

Australian Parachute Federation Limited

ABN 75 061 266 510

Financial Statements

For the Year Ended 31 December 2025

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Directors' Report

31 December 2025

The board of directors present their financial report on Australian Parachute Federation Limited (APF) for the financial year ended 31 December 2025.

Board of Directors

The names of each person who held a position on the Board of Directors during the year ended 31 December 2025 or at the date of this statement are as follows:

	<u>Appointed</u>	<u>Resigned</u>
David R SMITH		18-Nov-25
Trevor M COLLINS		
Michael C CONNOLLY		
Mark W GAZLEY		
Janine HAYES		
Karen L FULLER		
John SWANLAND		
Nerissa ANDERSON		
Dale R A FINDLAY		

Company Secretary

Michael Connolly has held the role of Company Secretary since November 2024.

Corporate Objectives

- (a) To promote and foster parachuting and provide for its regulation and administration
- (b) Represent the interests of its members and of parachuting generally
- (c) Promote the safety of members
- (d) Seek and obtain improved facilities for the enjoyment of parachuting
- (e) Be the only administration organisation for recreational parachuting recognised by the Civil Aviation Safety Authority (CASA)
- (f) Be the only parachuting organisation in Australia recognised by the Fédération Aéronautique Internationale, the International Skydiving Commission (ISC), the Air Sport Australia Confederation and the Australian Sports Commission and to be recognised as the authority on parachuting
- (g) Act as final arbiter on all matters pertaining to the conduct of parachuting activities in Australia, including disciplinary matters
- (h) Pursue such commercial arrangements as are appropriate to further the objects
- (i) Use and protect the intellectual property
- (j) Have regard to the public interest in its operations
- (k) Undertake and or do all such things or activities which are necessary, incidental or conducive to the advancement of these objects.

Strategies for Achieving Corporate Objectives

To support the achievement of the APF Vision and Mission, the APF has identified three key strategic priorities that guide its operations and resource allocation:

- Training, Safety and Risk Management – to achieve and maintain the highest practicable standards of safety and training across all levels of participation.
- Sports and Member Development – to optimise participation in parachuting activities while supporting skill development, education and enjoyment.
- Membership Services – to protect and enhance the rights, opportunities and ability of members to participate in parachuting activities in Australia.

These strategic priorities are supported by a number of key focus areas that underpin the APF's ongoing activities and initiatives:

- Safety and Culture – prioritising education, training and initiatives that reinforce a strong safety culture.
- Training – standardising the development and delivery of APF training practices to ensure consistency and quality outcomes.
- Member Knowledge and Engagement – improving member services through effective communication and ongoing engagement with members.
- Member Development – supporting the enhancement of members' skills, knowledge and overall participation experience.
- Competition Development – facilitating appropriate pathways and opportunities for members to participate in competitive parachuting activities.
- Digital Enablement – improving innovation, efficiency and effectiveness through the continued development of APF digital systems.
- Operational Services – streamlining service delivery and internal operational functions to meet the evolving needs of members and stakeholders.

Principal Activities

The principal activities of the Company during the financial year were:

To promote and foster parachuting in Australia; to set and maintain professional, safety and training standards; to support member development and participation; and to protect the right and opportunity to parachute in Australia in the event it is ever threatened or adversely affected.

Significant Changes

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

Events Subsequent to Balance Date

No adjusting or non-adjusting events have occurred between the 31/12/2025 and the date of resolution passed by the directors.

Performance Information

The APF monitors a range of quantitative indicators to provide contextual information on participation levels, capability and safety outcomes across the sport. These indicators are used for reference and trend analysis and are not applied as formal performance metrics or targets.

