Annual Financial Statements

The Sir Henry Royce Foundation
ABN 78 519 381 393
For the year ended 30 June 2026

Prepared By: Ian Oliver CPA

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Compilation Report

The Sir Henry Royce Foundation
For the year ended 30 June 2026

Compilation report to the Trustees of The Sir Henry Royce Foundation

I have compiled the accompanying special purpose financial statements of The Sir Henry Royce Foundation ("the Foundation"), which comprise the balance sheet as at 30 June 2026, the profit and loss statement for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide financial information to the trustees of the Foundation.

The Responsibility of the Trustees

The trustees of the Foundation are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared. The trustees are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

My Responsibility

On the basis of information provided by the trustees, I have compiled the accompanying special purpose financial statements in accordance with the basis of accounting described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

I have applied my expertise in accounting and financial reporting to compile and present the financial statements in accordance with the basis of accounting described in Note 1. I have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, I am not required to verify the accuracy or completeness of the information provided to me by the trustees to compile these financial statements. Accordingly, I do not express an audit opinion or a review conclusion on these financial statements.

Restriction on Use and Distribution

The special purpose financial statements were compiled exclusively for the benefit of the trustees of the Foundation. I do not accept responsibility to any other person for the contents of the special purpose financial statements.



Ian Oliver CPA

Dated: 19th September 2026

Profit and Loss

The Sir Henry Royce Foundation
For the year ended 30 June 2026

	2026	2025
Income		
Donations & Bequests	264,515.63	219,434.01
Entry Fees & Storage	10,330.72	9,335.08
Interest Received	3,718.09	2,624.39
Sales	26,604.72	18,195.87
Other Income	145.46	-
Total Income	**305,314.62**	**249,589.35**
Cost of Sales		
Cost of Goods Sold	4,098.97	964.54
Total Cost of Sales	**4,098.97**	**964.54**
Gross Income	**301,215.65**	**248,624.81**
Operating Expenses		
Bank Fees	374.66	373.06
Depreciation Fixed Assets	4,246.00	7,716.00
Heritage Vehicle Expenses	5,112.61	10,905.08
Insurance	8,302.35	8,490.43
Printing & Stationery	482.72	2,032.84
Rent	176,400.00	176,400.00
Repairs and Maintenance	33,350.00	1,409.09
Subscriptions	867.02	484.56
Trophies & Awards	6,219.80	7,769.80
Internet, Website & Hosting Services	8,523.30	526.95
Postage	742.71	1,418.91
Volunteers Expenses	-	274.45
Lodgement Fees	427.00	727.00
Consultants	900.00	7,269.85
Total Operating Expenses	**245,948.17**	**225,798.02**
Net Profit	**55,267.48**	**22,826.79**

Balance Sheet

The Sir Henry Royce Foundation
As at 30 June 2026

	30 JUNE 2026	30 JUNE 2025
Assets		
Current Assets		
Cash at Bank	133,018.32	89,273.26
GST Refund Due	21,272.83	17,864.43
Prepaid Rental	79,281.82	79,281.82
Stock on Hand	-	3,374.24
Term Deposit Investment Account	100,000.00	100,000.00
Total Current Assets	**333,572.97**	**289,793.75**
Fixed Assets		
Plant, Equipment & Improvements - at cost	114,625.99	98,386.00
Less Accumulated Depreciation	(82,379.00)	(78,133.00)
Total Fixed Assets	**32,246.99**	**20,253.00**
Non-current Assets		
Cultural Assets - at Market Value	1,591,200.00	1,661,553.00
Buildings - at Registered Valuers Market Valuation	1,865,000.00	1,860,000.00
Total Non-current Assets	**3,456,200.00**	**3,521,553.00**
Total Assets	**3,822,019.96**	**3,831,599.75**
Liabilities		
Current Liabilities		
Accounts Payable	1,523.88	1,018.15
Total Current Liabilities	**1,523.88**	**1,018.15**
Total Liabilities	**1,523.88**	**1,018.15**
Net Assets	**3,820,496.08**	**3,830,581.60**
Equity		
Retained Earnings	3,830,581.60	3,807,754.81
Current Year Earnings	55,267.48	22,826.79
Reduction in Market Value of Non-current Assets	(65,353.00)	-
Total Equity	**3,820,496.08**	**3,830,581.60**

Notes to the Financial Statements

The Sir Henry Royce Foundation
For the year ended 30 June 2026

1. Statement of Significant Accounting Policies

Basis of Preparation

The Sir Henry Royce Foundation ("the Foundation") is a charitable trust established by deed and is a registered charity. The trustees have determined that the Foundation is not a reporting entity because there are no users who are dependent on general purpose financial statements. Prior to the year ended 30 June 2025 the Foundation had endeavoured to prepare general purpose financial statements; the trustees have determined that general purpose financial statements are not required and that special purpose financial statements are appropriate to meet the needs of the trustees, who are the intended users.

