

API 2025-26 Annual Report

Acknowledgement of Country



Original artwork from Florence Ash, known culturally as Aunty Floss or Budul Gunyuur – meaning "White Spirit Crocodile"

Canopy Community and API Queensland acknowledges the Traditional Custodians of the lands on which we work, learn, grow and discover. We pay our respects to Elders past and present, and honour their enduring connection to Country, culture, community, children, young people and families.

We recognise the wisdom, guidance and care of First Nations peoples and their important role in nurturing strong pathways for our children and future generations.

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President's Report

The 2025-26 financial year was a significant period of transition for the Australian Post-Tel Institute (Queensland) Limited (APIQ). The organisation entered the year with a broader operating footprint and growing complexity across early education, property, investments, member services and our relationship with Canopy Community. The Board's focus was therefore not simply on continuing growth, but on ensuring that growth was supported by stronger governance, financial discipline and clear accountability.

Leadership transition was an important part of that work. Following the interim leadership provided by Brett Kapernick, Tom Allsop was appointed Chief Executive Officer and commenced on 2 February 2026. Tom joined the organisation immediately following the Board's annual Strategy Day, which provided an important opportunity to align leadership, strategy and governance priorities for the next phase of APIQ's development. I thank Tom for the energy and focus he has brought to the organisation during his first months.

GOVERNANCE AND STEWARDSHIP

During the second half of the year, the Board strengthened its assurance architecture. The appointment of Tom Allsop as Chief Executive Officer in February 2026 provided an opportunity for the Board to undertake a broader review of APIQ's future direction. Building on our annual Strategy Day in January, Directors worked closely with management to assess the organisation's strategic priorities, governance arrangements and operating model to ensure they remained fit for purpose as APIQ's activities continued to expand and diversify.

One of the key outcomes of this review was a decision to strengthen the Board's committee structure. As APIQ's responsibilities grew across early education, property and investment stewardship, member services, community impact and safeguarding, Directors recognised the need for more focused oversight and clearer accountability in several critical areas.

The Board therefore transitioned to a three-committee model comprising the Finance and Audit Committee, the People and Impact Committee, and the Quality, Risk and Safeguarding Committee. Risk oversight was separated from Finance and Audit to reflect the increasing importance of enterprise risk, quality assurance and safeguarding. We also reviewed the previous Governance and Environmental, Social and Governance (ESG) arrangements, replacing them with the People and Impact Committee to provide dedicated oversight of workforce capability, culture, leadership, succession, organisational impact and stakeholder outcomes. These changes have strengthened the Board's governance architecture and positioned APIQ to support its 2026-31 strategic direction with greater rigour and accountability.

In May 2026, the Board approved a refreshed Strategic Risk Profile, a Quality and Safeguarding Framework and the organisations Child Safe Organisations Action Plan. The Board also approved the strategic direction for 2026-31 and progressed a more disciplined planning and reporting framework. These changes reflect the standards of governance required for an organisation with regulated services, significant assets and increasing community responsibilities.

A year of disciplined transition, stronger stewardship and clearer direction

FINANCIAL PERFORMANCE, MEMBERS AND PROPERTY

Preliminary management reporting at 30 June 2026 recorded consolidated revenue of approximately $6.401 million, an EBITDA loss of approximately $3.637 million and a loss after tax of approximately $3.432 million. Lower than forecast early education-related revenue was the principal pressure on performance. While APIQ retains substantial net assets, the year reinforced that sustainable performance must come from stronger recurring operations, not reliance on asset values or one-off transactions.

The Board also undertook a more detailed review of member services and the holiday home portfolio. Member engagement informed strategic pathways approved in May 2026, with the objective of preserving contemporary member value while reducing the cost and complexity of legacy models that are no longer sustainable.

Property stewardship remained a major focus. The organisation progressed the future pathway for 160 Wharf Street and commenced its public sales campaign, while identifying a more suitable future support office location. Burly Residences also moved through a substantial year of delivery. APIQ became the owner of both project sites in August 2025. By June 2026, construction had reached level six and project reporting recorded 57 sales representing approximately $244.7 million in gross revenue. The Board and Finance and Audit Committee continued close oversight of project financing, feasibility, construction risk and APIQ's contractual exposure.

SUPPORTING CANOPY COMMUNITY

APIQ's support for Canopy Community continued to translate our longstanding community purpose into a contemporary charitable model. Canopy Community's Board acknowledged a $2.0 million donation from APIQ associated with the February 2026 childcare acquisitions, and on 30 June 2026, APIQ provided a letter of comfort expressing its intention to provide financial support for a further 12 months, subject to APIQ's solvency, capacity, constitutional powers, directors' duties and required approvals.

OUR FUTURE FOCUS

Looking ahead, our focus is not simply on improving performance. It is on ensuring that APIQ's assets, member legacy, organisational capability and community partnerships are stewarded in a way that creates enduring value for both members and the communities we serve.



THANK YOU

I thank my fellow Directors for the considerable time, care and judgement they have contributed during a demanding year. I also thank Tom, the Executive Leadership Team and every member of our workforce for supporting children, families, members and one another while significant change has been underway.

Most importantly, I thank our members. More than a century of member commitment created the organisation we steward today. Our responsibility is to honour that legacy by ensuring APIQ remains financially sustainable, well governed and capable of creating meaningful value for members and communities into the future.

Claire Johnston
President
Australian Post-Tel Institute (Queensland) Limited

Chief Executive Officer's Report

I commenced as Chief Executive Officer on 2 February 2026, midway through a year in which APIQ was managing significant operational growth, a complex property and investment portfolio, evolving member services and the establishment of Canopy Community as a separate charitable operating entity.

My first priority was to establish a clear view of the organisation's financial, operational and governance position and then focus effort where it would make the greatest difference. This led to a structured stabilisation program, a more regular executive accountability rhythm and a sharper focus on the drivers of performance.

STABILISATION AND OPERATING DISCIPLINE

From February to June, work concentrated on financial visibility, childcare occupancy, quality and safeguarding, workforce capability, systems, risk, property and member services. We strengthened finance and quality capability, introduced more consistent operating and occupancy reviews, progressed technology and telecommunications improvements, commenced HR and payroll replacement planning and strengthened corporate policies and procedures.

The objective was not change for its own sake. It was to establish reliable organisational disciplines so that decisions are based on better information, responsibilities are clear and issues are identified earlier.

EARLY EDUCATION, QUALITY AND SAFEGUARDING

APIQ's three controlled childcare businesses at Milton, Dakabin and Ormiston remained a major focus. Occupancy was below target across parts of the portfolio and childcare fee income finished approximately $897,000 below budget. In March 2026, we introduced a structured Occupancy Uplift Plan supported by centre-level demographic, marketing and enrolment analysis. The work identified specific opportunities at each service and linked occupancy improvement to family experience, enquiry conversion, centre leadership and workforce planning.

At the same time, we strengthened the organisation's approach to child safety and quality. The Board-approved Quality and Safeguarding Framework established a common assurance cycle of identifying risk, implementing controls, monitoring evidence, reporting transparently and improving practice. Child safety must be visible in governance, recruitment, supervision, family communication, property, technology and daily service delivery, not treated as a stand-alone compliance activity.

Strengthening the foundations and turning strategy into disciplined delivery

STRATEGY, MEMBERS AND MAJOR ASSETS

The Board approved the strategic direction for 2026-31 and, in May 2026, strategic pathways for member services and holiday homes. This followed detailed consideration of how APIQ can preserve member value in a market where many traditional benefits are now widely available through commercial providers.

We also progressed major property priorities. The public sale campaign for 160 Wharf Street commenced, future support office accommodation was shortlisted and Burly Residences advanced from basement works into vertical construction. APIQ's governance of Burly remained active throughout the year through project control reporting, financial and legal review, external quantity surveying and Board oversight.

FINANCIAL DISCIPLINE AND CANOPY COMMUNITY

Preliminary management accounts recorded revenue of approximately $6.401 million, an EBITDA loss of approximately $3.637 million and a loss after tax of approximately $3.432 million. The result makes the next phase clear: we need stronger recurring performance through occupancy growth, workforce efficiency, procurement, expenditure control, forecasting and more decision-useful reporting.

APIQ also provided material support to Canopy Community during its first substantial operating year, including the $2.0 million donation acknowledged by its Board and a letter of comfort on 30 June 2026. We have also begun formalising the corporate and enabling support shared between the entities.