The indicators monitored include:

- Number of sporting licenced members
- Number of new student members
- Number of instructors
- Number of skydiving clubs
- Number and type of incidents and injuries

Meetings of Directors

The number of Directors' meetings held and attended by each of the Directors during the financial year are:

Name	Number Eligible to Attend	Number Attended
David R SMITH	4	4
Trevor M COLLINS	4	4
Michael C Connolly	4	4
Mark W GAZLEY	4	4
Janine HAYES	4	4
Karen L Fuller	4	4
John SWANLAND	4	4
Dale R A Findlay	4	2
Nerissa ANDERSON	4	3

Information on Directors and Responsible Parties

David Smith (Resigned Nov 2025)

Special Responsibilities

Deputy Chair (appointed 22/11/2022); Former Chair (retired 22/11/2022); Governance Committee;

Experience

David was appointed Board Director in 2015 after the APF moved to become a company limited by guarantee and the APF President position was abolished. He then went on to be appointed Chairman in December 2018. David has over 50 years in skydiving having joined the APF in 1968 and was a CI of Wilton Parachute Centre for five years and part-owner of Parachutes Australia for 20 years. More recently, David became part-owner of Air Safety Solutions which manufactures LPUs and SPRs. David is an expert in parachute certification, manufacture and maintenance and held the position of Director of Rigging for 17 years. David is a pilot, Director of two other skydiving related companies and a Life Member of the APF. David was also appointed APF Safety Manger when APF became a Part 149 ASAO

Trevor Collins

Special Responsibilities

Experience

Chair (appointed 22/11/2022); Deputy Chair (retired 22/11/2022); Performance Management Committee, Competition Committee

Trevor was appointed Board Director over 40 years ago and held the position of Chairman from 2001 to 2008. He is an active skydiver of over 50 years. He has held the position of Chief Instructor for Darwin Parachute Club NT (DPC) for more than 24 years and is an Honorary Life Member of the Club. He is Public Officer of the DPC and Top End Aerial Sports Association, and was the NT Area Safety Officer for more than 30 years. In his professional life, Trevor held many project management and program director roles over the years in the NT Government. He was a Director and Owners Representative for seven years in New Future Alliance for the construction and renovation of housing in remote areas of the NT, with an annual turnover of up to \$80M. He is now retired. Trevor is a Director of two other skydiving related companies and an APF Life Member.

Dale Findlay**(Appointed May 2023)**

Qualifications

Special Responsibilities

Experience

B. Eng (Mech), Grad Cert (Project Management), MBA (Exec)

Risk and Audit Committee Member

Dale is a passionate advocate for sports development and participation. He is elected by the South Queensland Parachute Council area members. In this role, he is also an active member of the risk and audit committee.

Professionally, Dale has extensive experience in engineering, working in both the resource sector and aerospace. He currently leverages his technical and leadership skills as a business development manager for Boeing in Brisbane. Dale is also a member of Engineers Australia.

Mark Gazley

Special Responsibilities

Experience

Remuneration Committee

Mark was appointed to the Board in 2019. Mark has been a career skydiver since 1997, prior to this he was involved in retail and logistics management. Mark is a Chief Instructor and has owned and operated predominantly Tandem DZ's since 2004. He opened Malaysia's first commercial skydive operation, a project which challenged him for 4 years. He has represented Australia at 3 WPC's, firstly in 2003, and was a medallist recently in 2018 and 2022. He was recently a member of the 174 Vertical Formation World Record Team. In the role of Director, his goals are to seek positive change, whilst respecting and progressing the contributions and values of previous generations. Strategies include: The development of systemised sustainable programs, fostering and harnessing the skills/energy of new members and encouraging them to step up and contribute; a more targeted and realistic approach to sport sustainability. Mark intends to draw from his diverse exposure within skydiving and links within the broader community, to ensure the needs of all members are met.

Karen Fuller**(Appointed May 2023)**

Qualifications

Special Responsibilities

Experience

Batchelor of Medicine and Batchelor of Surgery, Fellowship with the Australian College of GPs, Masters of Public Health and Tropical Medicine, currently working part time as a GP in Remote Aboriginal Health

Chair of the Awards Committee

Karen Chairs Awards Committee and is passionate about recognising and celebrating the incredible talent within our membership. She joined the Board of Directors in 2023 and brings 28 years of skydiving experience, having started in South Australia and now living and jumping in North Queensland. A dedicated 4-way formation skydiving competitor, Karen is equally enthusiastic about coaching and event organizing.

