Net carrying amount	**227,225**	**54,903**
Movements in right-of-use assets:		
Opening balance	54,903	137,258
Additions / remeasurements (lease renewal)	255,628	-
Depreciation expense	(83,306)	(82,355)
Closing balance	**227,225**	**54,903**
Lease liabilities:		
Current	79,406	60,066
Non-current	151,232	-
Total lease liabilities	**230,638**	**60,066**
Movements in lease liabilities:		
Opening balance	60,066	144,607
Additions / remeasurements (lease renewal)	255,628	-
Interest expense	6,809	5,539
Lease payments	(91,865)	(90,080)
Closing balance	**230,638**	**60,066**

(b) Amounts recognised in the statement of profit or loss

	2025 $	2024 $
Depreciation charge related to right-of-use assets	83,306	82,355
Interest expense on lease liabilities (included in *finance costs*)	6,809	5,539
Total operating expenses	**90,115**	**87,894**

(c) Amounts recognised in the statement of cash flows

	2025 $	2024 $
Cash outflow for principal portion of lease payments (under *financing activities*)	85,056	84,541
Cash outflow for interest portion of lease payments (under *operating activities*)	6,809	5,539
Total cash outflows	**91,865**	**90,080**

Note 13. Payables

	2025 $	2024 $
Trade creditors	7,646	3,310
Accrued expenses	26,043	8,600
Goods and services tax payable	46,309	9,533
Payroll liabilities	79,218	90,334
Total payables	**159,216**	**111,777**

Note 14. Provisions

	2025 $	2024 $
Current		
Employee benefits		
-- Annual leave entitlements	144,261	151,168
-- Long-service leave entitlements	40,520	37,192
Total current	**184,781**	**188,360**
Non-current		
Employee benefits		
-- Long-service leave entitlements	3,037	7,726
Total non-current	**3,037**	**7,726**
Total provisions	**187,818**	**196,086**

Note 15. Income received in advance

	2025 $	2024 $
Government funding received in advance	221,287	658,855
Fee income in advance	130,398	4,173
Total income received in advance	**351,685**	**663,028**

Note 16. Reserves and retained surplus

Movements in equity
Movement in balances for reserves and retained surplus:

	Capital reserve $	Financial assets at FVTOCI reserve $	Retained surplus $	Total equity $
Balance at 1 January 2024	**500,000**	**35,872**	**903,609**	**1,439,481**
Increase / (decrease) for year	-	5,528	178,768	184,296
Balance at 31 December 2024	**500,000**	**41,400**	**1,082,377**	**1,623,777**
Increase / (decrease) for year	-	16,183	183,099	199,282
Balance at 31 December 2025	**500,000**	**57,583**	**1,265,476**	**1,823,059**

Nature and purpose of reserves

Capital reserve
The purpose of this fund is to preserve a base level of capital which can be invested for generating ongoing income, with only the resultant income available for operating use.

Financial assets at fair value through other comprehensive income (FVTOCI) reserve
This reserve records the cumulative net changes in the fair value of available-for-sale investments through other comprehensive income. Where a revalued investment is derecognised, that portion of the reserve that relates to the investment is reclassified into profit or loss.

Retained surplus
This represents the level of unrestricted funds available for general use.

The board of fkaCS reviews reserves on a regular basis and has discretion to alter the nature and purpose of reserves with reference to the entity's operating requirements.

Note 17. Cash flow information

	2025 $	2024 $
Reconciliation of net result from statement of profit or loss and other comprehensive income to cash flow from operating activities		
Surplus for the year	183,099	178,768
Non-cash flows in surplus attributable to operating activities		
Depreciation	118,102	108,635
Net loss / (gain) on disposal of property, plant and equipment	(2)	-
Changes in operating assets and liabilities		
(Increase) / decrease in receivables	(545,090)	24,524
(Increase) / decrease in prepayments	(5,572)	180,544
Increase / (decrease) in payables	47,439	(496)
Increase / (decrease) in provisions	(8,268)	19,702
Increase / (decrease) in income received in advance	(311,343)	(742,172)
Net cash used in operating activities	**(521,635)**	**(230,495)**

Note 18. Key management personnel remuneration

Total key management personnel remuneration is not disclosed because the charity only had one remunerated key management personnel member.

Note 19. Auditors' remuneration

	2025 $	2024 $
Remuneration of the auditors of the association for:		
-- Audit of the annual financial report	4,500	4,300
Total auditors' remuneration	**4,500**	**4,300**

Note 20. Significant changes in operations

During the year, the association derived income from several government contracts, including a multi-year agreement which expired at the end of the reporting period. While such agreements form part of the association's normal operating activities, the size of the expired contract was significant, and its conclusion is expected to result in a material reduction in revenue and associated delivery costs in the following financial period.

Note 21. Events after the reporting period

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

fka Children's Services Inc.

Declaration by members of the board

For the year ended 31 December 2025

In accordance with a resolution of the members of the board of fka Children's Services Inc. ("fkaCS"), the board declares that:

In the opinion of the board:

1. The financial statements and notes, as set out on pages 1 to 16, satisfy the requirements of the *Associations Incorporation Reform Act 2012 (Victoria)* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:
    a. complying with the Australian Accounting Standards applicable to the entity and the *Australian Charities and Not-for-profits Commission Regulations 2022*; and
    b. giving a true and fair view of the financial position of fkaCS as at 31 December 2025 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that fkaCS will be able to pay all of its debts as and when they become due and payable.

On behalf of the board of fkaCS,

Signed: ______________________________

Roslyn Cornish (President)

Signed: ______________________________

Rakhi Khanna (Treasurer)

Dated this 28th day of April 2026

Auditor’s Independence Declaration to the Board of fka Childrens Services Inc

In relation to our audit of the financial report of fka Childrens Services Inc for the financial year ended 31st December 2025, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Stephen De Salis
ANDERSON & ASSOCIATES
8th April 2026
Suite 102, 17 Heatherdale Road
RINGWOOD, VIC 3134

ANDERSON ASSOCIATES
Certified Practising Accountants
ABN 77 213 426 093
t | [03] 8873 2000
f | [03] 9872 5588
e | frontdesk@anderson-assoc.com.au
PO Box 438 Ringwood VIC 3134
Suite 102, 17 Heatherdale Road
Ringwood VIC 3134

Independent auditor's report to the members of fka Children's Services Inc

Opinion

We have audited the accompanying financial report, being a special purpose financial report of fka Children's Services Inc, which comprises the Statement of Financial Position as at 31 December 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 significant accounting policies, and the Board' declaration.

In our opinion, the financial report of fka Children's Services Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Associations Incorporation Reform Act 2012,* including;

a. Giving a true and fair view of the registered entity's financial position as at 31 December 2025 and of its financial performance for the year ended on that date; and

b. complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*

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 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 (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.

Responsibilities of the Board for the Financial Report

The Board of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the ACNC Act, the Associations Incorporation Reform Act 2012 and the needs of the members. The Board' responsibility also includes such internal control as 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 Board are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the entity or cease operations, or have no realistic alternative but to do so.

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 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 judgment 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 Board.

- Conclude on the appropriateness of the Board's 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.

We communicate with the Board 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.

Stephen De Salis
ANDERSON & ASSOCIATES
11th May 2026
Suite 102, 17 Heatherdale Road
RINGWOOD, VIC 3134