LOOKING AHEAD

The priorities for 2026-27 are practical and measurable: improve underlying financial performance, lift occupancy without compromising quality, implement the member services and holiday home pathways, complete major property initiatives, embed child-safe practice, modernise corporate systems, progress the future entity structure and maintain disciplined oversight of Burly Residences.

Much of the work in the second half of 2025-26 was about creating stronger foundations. The next year must demonstrate what those foundations enable. I thank Claire and the Board for their support and challenge, our leadership team and workforce for their commitment, and APIQ's members for the legacy we are privileged to carry forward.



Tom Allsop
Chief Executive Officer
Australian Post-Tel Institute (Queensland) Limited

About APIQ and our Controlled Entities

Australian Post-Tel Institute (Queensland) Limited is a company limited by guarantee with a history extending for more than 100 years. The organisation has evolved considerably over that time. In 2025-26, APIQ's activities included member services, holiday accommodation, property and investment stewardship, corporate and enabling services, and ownership of three controlled entities operating early childhood education and care businesses. The three entities forming part of the APIQ consolidated group are:

ENTITY	OWNERSHIP	PRINCIPAL ROLE DURING 2025-26
A.P.I. Promotions Pty Ltd >	100%	Childcare operating entity associated with the Canopy Milton operation
Canopy Dakabin Pty Ltd >	100%	Operator of Canopy Early Education Dakabin
Canopy Ormiston Pty Ltd >	100%	Operator of Canopy Early Education Ormiston

The same three companies were disclosed as APIQ's wholly owned subsidiaries at 30 June 2025, and they continued to form the controlled-entity group in planning for 2026-27. The operating activities of APIQ during 2025-26 can broadly be understood across five connected areas:

1. MEMBER SERVICES AND LEGACY
APIQ continued to provide services and benefits to members while undertaking a strategic review of the future of member services.

2. EARLY EDUCATION
APIQ's controlled entities continued to operate the Milton, Dakabin and Ormiston childcare businesses during the financial year.

3. PROPERTY AND INVESTMENT
APIQ continued to steward significant property interests and investments, including its participation in the Burly Residences development and the rationalisation of legacy property assets.

4. CORPORATE AND ENABLING CAPABILITY
APIQ provided leadership, finance, governance, payroll, technology, communications, property, procurement, risk and other support functions across its activities, and in support of Canopy Community.

5. COMMUNITY PURPOSE AND STRATEGIC STEWARDSHIP
APIQ continued developing the mechanisms through which its member legacy, assets and commercial capability can enable broader community impact.

RELATIONSHIP WITH CANOPY COMMUNITY

Canopy Community Ltd is a separate legal entity and is not one of the three APIQ controlled entities covered by this consolidated annual report. References to Canopy Community throughout this report are included where APIQ's financial support, shared services, governance arrangements or strategic decisions are relevant to understanding APIQ's own activities. The service delivery, charitable outcomes, early education operations and financial performance of Canopy Community will be presented separately in the Canopy Community Ltd Annual Report 2025-26.

2025–26 at a Glance

AREA	2025–26 MILESTONE
Leadership >	Tom Allsop appointed as Chief Executive Officer (commenced 2 February 2026).
Member governance >	APIQ's 102nd AGM was held on 26 November 2025.
Board committees >	Three-committee governance model in operation: Finance and Audit; People and Impact; Quality, Risk and Safeguarding.
Safeguarding >	Quality and Safeguarding Framework and Child Safe Organisations Action Plan approved by the Board on 27 May 2026.
Risk >	Refreshed Strategic Risk Profile and new Operational Risk Profile approved.
Member services >	Member engagement commenced and future member services and holiday home pathways approved by the Board.
Early education >	APIQ continued to operate three controlled childcare entities at Milton, Dakabin and Ormiston.
Wider Canopy network >	Toowoomba joined Canopy in September 2025. Karalee and Underwood joined in February 2026 through Canopy Community.
Occupancy >	A structured portfolio-wide Occupancy Uplift Plan introduced in March 2026.
Property >	Public sales campaign commenced for 160 Wharf Street and future head office options progressed. Completed sale of Palm Beach, Kangaroo Point and Eastern Heights property assets.
Burly Residences >	APIQ became owner of both project sites in August 2025. By June 2026 the structure had reached level six, and June 2026 project reporting recorded 57 sales at $244.7m gross revenue, with the full construction facility in place.
Community giving >	API and Canopy's 2025 Christmas Appeal collected approximately 1,500 donated items and created more than 500 gifts for women, children and families.
Financial performance >	Preliminary management reporting recorded $6.401 million revenue, EBITDA loss of approximately $3.637 million and loss after tax of approximately $3.432 million, subject to final audit and year-end adjustments.
Canopy Community support >	APIQ issued a 12-month letter of comfort on 30 June 2026 and progressed longer-term financial and corporate support arrangements.

2025-26: Key Milestones

PERIOD	KEY 2025-26 DEVELOPMENTS
July to September 2025 >	Main works at Burly moved through basement excavation. APIQ became owner of both Burly project sites on 8 August.
October to December 2025 >	Burly completed excavation to Basement 4 and received an updated October valuation. APIQ held its 102nd AGM on 26 November. Tom Allsop was announced as incoming CEO in December.
January to March 2026 >	Tom commenced as CEO on 2 February. A structured stabilisation program and Occupancy Uplift Plan were implemented, alongside strengthened child safety training and organisational health work.
April 2026 >	The People and Impact Committee and Quality, Risk and Safeguarding Committee commenced. The strategic direction for 2026-31 was approved and translated into a stronger planning framework. Burly reached the milestone of structure to ground in early April.
May 2026 >	The Board approved the Quality and Safeguarding Framework, Child Safe Organisations Action Plan, refreshed Strategic Risk Profile and new Operational Risk Profile. Strategic pathways for member services and holiday homes were also approved.
June 2026 >	The public sales campaign for 160 Wharf Street commenced, support office relocation planning progressed and FY27 budget work advanced. At Burly, structure reached Level 6 and project reporting recorded 57 sales representing approximately $244.7m in gross revenue. APIQ provided Canopy Community with a 12-month letter of comfort at year-end.

The year shifted from expansion to consolidation, clearer accountability and disciplined delivery



Our Year in Review

2025-26 was a year of consolidation, assessment and strengthening for APIQ. With the organisation's growing operational footprint creating greater complexity across finance, people, systems, quality, risk, governance and property, the Board and Executive focused on ensuring organisational infrastructure kept pace with strategic ambition. This included:

- establishing a structured stabilisation program for functions requiring expansion
- strengthening finance, quality, payroll and business services capability
- implementing a dedicated Occupancy Uplift Plan
- commencing member focus groups and stakeholder engagement
- strengthening child safety training and assurance
- establishing clearer Board committee accountabilities
- refreshing strategic and operational risk profiles
- progressing a new Strategic Plan and planning framework
- reviewing information management processes and reducing internal system fragmentation
- commencing HR and payroll system replacement activities
- improving telecommunications and technology infrastructure
- commencing the 160 Wharf Street sales process
- commencing a governance uplift program including Board, committee and policy reforms
- developing a more transparent future relationship between APIQ and Canopy Community.

Member Services and API Leisure & Lifestyle



API Leisure & Lifestyle remains the principal member-facing expression of APIQ's long history.

Members continued to access member benefits, accommodation and other services during the year. At the same time, the Board recognised that the environment in which these services operate has changed significantly.

Digital rewards platforms, commercial accommodation websites, changing travel preferences and a more diverse member base mean that the organisation must continually test whether legacy service models are delivering sufficient value.

During 2025-26 APIQ commenced a structured member engagement process, including expressions of interest for member focus groups. The objective was to better understand what members value today, what should be preserved and where new approaches may deliver greater choice and value.

This work informed an options analysis considered by the Board in May 2026, resulting in approval of future pathways for both member services and the holiday home portfolio.

Implementation will occur progressively during 2026-27 and will be accompanied by direct engagement and communication with members.

The guiding principles underpinning these future pathways are to protect member value, preserve APIQ's identity and history, avoid unnecessary duplication and ensure member services can be sustainably delivered into the future.