She is a strong advocate for inclusion and diversity and is eager to see these principles embraced at the board level. Karen is also committed to encouraging more women to take on the challenge of skydiving and step into instructional and leadership roles.

John Swanland

Qualifications

Special Responsibilities

Experience

Dip Computer Education (Melb); M Ed (Melb)

Chair Governance Committee

John has served six terms as Chair of the Victorian Tasmanian Parachute Council (VTPC) and has served four terms as VTPC Treasurer. John has also served multiple terms as Chair of the Area Board of Review and is currently the appointed APF National Review Officer. In his professional life, John had a long career in education where he was promoted several times to positions including Head of Faculty, Head of Department and Head of School.

After retiring at the end of 2007 John now spends much of his time in volunteer and charity work.

**Michael Connolly
(Appointed August 2023)**

Qualifications
Special Responsibilities
Experience

B.Bus (Acc) & B.Sc (Sec)
Governance Committee; Risk & Audit Committee
Michael is serving his second term as a Director with the APF. Michael is a former senior public servant with nearly 40 years of experience in a range of regulatory and administrative roles retiring in 2022.
Since retiring Michael spends much of his time with family and remains active as an AFF instructor and fun jumper.

**Janine Hayes
(Appointed June 2024)**

Qualifications

Special Responsibilities
Experience

Diploma of Welfare Studies; Diploma of Tourism
Bachelor of Applied Management.
Currently completing Master of Business Administration
Sports Development Committee; Risk & Audit Committee
Janine works as an Industry Development Manger for the Visitor Economy Partnership in Gippsland. Janine joined the Board in November 2024 by election of the VTPC members. She has held previous voluntary roles on the APF Board prior to 2015. A past Chief Instructor of a boutique tandem operation, Janine is a passionate instructor, competitor and advocate for the sport and continues to maintain that passion as an active member with Commandos Sport Skydiving club. Janine is currently exploring new work opportunities having worked as the Industry Development Manager for 12 years in Gippsland tourism, and has been a committee member for Gippsland Women in Business for 14 years. Janine is keen to contribute to an APF that fosters opportunities for all members and is a healthy, growing and vibrant organisation into the future.

Riss Anderson

Qualifications
Special responsibilities
Experience

Qualifications: B. HSc; MSW
Governance Committee; Sport & Development Committee
Riss joined the board in 2024, bringing nearly 20 years of skydiving experience, including 12 years as a full-time tandem and AFF instructor. A dedicated competitor and coach, having represented Australia at five World Parachuting Championships. Passionate about sport development and promoting participation, striving to inspire and grow the skydiving community. With a diverse and adventurous career, Riss thrives on taking on new challenges. She has built houses, taught English, and worked overseas before owning and managing a busy health clinic in Brisbane. Then skydiving came along and changed everything. Recently, she completed a master's degree and transitioned into the AOD sector.

Member's Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1.00 towards meeting any outstanding obligations of the company.

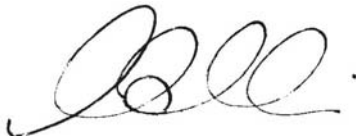
Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2025 has been received and can be found on page 5 of the financial report.

Operating Result

The surplus for the year amounted to \$124,846 (2024: \$202,996 surplus).