These special purpose financial statements have been prepared solely to satisfy the trustees' financial reporting requirements. The trustees have determined that the accounting policies adopted are appropriate to meet those needs.

The financial statements have been prepared on an accruals basis and are based on historical costs, except for certain non-current assets that are carried at valuation as described below, and do not otherwise take into account changing money values or current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

Income Tax

The Foundation is a registered charity and is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. Accordingly, no provision for income tax has been made in these financial statements.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable after selling expenses. Cash donations, gifts and bequests are recognised as revenue when received. Where non-cash donations are received, such as cultural items, revenue is only recognised when an item is sold. Interest revenue is recognised on an accruals basis using the effective interest method. All revenue is stated net of the amount of goods and services tax (GST).

Non-Current Assets at Valuation

Land and buildings are carried at market value as determined by a registered valuer. The carrying amount is reviewed by the trustees to ensure it does not materially differ from market value at the reporting date.

The Foundation holds a collection of cultural, historical and heritage significance ("the Collection"), comprising motor vehicles and other cultural assets, which is recognised on the balance sheet at trustees' valuation:

- Motor vehicles are carried at values determined for insurance purposes. All motor vehicles are held as part of the Collection for their cultural, historical and heritage significance.
- Other cultural assets comprise more than 5,000 items. These items are categorised by asset type and are recorded at estimated values determined by the trustees, in some cases grouped by category of asset rather than valued individually. These valuations represent the trustees' best estimate of value at the reporting date.

The detailed valuation methodology and category arrangements for the Collection are set out in the Foundation's Valuation Policy, which has been applied consistently with the previous financial year. In adopting this policy the trustees have had regard to the collective input and recommendations of the trustees, and to the Council of Australasian Museum Directors paper, *Framework for the Valuation of Public Sector Collections for General Purpose Financial Accounts* (November 2018). The trustees note that this Framework was developed for general purpose financial accounts and have elected to apply its principles to the Collection to enhance transparency and accountability, rather than because the Foundation is required to do so.

Revaluation of Non-Current Assets

Non-current assets carried at valuation are revalued with sufficient regularity to ensure their carrying amount does not differ materially from their value at the reporting date. The Foundation does not maintain an Asset Revaluation Reserve. Increases and decreases in the carrying amount arising on revaluation, or on sale of the asset, are recognised directly in equity for the year in which they arise, and form part of the opening equity balance of the following year. The balance of the former Asset Revaluation Reserve was transferred to the Retained Earnings of the Foundation at 30 June 2025.

For the year ended 30 June 2026 the net decrease in the carrying amount of non-current assets carried at valuation of $65,353, comprising a decrease in Cultural Assets of $70,353 and an increase in Buildings of $5,000, has been recognised directly in equity as a Reduction in Market Value of Non-current Assets.

Depreciation

Land, buildings and the Collection assets (motor vehicles and other cultural assets) are considered to have indefinite useful lives, being items held, maintained and conserved such that their service potential is not diminished over time. Accordingly, these assets are not depreciated and are instead reviewed for impairment.

Plant, equipment and improvements are depreciated on a straight-line basis over their estimated useful lives from the date the asset is held ready for use.

Impairment of Assets

The carrying amount of all assets carried at valuation is reviewed annually by the trustees to ensure it is not in excess of the recoverable amount. Where an asset has been damaged, has deteriorated, or has otherwise suffered a diminution in value, the carrying amount is written down accordingly.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables in the balance sheet are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Trade and Other Receivables

Trade and other receivables are recognised at the amounts receivable as they are due for settlement within 30 days. Collectability is reviewed on an ongoing basis, and a provision for impairment is raised where there is objective evidence that the Foundation will not be able to collect the debt.

Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Foundation prior to the end of the financial year that remain unpaid. These amounts are unsecured and are usually settled within 30 days of recognition.

Comparative Figures

Where required by changes in presentation, comparative figures have been adjusted to conform to changes in presentation for the current financial year. For the year ended 30 June 2025, Telephone & Internet ($143.88) and Internet & Hosting Services ($383.07) are presented together as Internet, Website & Hosting Services ($526.95); Donations are presented as Donations & Bequests; Cultural Motor Vehicles ($470,353) and Cultural Assets Other ($1,191,200) are presented together as Cultural Assets - at Market Value ($1,661,553); and the prior year Asset Revaluation Reserve increase ($16,071) is included within the opening Retained Earnings balance ($3,807,754.81), consistent with the Equity presentation adopted from the current financial year.