Early Education Operations

During the financial year APIQ continued to own three childcare operating subsidiaries: A.P.I. Promotions Pty Ltd, Canopy Dakabin Pty Ltd, and Canopy Ormiston Pty Ltd. Each subsidiary separately operated a childcare centre. The centres form part of the Canopy Early Education brand and provide long day care, early learning and kindergarten programs to children and families.

OCCUPANCY AND SUSTAINABILITY

Occupancy was the most significant operational challenge during 2025-26.

The March 2026 Occupancy Uplift Plan assessed each centre against local demographic demand and identified a substantial difference between current occupancy and the levels expected of strong-performing services. At that point, Milton was operating at approximately 58.7 per cent occupancy, Dakabin at approximately 58.3 per cent and Ormiston at approximately 29.9 per cent.

By the June reporting period, Milton had improved to approximately 66.3 per cent, while Dakabin and Ormiston remained below their respective targets. Across the wider Canopy portfolio, average occupancy remained below the level necessary to consistently generate sustainable returns.

The response has focused on local market positioning rather than a single organisation-wide solution. Actions include stronger enquiry management, local partnerships, digital marketing, improved family communications, conversion monitoring, centre leadership and family retention.

FINANCIAL PERFORMANCE OF EARLY EDUCATION

Childcare fees represented APIQ's largest operating revenue stream in 2025-26. At 30 June, childcare fee revenue was approximately $897,000 below budget.

Milton and Dakabin both generated positive operating contributions before corporate and lease-related allocations, while Ormiston remained a significant area of financial underperformance. This reinforced the importance of the targeted Ormiston remediation activity established during the year.

Workforce expenditure remains the single largest operating cost for the childcare businesses. The challenge for management is therefore to improve wage-to-income performance through occupancy and roster alignment while maintaining high-quality staffing ratios, safe practice, educational quality and workforce sustainability.

QUALITY BEFORE GROWTH

The organisation's future early education strategy is explicitly based on the principle that quality, safety and financial sustainability must advance together.

Canopy Early Education continued to demonstrate a strong commitment to quality and regulatory compliance throughout the year. Assessment and Rating visits were completed at Canopy Dakabin in November 2025 and Canopy Ormiston in March 2026, with both services retaining a rating of Meeting National Quality Standards. These outcomes reflect the dedication of our educators and leaders to maintaining high standards of practice, continuous improvement, and compliance with the National Quality Framework.

The introduction of a formal Quality and Safeguarding Framework means financial and occupancy performance will always be considered, alongside quality outcomes, incidents, complaints, family feedback, workforce indicators, compliance and safeguarding assurance.

Canopy Early Education demonstrated its commitment to child safety and regulatory compliance by achieving 100% completion of the mandatory National Child Safety Foundation Module across the Board, Support Office and Early Education teams, six weeks ahead of the required deadline. This achievement reflects Canopy's proactive approach to strengthening child-safe knowledge, culture and practice across the organisation.





Property and Investment Stewardship

Property has played an important role in building APIQ's financial strength over many decades.

During 2025-26 the Board continued reviewing whether each asset remained aligned with APIQ's future direction, member value, risk appetite and capital requirements.



ASSET RATIONALISATION

The year included property transactions and preparatory work designed to release capital from assets that were no longer central to the organisation's long-term operating model.

The Eastern Heights transaction generated a $750,000 gain recognised within preliminary FY26 management reporting. Canopy Community's Board acknowledged receipt of a $2.0 million donation from APIQ on 13 February 2026 associated with the broader transaction and its acquisition of three childcare services. The final accounting and related-party presentation of these transactions remained subject to year-end audit and adjustment.

The organisation also progressed rationalisation of other legacy property interests during the year including the sale of properties at Palm Beach and Kangaroo Point.

160 WHARF STREET

During the year, the Board determined a pathway for the future of 160 Wharf Street, Spring Hill, and subsequently commenced a public sales campaign.

In parallel, management assessed new support office options better suited to the organisation's future requirements. By June, a preferred accommodation option at Milton had been shortlisted and lease negotiations had commenced.

These activities are designed to reduce the capital tied up in a legacy support office asset, provide a fit-for-purpose working environment and create greater flexibility for future investment and liquidity management.

Burly Residences

Burly Residences remained one of APIQ's most significant property interests during 2025-26. The 101-apartment project at North Burleigh entered the year with main works underway and progressed through a series of important ownership, construction, sales and financing milestones. APIQ received detailed monthly Project Control Group reporting under the Development Agreement, supported by external quantity surveying, construction, sales, feasibility and risk reporting.

OWNERSHIP AND CONSTRUCTION PROGRESS

A significant ownership milestone occurred on 8 August 2025, when the transfer of the second project site was completed and APIQ became the owner of both 264 and 266-268 The Esplanade. This consolidated APIQ's ownership of the project land while the development continued under the agreed Development Agreement and construction arrangements.

MILESTONE	POSITION DURING 2025-26
Basement excavation >	Excavation to Basement 1 was completed on 7 July 2025, Basement 2 on 3 September and Basement 4 on 8 October 2025.
Structure to ground >	Completed on 2 April 2026, marking the transition from basement works into the tower structure.
June 2026 construction position >	Structural works were completed to Level 6, formwork for Level 7 had commenced and basement mechanical, hydraulic, fire and painting works were reported as more than 95 per cent complete.
Next construction phase >	Levels 7 and 8, glazing, waterproofing and lower-level facade works were the next major work fronts.



SALES, VALUE AND MARKET POSITION

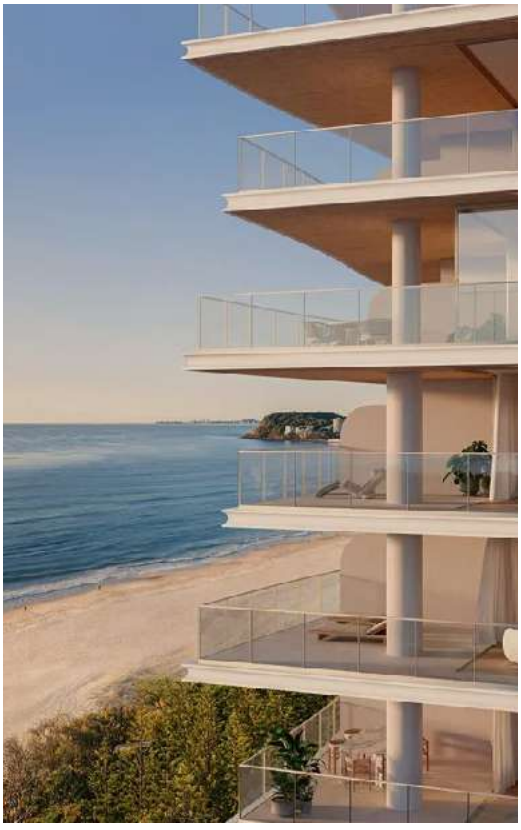
Sales activity continued to strengthen during the year as construction progressed and the project became increasingly visible in the market. By year-end, the project had achieved a substantial level of contracted sales, providing continued support for the development's delivery and financing position.

Independent valuation activity undertaken during the year continued to support the project's overall market position and financing arrangements. APIQ maintained active oversight of sales performance, market conditions and project feasibility through regular Project Control Group reporting and independent advice.

The sales strategy continues to be actively managed as construction progresses, with pricing, release timing and market positioning reviewed having regard to demand, project delivery and prevailing market conditions. Detailed sales values, pricing strategy and forward release assumptions remain commercially sensitive while residences continue to be marketed.

APIQ will continue to monitor sales momentum and the overall project position as part of its ongoing governance of the development, with material movements in feasibility, financing or project risk reported through the Finance and Audit Committee and Board.

MEASURE	JUNE 2026 PROJECT POSITION
Total residences >	101
Construction status >	Structure completed to Level 6
Sales position >	Substantial contracted sales achieved
Project funding >	Full construction facility in place
Market oversight >	Sales strategy and independent valuation monitored through project governance



DESIGN, APPROVALS AND RISK MANAGEMENT

Design documentation for Burly Residences was substantially complete by year-end. Architectural, structural and services documentation had reached issued-for-construction status, full building approval was in place, Queensland Fire and Rescue approvals had progressed and the SEQ Water connection was complete. Final landscape and lift documentation, together with a further minor change application, remained part of the ongoing design coordination process.