Signed in accordance with a resolution of the directors:



Trevor Collins – Chair

Dated this 1st Day of May 2026

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Australian Parachute Federation Limited

As lead engagement partner, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit



Crowe Audit Australia



John Zabala FCA
Partner

1 May 2026
Brisbane

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Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2025

	Note	2025	2024
		\$	\$
Revenue	2.4, 2.5	4,848,197	4,726,603
Other income	4	946,090	401,938
Employee expense		(1,292,240)	(1,222,472)
Depreciation and amortisation expense		(180,891)	(183,177)
Other expenses	5	(4,196,310)	(3,519,896)
Surplus/(Deficit) for the year		124,846	202,996
Total comprehensive income attributable to members		124,846	202,996

Statement of Financial Position

As at 31 December 2025

		2025	2024
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,061,915	780,748
Trade and other receivables	7	30,885	166,943
Prepayments	8	931,274	935,020
TOTAL CURRENT ASSETS		<u>2,024,074</u>	<u>1,882,711</u>
NON-CURRENT ASSETS			
Property, Plant and equipment	9	751,510	488,883
Intangibles	9	210,206	224,648
Financial assets		1	1
TOTAL NON-CURRENT ASSETS		<u>961,717</u>	<u>713,532</u>
TOTAL ASSETS		<u>2,985,791</u>	<u>2,596,243</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	495,937	441,582
Lease Liabilities	13	101,502	90,743
Provisions	11	182,161	134,222
Income in advance	12	350,268	396,376
Other liabilities	12	127,697	158,164
TOTAL CURRENT LIABILITIES		<u>1,257,565</u>	<u>1,221,087</u>
NON-CURRENT LIABILITIES			
Lease Liabilities	13	652,109	426,267
Provisions	11	17,638	15,033
Income in advance	12	82,624	82,847
TOTAL NON-CURRENT LIABILITIES		<u>752,371</u>	<u>524,147</u>
TOTAL LIABILITIES		<u>2,009,936</u>	<u>1,745,234</u>
NET ASSETS		<u>975,855</u>	<u>851,009</u>
EQUITY			
Retained earnings		975,855	851,009
TOTAL EQUITY		<u>975,855</u>	<u>851,009</u>

Statement of Changes in Equity
For the Year Ended 31 December 2025

2025

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2025	851,009	851,009
Surplus/(Deficit) for the year	124,846	124,846
Balance at 31 December 2025	975,855	975,855

2024

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2024	648,013	648,013
Surplus/(Deficit) for the year	202,996	202,996
Balance at 31 December 2024	851,009	851,009

Statement of Cash Flows

For the Year Ended 31 December 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from operations	5,803,313	5,027,686
Payments to suppliers and employees	(5,325,508)	(4,792,742)
Interest received	4,392	6,009
Interest paid - lease liabilities	(56,044)	(22,684)
Net cash provided by/(used in) operating activities	14 <u>426,153</u>	<u>218,269</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and other assets	(88,287)	(108,242)
Proceeds/(Purchase) of Investments	-	-
Net cash provided by/(used in) investing activities	<u>(88,287)</u>	<u>(108,242)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds (Repayments) of borrowings	-	(13,802)
Proceeds (Repayments) leasing liabilities	(56,699)	(90,225)
Net cash provided by/(used in) financing activities	<u>(56,699)</u>	<u>(104,027)</u>
Net increase/(decrease) in cash and cash equivalents held	281,167	6,000
Cash and cash equivalents at beginning of year	780,748	774,748
Cash and cash equivalents at end of financial year	6 <u>1,061,915</u>	<u>780,748</u>

Notes to the Financial Statements

For the Year Ended 31 December 2025

The financial statements cover Australian Parachute Federation Limited as an individual entity, incorporated and domiciled in Australia. Australian Parachute Federation Limited is a not-for-profit Company limited by Guarantee, incorporated under the *Corporations Act 2001*. The financial statements were authorised for issue as of the date shown on signing of the Director's Report.

The functional and presentation currency of Australian Parachute Federation Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated. When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

1 Basis of Preparation

The Directors have prepared the financial statements on the basis that the Company is not a reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements and have been prepared to meet the reporting requirements of the *Corporations Act 2001*. The company is a not-for-profit entity for the financial reporting purpose under the Australian Accounting Standards.

The financial statements do not consolidate the company's subsidiaries because, in the opinion of the Directors, the significant cost of doing so outweighs any potential benefits. Additionally, it is unlikely that there are users of the financial statements who require consolidated reports for their needs.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards (except for the requirements set out in AASB 10 *Consolidated Financial Statements*) and Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest whole dollar.

2 Summary of Material Accounting Policies

2.1. Income Tax

The Company is exempt from income tax under Division 50-1 of the *Income Tax Assessment Act 1997* (ITAA 1997) as a company established for the encouragement of a game or sport.

2.2. Goods and Services tax (GST)

Revenue, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

2.3. Sub-Committees

The Company has delegated some non-regulatory sport parachuting activities at a local level to seven regional councils. These Councils operate as 'Sub-Committees' of the Company.

2.4. Revenue from contracts with customers

The Company derives revenue primarily from memberships, licence and qualification services, and other related activities. Revenue is recognised when, or as, the Company satisfies its performance obligations by transferring the promised services to customers, in an amount that reflects the consideration to which the Company expects to be entitled.

Membership and qualification revenue is recognised over the period to which the membership or qualification relates, as the services are provided evenly over time. Where membership or qualification fees are received in advance, the portion relating to future periods is recognised as income in advance and deferred until the relevant service period.

Revenue from other services is recognised at the point in time when the service has been delivered and the customer obtains control of the service.

The timing of payment generally aligns closely with the satisfaction of performance obligations. Any differences result in the recognition of contract assets or contract liabilities.

Revenue from life memberships is recognised over a 20-year period, reflecting the period over which services are provided. The effect of discounting has been assessed as immaterial and has not been applied.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Summary of Material Accounting Policies (cont.)

2.5. Revenue and other income

2.5.1 Government Grants

Government grants received without “sufficiently specific” promises to be delivered are recognised as revenue when the Company obtains control over the grant which is usually upon receipt of funds.

Government grants received with specific obligations are recognised as revenue when obligations are met. That proportion of monies received which relates to outstanding obligations at the end of the reporting period is brought to account in the statement of financial position as income in advance.

2.5.2 Other Income

Interest received is recognised using the effective interest method.

Trust distributions are recognised when the right to receive them has been established.

Other income is recognised when the related goods or services have been provided and the income has been earned.

2.6. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits and short-term highly liquid investments with original maturities of three months or less.

2.7. Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Most sales are made on the basis of normal credit terms and do not bear interest. Where credit is extended beyond normal credit terms and is more than 12 months, receivables are discounted to present value where material. Discounting is omitted where the effect of discounting is immaterial.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

2.8. Leased Assets

For any new contracts entered, the Company considers whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The asset is measured at cost and consists of the initial measurement of the lease liability, any initial direct costs incurred, an estimate of costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date.

The Company depreciates the asset on a straight-line basis from lease commencement date to the earlier of the end of useful life of the asset or the end of the lease term. The Company also assesses the asset for impairment when such indicators exist.

At commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or market rates available at commencement for a loan commensurate with the liability.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the associated asset, or profit and loss if the asset is already zero.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Summary of Material Accounting Policies (cont.)

2.9. Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at its cost less any accumulated depreciation and any impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses relate to revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of plant and equipment is depreciated on a straight-line basis. Depreciation commences from the time the asset is available for its intended use.

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

Class of Fixed Asset:	Depreciation Rate
Office furniture and equipment	10%,20% and 33.33%
Membership System	20%
Right-Of-Use Assets	10%

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

2.10. Trade and Other Payables

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

2.11. Provisions

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.

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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cashflows are discounted using market yields on the national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions to all superannuation plans for the benefit of employees of the Company are charged to profit and loss during the financial period in which they are incurred. Amounts due at the end of the reporting period but not yet paid are included with employee benefits in the statement of financial position under the trade and other payables.