The key risks remained consistent with a project of this scale: construction cost escalation and supply disruption, finalisation of provisional sums, program performance and maintaining sales momentum. APIQ's oversight therefore continued to focus on monthly PCG reporting, feasibility movements, financing and guarantee implications, independent quantity surveying, legal review and escalation of material changes to the Finance and Audit Committee and Board.

The 2025-26 year was therefore a material delivery year for Burly. The project moved from below-ground excavation to a visible tower structure, strengthened contracted sales and maintained a fully funded construction pathway, while APIQ continued active governance of its exposure and long-term return.

Supporting Canopy Community

Canopy Community was established to provide a dedicated charitable platform through which community programs, early education initiatives and philanthropic activities could be developed and expanded over time. Its creation was recognised as a significant milestone in the 2024-25 Annual Report. During 2025-26, the organisation progressed from establishment to active operational support, laying the foundations for future community impact and growth.

FINANCIAL AND STRATEGIC SUPPORT

APIQ supported Canopy Community through a combination of financial arrangements, corporate capability and strategic stewardship.

On 30 June 2026, APIQ provided a formal letter of comfort expressing its intention to provide sufficient financial support for a 12-month period, subject to APIQ's continuing solvency, capacity, constitutional powers, directors' duties and appropriate approvals. Canopy Community's Board considered the letter as part of its going-concern assessment.

APIQ also supported the acquisition and establishment of Canopy Community's early education operations during the year.

Canopy Community's Board acknowledged receipt of a $2.0 million donation from APIQ on 13 February 2026, associated with the Eastern Heights land sale and Canopy Community's acquisition of three childcare services.

CORPORATE AND ENABLING SUPPORT

APIQ's corporate capability has also supported Canopy Community across executive leadership, governance, finance, payroll, people administration, communications, marketing, property, procurement, systems, risk, quality and compliance.

Work commenced to document these arrangements more transparently, including clearer recognition of in-kind support, retained responsibilities and separate entity accountability. This will be further formalised in 2026-27.

SEPARATE ACCOUNTABILITY

While APIQ and Canopy Community share strategic relationships and resources, they are separate entities with separate Boards and distinct legal responsibilities. For this reason, Canopy Community's detailed FY26 operating and financial results are not presented as part of this APIQ Annual Report. A separate Canopy Community Ltd Annual Report 2025-26 is available at **canopycommunity.com.au ↗**

Canopy Community applies its own charitable impact framework to distinguish direct benevolent relief, purpose-linked service activity, enabling and ancillary activity, and impact evidence. APIQ's role is to provide financial, strategic and enabling support, while responsibility for applying that framework and demonstrating charitable outcomes remains with the Canopy Community Board.

Governance & Board Committees

A STRONGER GOVERNANCE ARCHITECTURE

The Board continued strengthening its governance arrangements throughout 2025-26. This work recognises the increased scale and complexity of the organisation, including regulated early education services, major property interests, financial and investment obligations, a separate related charitable entity and increasing expectations relating to child safety, risk and accountability. By year-end, three standing Board committees provided specialised oversight.



FINANCE AND AUDIT COMMITTEE

Chair > Aaron Rodman

The Finance and Audit Committee provides focused oversight of APIQ's financial and commercial sustainability. Its work includes financial performance, budgets, cash flow, solvency, external audit, internal financial controls, property, investment, financing arrangements and major commercial matters. During 2025-26, the Committee played an important role in:

- scrutinising financial performance and emerging cash flow pressures
- reviewing the 2026-27 budget and forward financial planning
- considering property and support office matters
- reviewing taxation and related-party arrangements
- oversight of Burly financing and financial exposure
- supporting greater transparency between APIQ and Canopy Community
- strengthening financial reporting and accountability.



PEOPLE AND IMPACT COMMITTEE

Chair > Paula Holden

The People and Impact Committee held its inaugural meeting on 21 April 2026. Its remit brings together leadership, workforce, organisational culture and impact, recognising that people capability and culture are integral to service quality, safety, sustainability and community trust.

- The Committee's remit includes:
- Board and Executive succession planning
- leadership capability and organisational culture
- executive performance and remuneration
- workforce capability and sustainability
- workplace health and safety governance
- employee and stakeholder voice
- organisational impact and community outcomes.

During establishment, the Committee specifically confirmed responsibility for workforce safety metrics, culture and employee sentiment, stakeholder voice, Board nomination and succession, remuneration and CEO performance.

QUALITY, RISK AND SAFEGUARDING COMMITTEE

Chair > Natasha Foster

The Quality, Risk and Safeguarding Committee commenced in April 2026 with its establishment representing a significant strengthening of APIQ's governance model. The Committee provides Board-level oversight of:

- enterprise and strategic risk
- quality assurance and continuous improvement
- regulatory compliance
- safeguarding and Child Safe Standards
- incidents and systemic control failures
- insurance and risk transfer
- emerging risks including cyber and technology
- internal assurance activity.

During its first months, the Committee reviewed and endorsed the refreshed Strategic Risk Profile, Quality and Safeguarding Framework and Child Safe Organisations Action Plan for progression to the Board. The creation of dedicated safeguarding governance is particularly significant given APIQ's involvement in early education and the wider organisational commitment to creating environments in which children are safe, heard and respected.

Quality, Risk and Safeguarding

A WHOLE-OF-ORGANISATION APPROACH

During 2025-26, APIQ moved towards a more integrated approach to quality, risk and safeguarding.

The Quality and Safeguarding Framework establishes an assurance cycle based on five stages:

Identify.	Control.	Monitor.	Report.	Improve.

It recognises that quality and safeguarding are not solely operational responsibilities. The Board establishes expectations and risk appetite, the QRS Committee provides assurance, the Executive owns implementation, management leads compliance and improvement, and every employee, educator, contractor, volunteer and partner has responsibilities for safe practice.

The framework also provides a more structured basis for future reporting across:

- child safety and organisational response
- regulatory quality and compliance
- children and family experience
- workforce and culture
- environments and organisational systems.

This work positions APIQ to respond proactively to Queensland's evolving child safety and reportable conduct environment during 2026-27.

People, Culture and Organisational Capability

Significant organisational change can place increased demands on people. Throughout 2025-26, particular attention was given to strengthening capability in areas that had become increasingly important as APIQ grew. Priority recruitment was progressed across finance, payroll, business services and quality, including the appointment of a new Chief Financial Officer and additional quality and executive support capability.

Management also commenced work on:

- a new HR and payroll solution
- improved employee information and records
- clearer policies and procedures
- better information management
- technology and connectivity upgrades
- strengthened leadership and reporting rhythms
- more systematic workforce and succession planning.

The People and Impact Committee will provide Board oversight of workforce sustainability, wellbeing, culture and leadership through 2026-27.

Community Connection and Member Legacy

APIQ was founded on connection, mutual support and a belief in communities looking after one another. Although the organisational structures through which that purpose is delivered are changing, the principle itself remains central.





CHRISTMAS GIVING 2025

One of the most visible examples during the year was the annual Christmas Gift Appeal jointly supported by API and Canopy.

The 2025 appeal collected approximately 1,500 donated items, which were collated into more than 500 gifts for women, children and families.

The gifts included:

- 50 gifts for The Pyjama Foundation
- 350 gifts for Women's Legal Service Queensland
- 100 gifts for The Lady Musgrave Trust.

API members, employees, Canopy families, community partners and local organisations all contributed.

The initiative continued a strong tradition reflected in the previous annual report, where the 2024 campaign also delivered more than 1,500 gifts.

As Canopy Community develops its dedicated philanthropic and community impact role, APIQ will increasingly focus on how its member legacy, networks and financial strength can enable sustainable impact rather than relying solely on one-off activities.

Financial Performance

PRELIMINARY MANAGEMENT RESULTS AT 30 JUNE 2026

MEASURE	PRELIMINARY FY26 RESULT
Consolidated revenue >	$6.401 million
Revenue variance to budget >	$215,000
Operating expenditure >	$10.885 million
Operating expenditure variance to budget >	$3.401 million adverse
EBITDA >	($3.637 million)
Budgeted EBITDA >	($21,000)
Loss after tax >	$3.432 million
Net assets at 30 June 2026 >	$37.158 million

KEY DRIVERS

The primary driver of underperformance was childcare revenue. Childcare fees were approximately $897,000 below budget for the year. This was partially offset by stronger commercial, holiday home and other revenue, including a $750,000 one-off gain recognised on the Eastern Heights land transaction.

Operating expenditure was approximately $3.401 million above budget, including material variances in legal expenses, repairs and maintenance, audit and professional advice, information technology, insurance and childcare consumables.

The result reinforces the importance of addressing APIQ's underlying recurring operating position rather than relying on asset transactions to support reported outcomes.

BALANCE SHEET AND SOLVENCY

Preliminary management reporting recorded net assets of approximately $37.158 million at 30 June 2026. Management's forward cash flow assessment concluded that APIQ was expected to remain solvent and able to meet its obligations throughout the period to 30 June 2027, although the forecast recognised continued operating cash deficits and the importance of capital management and planned asset sales.

Key financial priorities going forward include:

- increasing childcare occupancy
- improving wage-to-income performance
- strengthening procurement and expenditure controls
- improving entity and centre-level financial reporting
- establishing transparent shared-service arrangements with Canopy Community
- maintaining adequate liquidity and reserves
- establishing a disciplined framework for future capital allocation.

In addition to cash holdings, APIQ maintained access to approximately $2.5 million of undrawn banking facilities at year-end, providing additional liquidity and financial flexibility

Looking Ahead to 2026-27

The 2026-27 year will be an important next stage in APIQ's transformation

The focus will move increasingly from establishing frameworks to embedding them in practice and demonstrating measurable improvement.

The 2026-27 operating framework identifies eight connected strategic priorities: being a leading child-safe organisation, delivering early education excellence, evolving integrated neighbourhood hubs, growing with discipline and integrity, strengthening trust and member value, expanding philanthropy and impact, modernising enabling capability and strengthening a thriving workforce.

For APIQ specifically, the key initiatives for 2026-27 are expected to include the following.

1. STRENGTHEN UNDERLYING FINANCIAL SUSTAINABILITY

APIQ will continue shifting the focus of financial management from headline accounting results to the underlying drivers of sustainable performance. This will include tighter cash flow forecasting, centre and entity-level reporting, occupancy performance, wage efficiency, procurement, expenditure controls and clear Board reporting. The 2026-27 budget explicitly recognises that the organisation's underlying operating performance remains dependent on successful delivery of these improvements.

2. LIFT PERFORMANCE AT MILTON, DAKABIN AND ORMISTON

The Occupancy Uplift Plan will continue to provide the framework for improving enrolments, conversion and retention. Particular attention will remain on Ormiston, while sustaining and building performance at Milton and Dakabin. Financial targets will continue to be balanced against educational quality, child safety, family experience and workforce sustainability.

3. EMBED CHILD SAFETY AND SAFEGUARDING

The Board-approved Quality and Safeguarding Framework and Child Safe Organisations Action Plan will move into full implementation. Activities will include quality assurance reporting, control testing, policy renewal, improved incident and complaint reporting, workforce training, child and family voice mechanisms and preparedness for Queensland's Reportable Conduct Scheme.



4. IMPLEMENT THE MEMBER SERVICES TRANSITION

Following the strategic review completed in FY26, APIQ intends to transition member service administration to managed service model, while membership continues to remain with APIQ. The objective is to provide members with broader, contemporary benefits while reducing unnecessary administration and maintaining APIQ's direct relationship with its members.

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5. TRANSITION THE HOLIDAY HOME MODEL

The approved pathway for APIQ's holiday properties will move from review to implementation, including transitioning relevant properties towards permanent residential tenancy arrangements and providing a range of new holiday home options and alternatives for members to access. This reflects the financial performance, condition and competitiveness issues identified across the legacy holiday home portfolio. Member communications and continuity arrangements will remain an important part of implementation.

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6. COMPLETE MAJOR PROPERTY INITIATIVES

APIQ will continue implementing the future pathway for 160 Wharf Street and the associated relocation of support office operations. Capital released through asset rationalisation will be guided by a Board-approved approach to liquidity, reserves, investment and future purpose-led capital allocation.

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7. MAINTAIN DISCIPLINED BURLY GOVERNANCE

APIQ will continue active oversight of Burly through monthly PCG reporting, construction and sales milestones, project feasibility, financing, provisional sums, program movements and the independent quantity surveyor process. Material changes to APIQ's legal or financial exposure, including financing amendments or changes in project risk, will continue to return to the Finance and Audit Committee and Board for consideration.

8. PROGRESS ENTITY CONSOLIDATION

A major structural priority for 2026-27 will be to progress the proposed future ownership of APIQ's three remaining childcare operating businesses. During FY26, external advice examined transferring the childcare businesses or subsidiary shares associated with A.P.I. Promotions Pty Ltd, Canopy Dakabin Pty Ltd and Canopy Ormiston Pty Ltd to Canopy Community. The proposed future-state model is intended to create clearer governance, align early education operations with Canopy Community's charitable operating model and, where approved, align the Canopy Early Education brand and related assets with the operating entity. Any transition remains subject to completion of due diligence, legal and tax advice and the required governance approvals. Further detail is outlined in the Canopy Community Annual Report.

9. FORMALISE SUPPORT FOR CANOPY COMMUNITY

APIQ will further document the financial, corporate and enabling support it provides to Canopy Community. This will include clearer service arrangements, transparent valuation of in-kind support, regular financial reporting and explicit recognition that each entity and Board retains its own accountability. The 30 June 2026 letter of comfort will also require continued monitoring of APIQ's capacity to provide support.

10. ESTABLISH A DISCIPLINED PHILANTHROPIC CAPITAL MODEL

Subject to completion of year-end tax and accounting arrangements, work will continue on establishing appropriate investment and distribution governance for funds contributed to Canopy Community's proposed philanthropic investment corpus. The intention is to convert part of APIQ's accumulated financial strength into a sustainable source of future community impact rather than relying solely on one-off giving.

11. MODERNISE CORPORATE CAPABILITY

APIQ will progress a substantial enabling-services program, including:

- HR and payroll replacement
- ICT managed service transition
- information and records management
- cyber security and technology governance
- corporate policy modernisation
- supplier and procurement review
- improved management reporting
- financial system and control improvements
- clearer organisational delegations and accountabilities.

These changes are critical to ensuring APIQ's corporate infrastructure is proportionate to its responsibilities and future direction.

12. PRESERVE AND CELEBRATE APIQ'S LEGACY

Modernisation does not mean leaving APIQ's history behind. The organisation will continue preserving its records, recognising its Life Members, maintaining member engagement and ensuring that the values which have sustained APIQ for more than a century remain visible in the organisation's future. The task for 2026-27 is to connect that legacy to a sustainable contemporary model, one that combines strong stewardship, member value and meaningful community impact.

Honorary Life Members

The Honorary Life Members list below recognises the generations of people whose service and contribution have helped shape APIQ