2.12. Public liability insurance

The annual premium is expensed in the year to which it relates. That portion of the expense which relates to the period after the reporting date is brought to account in the statement of financial position as prepayments.

2.13. Aggregate deductible

As part of arrangements with its insurers the Company is required to set aside each year an amount referred to as the "aggregate deductible" to cover claims and legal fees for the year. The Parachuting Protection Trust (of which Parachuting Protection Company is the trustee) holds the accumulated unspent balance of these monies and has agreed to indemnify the Company for any claims and legal fees deemed payable from those funds.

The aggregate deductible is expensed proportionately over the year to which it relates. That proportion of the expense which relates to the period after the reporting period is included in the statement of financial position as prepayments and the proportion of the expense unpaid at the end of the reporting period is included in the statement of the financial position payables.

Notes to the Financial Statements

For the Year Ended 31 December 2025

2 Summary of Material Accounting Policies (cont.)

2.14. Distribution from PAC and PPC Trusts

Distributions from PAC and PPC Trusts are made to the Company for the purpose of funding Australian teams attending World Parachuting Championships and for projects to assist the sport of parachuting in Australia.

3 Critical Accounting Estimates and Judgments

Those charged with governance evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Company.

Extension options for leases

When the Company has the option to extend a lease, management uses judgement to determine whether the option is **reasonably certain** to be exercised. In making this assessment, management considers all relevant facts and circumstances, including the importance of the underlying asset to the Company's operations, past practice, and the costs that would be incurred to replace the asset if the option were not exercised.

At 31 December 2025, lease liabilities recognised in the Statement of Financial Position include amounts relating to lease extension options that management has assessed as reasonably certain to be exercised. As a result of this judgement, lease liabilities of \$753,611 (2024: \$516,010) have been recognised, comprising \$101,502 classified as current liabilities and \$652,109 classified as non-current liabilities.

Other key estimates and underlying assumptions are:

- Useful life of assets (see note 2.9); and
- Provision for employee entitlements (see note 2.11)

4 Other Income

	2025	2024
	\$	\$
Trust Distributions	402,831	291,740
Trust Contributions - IT	-	100,130
Other Income	-	10,068
Lease Termination Gain	45,842	-
Refund-Prior Year Aggregate	497,417	-
	946,090	401,938

5 Other Expenses

Insurances	(2,346,205)	(2,323,273)
Competition and Teams	(90,452)	(143,984)
Sport Development	(143,012)	(99,752)
Sub-Committee Expenses	(202,909)	(220,100)
Finance Costs	(56,044)	(22,684)
Conferences & Meetings	(141,232)	(85,386)
Distributions to APTAC	(498,518)	(13,245)
Special Projects - IT	(59,705)	(48,661)
General & Administration	(383,120)	(335,423)
Club Rebate	(136,036)	(117,978)
Board & Nat. Officer Expenses	(33,803)	(38,115)
Safety & Training	(93,584)	(48,356)
Other Expenses	(11,690)	(22,939)
	(4,196,310)	(3,519,896)

6 Cash and Cash Equivalents

Cash at bank and in hand	675,990	469,532
Sub-Committee cash at bank (constrained from general purpose use)	385,925	311,216
	1,061,915	780,748

Notes to the Financial Statements

For the Year Ended 31 December 2025

7 Trade and Other Receivables

	2025 \$	2024 \$
Trade receivables	30,885	111,913
Other receivables	-	55,031
	30,885	166,943

8 Other Assets

CURRENT		
Prepaid Aggregate Deductible	458,333	458,334
Prepaid Insurances	403,060	389,144
Other Prepayments	69,881	80,262
WIP	-	7,280
	931,274	935,020