F. Robinson (decd)

1937 F.E. Tate (decd)

1947 E.M. Richards (decd)

1955 J.H. Mallyon (decd)

1957 G.E.K. Dixon (decd)

1961 J.J. West (decd)

1965 J.A. Maranta (decd)

1968 E.M. Wood (decd)

1971 C.R. Brown (decd)

1974 B.C. Oehlman (decd)

1975 M.W. Dearlove (decd)

1975 K.F. O'Shaughnessy (decd)

1976 A.C.A. Hansen (decd)

1976 R.K. Mellon (decd)

1978 P. Churchyard (decd)

1978 R. Pacholke (decd)

1979 C.D. Gilbert (decd)

1981 R.A. Baxter (decd)

1983 R.F. Finch (decd)

1986 W.L. Sleaford

1989 R. Bews

1991 J. Hunter

1992 D.N. Harvey

1993 G.T. Kruger

1996 W. Fogarty

1999 R. Green

2003 J. Lucas

2010 M.P. Landy

2015 S.R. Foster

2025 Col Kersnovske

F. Walker (decd)

1943 J.M. Kelso (decd)

1948 C.J. Teitzel (decd)

1955 W.E. Dawes (decd)

1958 C.S. Walsh (decd)

1963 C.H. Fuelling (decd)

1966 A.J.C. Harris (decd)

1969 H.F. Flaskas (decd)

1971 F. Davison (decd)

1975 W.J. Bevan (decd)

1975 R.K. Funch (decd)

1975 A.V. Scaroni (decd)

1976 G. Hawes (decd)

1976 R.A. Wightman

1978 S.P. Mancktelow (decd)

1978 G.J. Poulter (decd)

1979 H.J. Mourney (decd)

1981 J.H. McKain (decd)

1984 W.D. Depper

1988 G.C. Webster

1989 G.F. Scrivener

1992 D.I. MacKenzie

1992 R.J. Clapham (decd)

1993 P. Dinwoodie (decd)

1998 J. McMonagle (decd)

1999 H. Brodie

2005 C. Shambrook (decd)

2011 P.J. Finch (decd)

2019 M. James

2025 Christine Kelly

2025 Denis Dadds

1936 G.H. Gibson (decd)

1944 R.L. Edwards (decd)

1952 V. Kettle (decd)

1956 C.G. Brassington (decd)

1961 W.H.F. Durnford (decd)

1963 A.J.C. Phillips (decd)

1967 B.A. Murphy (decd)

1971 C.E. Rudolph (decd)

1971 J.M. Devon (decd)

1975 S.P.R. St. Johns Biggs (decd)

1975 P.R. McGuire (decd)

1976 L.G. Camp (decd)

1976 E.A. McMillan (decd)

1976 D.G. Worthington

1978 N.F. McCrystal (decd)

1979 D.J. Fossey

1979 D.N.P. Short (decd)

1983 R.K. Warnock (decd)

1985 M.E. Nelson (Cox) (decd)

1988 H.J. Whitmore (decd)

1990 E. Hyland (decd)

1992 R.C. McCosker

1993 R.W. Aarons

1995 L. Ison

1999 J. Cross (decd)

2000 R. Kable

2010 D.K. Ham

2011 D.J. Copson

2025 Dorelle Ryder

2025 Barbara Irvine

Directors' Report

AUSTRALIAN POST-TEL INSTITUTE (QUEENSLAND) LTD AND CONTROLLED ENTITIES DIRECTORS' REPORT

30 June 2026

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Australian Post-Tel Institute (Queensland) Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

DIRECTORS

The following persons were directors of Australian Post-Tel Institute (Queensland) during the whole of the financial year and up to the date of this report, unless otherwise stated:

- **Claire Johnston** (President)
- **Natasha Foster** (Vice-President)
- **Gavin Douglas**
- **Aaron Rodman**
- **Joanne Jessop** (appointed 4 July 2025)
- **Chris Veraa** (appointed 8 July 2025)
- **Jacqui Wilton** (appointed 26 November 2025)
- **Paula Holden** (appointed 26 November 2025)
- **Loryn Feeney** (appointed 12 December 2025)
- **Hilary Knights** (resigned 18 September 2025)

PRINCIPAL ACTIVITIES

During the financial year the principal continuing activities of the consolidated entity consisted of:

- membership services
- leisure & lifestyle benefits to members and non-members, such as:
    - childcare
    - holiday homes
    - discounted buying program
    - social events
    - commercial and residential property
- childcare operations.

DIVIDENDS

Australian Post-Tel Institute (Queensland) Ltd is a company limited by guarantee and is prohibited by the *Corporations Act 2001* from making distributions to members.

REVIEW OF OPERATIONS

The loss for the consolidated entity after providing for income tax amounted to $3.432 million (30 June 2025; loss of $851,567).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year, Australian Post-Tel Institute (Queensland) Ltd completed significant property transactions that reshaped the Company's asset portfolio and strengthened its capital position for future strategic priorities.

The year also marked continued progress in the evolution of the organisation's operating model, including the appointment of a new Chief Executive Officer, implementation of a revised Board committee structure, advancement of member and asset strategies, and provision of strategic and financial support to Canopy Community Ltd as it expanded its charitable and early education operations.

The Company further advanced work to clarify governance, accountability and future operating responsibilities across the wider Canopy group. Other than the matters described above, there were no significant changes in the state of affairs of the Company during the financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to 30 June 2026, the Board and management continued work to refine the future operating model of the wider Canopy group, including consideration of the progressive transition of childcare operations into Canopy Community Ltd. This work seeks to align service delivery and community impact activities within a dedicated charitable operating entity while enabling Australian Post-Tel Institute (Queensland) Ltd to focus on stewardship, asset management, member engagement and long-term sustainability.

The Board also continued to consider the long-term strategy for the Company's remaining asset portfolio and capital resources to ensure they are deployed in a manner consistent with the organisation's purpose and strategic objectives. At the date of this report, no material transactions requiring adjustment to the financial statements have occurred.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

ENVIRONMENTAL REGULATION

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

INFORMATION ON DIRECTORS



Claire Johnston

BBus(IntlBus), MBA, GAICD

Non-Executive President

Claire has over 20 years' experience in customer service leading frontline operations, driving strategy, business improvement, and leading major organisational change and cost reduction programs. In her role as the InfraCo Customer Service Executive at Telstra, she leads a team of passionate customer service professionals serving Wholesale and large Enterprise clients.

Claire is passionate about creating meaningful change in communities. Most notably, she has worked closely with First Nations communities, government agencies, regulators, and financial counsellors to create employment opportunities, address financial hardship, and support sustainable local business models.

Claire holds a degree in International Business and an MBA with a specialisation in strategy, entrepreneurship, and project management. She has been awarded the GAICD qualification by the Australian Institute of Company Directors.

Outside of work, Claire has a blended family of four children with her partner and been an active volunteer for various charities and sporting clubs over many years.



Natasha Foster

BA, LLB, GAICD

Non-Executive Vice-President,
Chair of Quality, Risk and Safeguarding Committee

Natasha Foster is a recognised leader in risk, compliance and governance, with extensive international experience across financial services, telecommunications, technology and the not-for-profit sector.

She brings a broad, cross-sector perspective to advising Boards and executive teams on risk management, governance and regulatory matters, particularly within innovative, high-growth organisations operating across both emerging and established markets. Natasha is valued for translating complex risk and compliance issues into clear strategic advice and practical action.

Natasha holds Bachelor of Arts and Bachelor of Laws degrees and is a Graduate of the Australian Institute of Company Directors (GAICD).



Gavin Douglas

GAICD

Non-Executive Director

Gavin has over 30 years' experience in the IT and digital sectors. Starting his career in the UK working in sales and marketing roles with various companies including Apple and Adobe, he moved from London to Sydney in 1998. After meeting his wife and taking a year out to travel around Australia, they settled in Brisbane in 2001.

Gavin has subsequently held senior sales, channel and program management roles with Microsoft, SAP & Amazon Web Services (AWS). He was recruited to lead the APAC Partner team for cybersecurity startup, Wiz, in June 2022, and is currently providing advice to various startup founders across Australia & New Zealand as they seek to grow their businesses globally.

Outside of work, Gavin has two daughters (both API Little Cribb alumni); one studying at university and one working as a midwife. He is an active member and volunteer with various charities and sporting clubs and has served on IT industry groups including AIIA, Queensland. NET and Women in Digital, a global community dedicated to connecting, educating and empowering women in digital.



Aaron Rodman

BCom, CA, GAICD

Non-Executive Director,
Chair of Finance and Audit Committee

Aaron is an accomplished CFO and Head of Strategy with extensive commercial and leadership experience spanning start-ups through to large corporates.

With over 20 years' experience across a diverse range of sectors including sustainability and recycling, financial services and logistics, Aaron is currently the CFO and COO of Soft Plastic Stewardship Australia. Previous roles include with Containers for Change establishing the container refund recycling scheme in Queensland, as well as eight years in logistics and mining services with ASX-listed company Aurizon.

Aaron is a Chartered Accountant with commerce, accounting and corporate governance qualifications and is a graduate of the Australian Institute of Company Directors.



Chris Veraa

BComm, EMBA, GAICD

Non-Executive Director

Chris is an experienced leader and company director, with a career spanning higher education, government, and media. Currently the Chief Executive Officer of the Queensland Tertiary Admissions Centre (QTAC), Chris oversees university admissions for 17 Queensland institutions and more than 60,000 applicants annually.

Prior to this role, Chris held senior positions with Central Queensland University, Australian Catholic University, and the Victorian Government, as well as roles with the UK government and private sector.

Chris has an EMBA from Queensland University of Technology, a Bachelor of Communication from Griffith University, and is a graduate of the Australian Institute of Company Directors. Chris is also director of the Gregory Terrace Foundation Board and has held previous board and sub-committee appointments with Edmund Rice Education Australia Flexible Schools Ltd and the Presbyterian and Methodist Schools Association

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Joanne Jessop

EMBA, FAICD

Non-Executive Director

Joanne is a skilled, experienced and ethical leader, having held both Director and Executive roles across a broad range of organisations. She brings a strong customer and human rights focus, values-based decision making, strategic expertise and a creative and innovative approach to social challenges.

Joanne joined DVConnect, a crisis response service for people experiencing domestic, family, sexual violence and interpersonal trauma, as Chief Executive Officer (CEO) in 2024. She was most recently the Group CEO for the Vertaview Group of organisations providing services covering disability, employment, community mental health, coordination of services, case management and housing across Qld, NSW and Vic (Multicap, Open Minds, Allinto and Arbourwell). She is currently a director of Tier 1 Community Housing Provider Bric Housing, and a director of Ability Roundtable.

Joanne has an Executive Master of Business Administration from the University of Queensland and is a Fellow of the Australian Institute of Company Directors. She has attended the Stanford University Graduate School of Business to further her knowledge around Social Entrepreneurship and Leading Change and Organisational Renewal. She was one of three inaugural members of the Queensland Independent Remuneration Tribunal and is an alumna of the Social Leadership Australia program.



Paula Holden

FAICD, MBA, B.Man, FCPHR, JP(Qual)

Non-Executive Director,
Chair of People and Impact Committee

Paula is an accomplished Executive and Non-Executive Director with extensive experience across health, education, early learning, and for-purpose organisations. Having worked on both sides of the boardroom table, she brings a unique blend of strategic governance and operational leadership expertise.

A Fellow of both the Australian Institute of Company Directors (FAICD) and the Australian HR Institute (FAHRI), Paula is passionate about building inclusive communities and workplaces where people and purpose thrive.



Jacqui Wilton

MBA, MEdSt, BSc, BEd, GAICD

Non-Executive Director

Jacqui is an experienced system leader with a track record of delivering large-scale reforms in education and public sector contexts. Her expertise spans governance, risk management, regulatory stewardship, and stakeholder engagement, enabling alignment of diverse interests around shared outcomes.

Jacqui is currently Education Excellence Executive at Brisbane Catholic Education where she leads system-wide learning strategies, school support, and educational reforms to improve student outcomes and staff capabilities. She has also held roles as the CEO of Edmund Rice Education, Victorian Schools Limited and CEO of the Queensland Curriculum and Assessment Authority.

Jacqui is a graduate of the Australian Institute of Company Directors and is a passionate advocate for leadership development and governance excellence.



Loryn Feeney

BA, PGDipEd, MAICD

Non-Executive Director

Loryn Feeney is an experienced executive and board director with over two decades of leadership across the aged care, early childhood education, human services, resources and education and training sectors. She has led national workforce and digital transformation initiatives, guided complex governance and divestment processes and delivered programs that strengthen capability, inclusion, and community outcomes.

Her career includes overseeing large-scale workforce reform projects in response to legislative change, developing national training and compliance frameworks and leading innovation in digital learning and workforce planning. Loryn has advised boards and executive teams on risk management, governance reform and strategic alignment in both commercial and not-for-profit environments. Internationally, she has contributed to workforce strategy and capacity-building initiatives across Asia-Pacific and South America, providing her with a global perspective on sector development and community engagement.

Loryn brings strong financial and regulatory acumen, an inclusive boardroom style and a focus on purpose-driven outcomes. Her commitment to equity, sustainability and social impact aligns closely with API's mission to enhance member wellbeing and create long-term community value.

MEETINGS OF DIRECTORS

The number of meetings held of the company's Board of Directors (the Board) during the year ended 30 June 2026, and the number of meetings attended by each director were:

	BOARD MEETINGS ELIGIBLE TO ATTEND	BOARD MEETINGS ATTENDED
Claire Johnston >	12	12
Natasha Foster >	12	12
Gavin Douglas >	12	9
Aaron Rodman >	12	12
Joanne Jessop >	12	10
Chris Veraa >	12	9
Jacqui Wilton >	6	6
Paula Holden >	6	4
Loryn Feeney >	6	5
Hilary Knights >	3	0

INDEMNITY AND INSURANCE PROTECTION FOR DIRECTORS, OFFICERS AND COMPANY SECRETARY

The company maintains a comprehensive insurance program to protect its people, assets, operations, and governance responsibilities. Directors, officers and the company Secretary are covered under a number of policies when acting in good faith and within the scope of their duties.

Directors, officers and the company secretary are covered by the organisation's governance, liability and cyber insurance arrangements while undertaking approved duties on behalf of the organisation.

Insurance supports, but does not replace, directors' duties under the *Corporations Act 2001*, ACNC Governance Standards and the Board Charter.

MEMBERS GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. I If the company is wound up, each member is required to contribute an amount not exceeding $1.00 towards the payment of the company's debts and liabilities, in accordance with the constitution.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report. This report is made in accordance with a resolution of directors, pursuant to section 292(2)(a) of the *Corporations Act 2001*.

On behalf of the directors,



Claire Johnston
President



Aaron Rodman
Director

28 October 2026



Closing Statement

For more than a century, APIQ has adapted to changing generations, industries and communities. The 2025-26 year has been another important period in that evolution. It has required us to confront areas where performance must improve, strengthen governance and organisational capability, clarify the relationship between our entities and make deliberate choices about where APIQ should direct its resources in the future.

We enter 2026-27 with stronger foundations, a clearer governance framework and a renewed understanding of the responsibility that comes with stewarding the assets, history and purpose entrusted to us by generations of API members.

Our ambition is straightforward: to preserve what matters from our past, strengthen the organisation we have today and use APIQ's resources responsibly to create enduring value for members and the wider community.

Australian Post-Tel Institute (Queensland) Limited
ABN 57 064 558 210





Financial Statements and Independent Audit

Australian Post-Tel Institute (Queensland) Ltd and controlled entities

ABN 57 064 558 210

Annual Report - 30 June 2026

Australian Post-Tel Institute (Queensland) Ltd and controlled entities
Directors' report
30 June 2026

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Australian Post-Tel Institute (Queensland) Ltd (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors
The following persons were directors of Australian Post-Tel Institute (Queensland) Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Claire Johnston (President)
Natasha Foster (Vice-President)
Gavin Douglas
Aaron Rodman
Joanne Jessop (appointed 4 July 2025)
Chris Veraa (appointed 8 July 2025)
Jacqui Wilton (appointed 26 November 2025)
Paula Holden (appointed 26 November 2025)
Loryn Feeney (appointed 12 December 2025)
Hilary Knights (resigned on 18 September 2025)

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of:
- membership services
- leisure & lifestyle benefits to members & non-members, such as:
  - childcare
  - holiday homes
  - discounted buying program
  - social events
  - commercial & residential property
- Childcare operations.

Dividends
Australian Post-Tel Institute (Queensland) Ltd is a company limited by guarantee and is prohibited by the Corporations Act 2001 from making distributions to members.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $3,431,955 (30 June 2025: $851,567).

Significant changes in the state of affairs
During the financial year, Australian Post-Tel Institute (Queensland) Ltd completed significant property transactions that reshaped the consolidated entity's asset portfolio and strengthened its capital position for future strategic priorities.

The year also marked continued progress in the evolution of the consolidated entity 's operating model, including the appointment of a new Chief Executive Officer, implementation of a revised Board committee structure, advancement of member and asset strategies, and provision of strategic and financial support to Canopy Community Ltd as it expanded its charitable and early education operations.

The consolidated entity further advanced work to clarify governance, accountability and future operating responsibilities across the wider Canopy group.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
Subsequent to 30 June 2026, the consolidated entity:

- Completed the sale of its property located at 160 Wharf Street for consideration of $8.0 million. Settlement of the sale occurred on 30 September 2026.
- Settled the 30 June 2026 borrowing balance of $702,757

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Claire Johnston - BBUS(INTL BUS), MBA, GAICD
Claire has over 20 years' experience in customer service leading frontline operations, driving strategy, business improvement, and leading major organisational change and cost reduction programs. In her role as the InfraCo Customer Service Executive at Telstra, she leads a team of passionate customer service professionals serving Wholesale and large Enterprise clients.

Claire is passionate about making difference in the Community. Most notably, she has worked with First Nations Communities, Government, Regulators, and Financial counsellors to create jobs, address financial hardship, and support local sustainable business models.