9 Property, Plant and Equipment

	Furniture & Fixtures	IT Systems	Right of Use Assets	Intangibles	Total
	\$	\$	\$	\$	\$
Gross carrying amount					
Balance at 1 January 2025	163,839	608,226	931,817	44,189	1,748,071
Additions	15,129	54,468	811,960	18,689	900,246
Disposals	-	-	(931,817)	-	(931,817)
Balance at 31 December 2025	178,968	662,694	811,960	62,878	1,716,500
Depreciation and impairment					
Balance at 1 January 2025	(146,124)	(423,314)	(460,648)	(4,453)	(1,034,539)
Disposals	(12,098)	(74,852)	(81,196)	(12,747)	(180,893)
Depreciation expense	-	-	460,648	-	460,648
Balance at 31 December 2025	(158,222)	(498,166)	(81,196)	(17,200)	(754,784)
Carrying amount at 31 December 2025	20,746	164,528	730,764	45,678	961,716

Note 9 totals comprise Property, plant and equipment and Intangibles only. The \$1 shown as 'Financial assets' on the Statement of Financial Position is presented separately and is not included in the Note 9 totals.

Notes to the Financial Statements

For the Year Ended 31 December 2025

10 Trade and other payables

	2025	2024
	\$	\$
Trade payables	434,152	408,118
GST payable	26,121	16,746
Withholding taxes payable	35,664	16,718
	495,937	441,582

11 Provisions

CURRENT		
Provision for Annual Leave	101,281	82,525
Provision for Long Service Leave	80,880	51,698
	182,161	134,222
NON-CURRENT		
Provision for Long Service Leave	17,638	15,033
	17,638	15,033

12 Income in advance

CURRENT		
Membership Fees received in advance	315,088	329,129
Club Deposits	127,697	158,164
Other Income in advance	35,180	67,247
	477,965	554,540
NON-CURRENT		
Membership Fees received in advance	82,624	82,847
	82,624	82,847

Notes to the Financial Statements

For the Year Ended 31 December 2025

13 Leases

The Company has a single lease for its office premises. During the year, the Company exercised its option to renew the lease and entered into a new lease agreement for a further five-year term commencing on 21 January 2025 and expiring on 20 January 2030, with an option to extend the lease for an additional five years at the end of the lease term. The lease was remeasured using an incremental borrowing rate of 7.23% p.a. The remeasurement resulted in a non-cash increase in the right-of-use asset of \$340,791 (including \$1,650 direct costs) and a corresponding non-cash increase in the lease liability of \$293,299. A \$45,842 lease termination gain was recognised in other income.

On the Statement of Financial Position, the lease is recognised as a right-of-use asset within property, plant and equipment and a corresponding lease liability. The Company classifies its right-of-use assets consistently with its property, plant and equipment (see Notes 2.8 and 2.9).

The lease permits the Company to sublet part, but not the whole, of the premises with the lessor's consent. The Company is prohibited from selling or pledging the underlying leased asset as security. The lease requires the Company to maintain the premises in a good state of repair and to redecorate the premises at the end of the lease term.

The following table describes the nature of the Company's lease.

	Remaining lease term	Extension Option	Option to Purchase	Variable Payments linked to an index	Termination Option
Office Building	4 Year	Yes	No	No	No

Depreciation, additions and the carrying amount of right-of-use assets are presented in Note 9. Lease Liabilities are disclosed in the Statement of Financial Position and interest paid on lease liabilities is presented in the Statement of Cash Flows.

The lease liabilities are secured by the related underlying assets.

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Variable lease payments related to outgoings and services are not recognised as lease liabilities and are expensed as incurred. Redecoration costs on lease expiry have not been recognised as a liability as they are considered immaterial.

Notes to the Financial Statements

For the Year Ended 31 December 2025

14 Cash Flow Information

14.1. Reconciliation of result for the year to cashflows from operating activities

	2025	2024
	\$	\$
Reconciliation of net income to net cash provided by operating activities:		
Surplus/(Deficit) for the year	124,846	202,996
Non-cash flows in profit:		
- depreciation	180,891	183,177
- depreciation and other non-cash adjustments	(47,492)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	136,058	(145,188)
- (increase)/decrease in prepayments	3,746	(54,688)
- increase/(decrease) in trade and other payables	54,355	38,782
- increase/(decrease) in income in advance	(76,795)	50,341
- increase/(decrease) in provisions	50,544	(57,151)
Cashflows from operations	<u>426,153</u>	<u>218,269</u>

Non-cash lease remeasurement: During the year, the Company remeasured its office lease on exercise of an extension option. The resulting increase (\$45,842 + \$1,650) in right-of-use assets of \$340,791 and increase in lease liabilities of \$293,299 were non-cash transactions and are excluded from the statement of cash flows. Financing cash flows include only cash lease principal repayments of \$56,699, and operating cash flows include interest paid on lease liabilities of \$56,044.

15 Financial Risk Management

15.1. Financial Risk Management Policies

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 2 to the financial statements.

The Company's financial instruments consist of deposits with banks, accounts receivable and payable. The main risks the Company is exposed through its financial instrument are interest rate risk, credit risk and liquidity risk.

15.2. Credit Risk

The Company monitors credit risk by actively assessing the rating quality and liquidity of counter parties. Most of the operating income of the Company is from membership activities for which no credit terms are allowed. Receivables from trusts of which the Company is a beneficiary are payable and have historically been paid on request. Grant funds are receivables under enforceable contracts.

15.3. Liquidity Risk

The Company manages liquidity risk by the regular monitoring of actual operating income and expenses against budgets and ensuring that adequate funds are available to meet financial obligations as they fall due. Trade and other creditors and accruals are expected to be settled on normal commercial terms.

15.4. Interest Rate Risk

Interest rate risk for the financial assets is managed by the Company selecting interest earning investments in financial institutions which are regulated by the Australian Prudential Regulation Authority. Exposure to interest on financial liabilities is limited to credit card facilities (used for purchase of travel and other regular expenses).

There are no unrecognised financial assets or liabilities.

A sensitivity analysis has not been undertaken for the interest rate risk of the Company as it has been determined that the possible impact on profit and loss or total equity from fluctuations in interest rates is immaterial.

Notes to the Financial Statements

For the Year Ended 31 December 2025

16 Fair value measurement of financial instruments

The carrying amounts of the current receivables and current payables are considered to be a reasonable approximation of their fair value.

17 Contingent Liabilities

17.1. Claims

There are a series of liability claims in process against the Company that fall under the public liability cover. The amount of each claim cannot be reliably estimated but are expected to be within the indemnity provided by the aggregate deductible and public liability cover.

18 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company.

19 Fees paid to auditor

	2025	2024
	\$	\$
Audit of Financial Statements	16,247	15,334
Other Services	-	92
	<hr/> 16,247	<hr/> 15,426

Other services include travel costs and searches incurred.

20 Events after the reporting period

No adjusting events have occurred between the 31/12/2025 and the date of resolution passed by the directors.

Australian Parachute Federation Limited

Directors' Declaration

In the opinion of the Directors the financial report as set out on pages 6 to 18:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the *Corporations Act 2001* requirements to prepare and distribute financial statements to the members of Australian Parachute Federation Limited;
- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards as described in note 1 to the financial statements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2025 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:

A handwritten signature in black ink, appearing to read 'T. Collins', with a small dot at the end of the line.

Trevor Collins – Chair

Dated this 1st Day of May 2026

Independent Auditor's Report

To the Members of Australian Parachute Federation Limited

Opinion

We have audited the special purpose financial report (the financial report) of Australian Parachute Federation Limited (the Company) which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the Company's financial position as at 31 December 2025 and of its financial performance for the year then ended.
- (b) Complying with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation to Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

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The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Director Report for the year ended 31 December 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the needs of the members and the *Corporations Act 2001* 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.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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 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 the audit.

Crowe Audit Australia

Crowe Audit Australia



John Zabala FCA
Partner

Brisbane
1 May 2026