Claire holds a degree in International Business and an MBA with a specialisation in strategy, entrepreneurship, and project management. She has been awarded the GAICD qualification by the Australian Institute of Company Directors.

Outside of work, Claire has a blended family of four children with her partner and been an active volunteer for various charities and sporting clubs over many years.

Non-Executive President

Natasha Foster - BA, LLB, GAICD
Natasha Foster is a recognised leader in risk, compliance and governance, with extensive international experience across financial services, telecommunications, technology and the not-for-profit sector.

She brings a broad, cross-sector perspective to advising Boards and Executive teams on risk management, governance and regulatory matters, particularly within innovative, high-growth organisations operating across both emerging and established markets. Natasha is valued for translating complex risk and compliance issues into clear strategic advice and practical action.

Natasha holds Bachelor of Arts and Bachelor of Laws degrees and is a Graduate of the Australian Institute of Company Directors (GAICD).

Non-Executive Vice-President, Chair of Quality, Risk and Safeguarding Committee

Gavin Douglas - GAICD
Gavin has over 30 years' experience in the IT and digital sectors. Starting his career in the UK working in sales and marketing roles with various companies including Apple and Adobe, he moved from London to Sydney in 1998. After meeting his wife and taking a year out to travel around Australia, they settled in Brisbane in 2001.

Gavin has subsequently held senior sales, channel and program management roles with Microsoft, SAP & Amazon Web Services (AWS). He was recruited to lead the APAC Partner team for cybersecurity startup, Wiz, in June 2022, and is currently providing advice to various startup founders across Australia & New Zealand as they seek to grow their businesses globally.

Outside of work, Gavin has two daughters (both API Little Cribb alumni); one studying at university and one working as a midwife. He is an active member and volunteer with various charities and sporting clubs and has served on IT industry groups including AIIA, Queensland.NET and Women in Digital, a global community dedicated to connecting, educating and empowering women in digital.

Non-Executive Director

Aaron Rodman - BCom, CA, GAICD
Aaron is an accomplished CFO and Head of Strategy with extensive commercial and leadership experience spanning start-ups through to large corporates.

With over 20 years' experience across a diverse range of sectors including sustainability and recycling, financial services and logistics, Aaron is currently the CFO and COO of Soft Plastic Stewardship Australia. Previous roles include with Containers for Change establishing the container refund recycling scheme in QLD, as well as 8 years in logistics and mining services with ASX-listed company Aurizon.

Aaron is a Chartered Accountant with commerce, accounting and corporate governance qualifications and is a graduate of the Australian Institute of Company Directors.

Non-Executive Director, Chair of Finance and Audit Committee

Paula Holden - FAICD, MBA, B.Man, FCPHR, JP(Qual)
Paula is an accomplished Executive and Non-Executive Director with extensive experience across health, education, early learning, and for-purpose organisations. Having worked on both sides of the boardroom table, she brings a unique blend of strategic governance and operational leadership expertise.

A Fellow of both the Australian Institute of Company Directors (FAICD) and the Australian HR Institute (FAHRI), Paula is passionate about building inclusive communities and workplaces where people and purpose thrive.

Non-Executive Director, Chair of People and Impact Committee

Jacqui Wilton - MBA, MEdSt, BSc, BEd, GAICD
Jacqui is an experienced system leader with a track record of delivering large-scale reforms in education and public sector contexts. Her expertise spans governance, risk management, regulatory stewardship, and stakeholder engagement, enabling alignment of diverse interests around shared outcomes.

Jacqui is currently Education Excellence Executive at Brisbane Catholic Education where she leads system-wide learning strategies, school support, and educational reforms to improve student outcomes and staff capabilities. She has also held roles as the CEO of Edmund Rice Education, Victorian Schools Limited and CEO of the Queensland Curriculum and Assessment Authority.

Jacqui is a graduate of the Australian Institute of Company Directors and is a passionate advocate for leadership development and governance excellence.

Non-Executive Director

Loryn Feeney - BA, PGDipEd, MAICD
Loryn Feeney is an experienced executive and board director with over two decades of leadership across the aged care, early childhood education, human services, resources and education and training sectors. She has led national workforce and digital transformation initiatives, guided complex governance and divestment processes and delivered programs that strengthen capability, inclusion, and community outcomes.

Her career includes overseeing large-scale workforce reform projects in response to legislative change, developing national training and compliance frameworks and leading innovation in digital learning and workforce planning. Loryn has advised boards and executive teams on risk management, governance reform and strategic alignment in both commercial and not-for-profit environments. Internationally, she has contributed to workforce strategy and capacity-building initiatives across Asia-Pacific and South America, providing her with a global perspective on sector development and community engagement.

Loryn brings strong financial and regulatory acumen, an inclusive boardroom style and a focus on purpose-driven outcomes. Her commitment to equity, sustainability and social impact aligns closely with API's mission to enhance member wellbeing and create long-term community value.

Non-Executive Director

Chris Veraa - B Comm, EMBA, GAICD
Chris is an experienced leader and company director, with a career spanning higher education, government, and media. Currently the Chief Executive Officer of the Queensland Tertiary Admissions Centre (QTAC), Chris oversees university admissions for 17 Queensland institutions and more than 60,000 applicants annually.

Prior to this role, Chris held senior positions with Central Queensland University, Australian Catholic University, and the Victorian Government, as well as roles with the UK government and private sector.

Chris has an EMBA from Queensland University of Technology, a Bachelor of Communication from Griffith University, and is a graduate of the Australian Institute of Company Directors. Chris is also director of the Gregory Terrace Foundation Board and has held previous board and sub-committee appointments with Edmund Rice Education Australia Flexible Schools Ltd and the Presbyterian and Methodist Schools Association.

Non-Executive Director

Joanne Jessop - EMBA, FAICD
Joanne is a skilled, experienced and ethical leader, having held both Director and Executive roles across a broad range of organisations. She brings a strong customer and human rights focus, values-based decision making, strategic expertise and a creative and innovative approach to social challenges.

Joanne joined DVConnect, a crisis response service for people experiencing domestic, family, sexual violence and interpersonal trauma, as Chief Executive Officer in 2024. She was most recently the Group CEO for the Vertaview Group of organisations providing services covering disability, employment, community mental health, coordination of services, case management and housing across Qld, NSW and Vic. She is currently a director of Tier 1 Community Housing Provider Bric Housing, and a director of Ability Roundtable.

Joanne has an Executive Master of Business Administration from the University of Queensland and is a Fellow of the Australian Institute of Company Directors. She has attended the Stanford University Graduate School of Business to further her knowledge around Social Entrepreneurship and Leading Change and Organisational Renewal. She was one of three inaugural members of the Queensland Independent Remuneration Tribunal and is an alumna of the Social Leadership Australia program.

Non-Executive Director

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full board Attended	Full board Held
Claire Johnston	12	12
Natasha Foster	12	12
Gavin Douglas	9	12
Aaron Rodman	12	12
Joanne Jessop (appointed 4 July 2025)	10	12
Chris Veraa (appointed 8 July 2025)	9	12
Jacqui Wilton (appointed 26 November 2025)	6	6
Paula Holden (appointed 26 November 2025)	4	6
Loryn Feeney (appointed 12 December 2025)	5	6
Hilary Knights (resigned on 18 September 2025)	0	3

Held: represents the number of meeting held during the time the director held office or was a member of the relevant committee.

Indemnity and insurance of officers
The company maintains a comprehensive insurance program to protect its people, assets, operations, and governance responsibilities. Directors, officers and the company Secretary are covered under a number of policies when acting in good faith and within the scope of their duties.

Directors, officers and the company secretary are covered by the organisation's governance, liability and cyber insurance arrangements while undertaking approved duties on behalf of the company.

Insurance supports, but does not replace, directors' duties under the Corporations Act 2001 and the Board Charter.

Indemnity and insurance of auditor
The company has agreed to indemnify its auditors to the extent permitted by law, against any claim by a third party arising from the company's breach of their agreement. The indemnity stipulates that the company will meet the full amount of any such liabilities including a reasonable amount of legal costs.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

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, each member is required to contribute an amount not exceeding $1.00 towards the payment of the company's debts and liabilities, in accordance with the constitution.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Australian Post-Tel Institute (Queensland) Ltd and controlled entities
Directors' report
30 June 2026

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Claire Johnston
President



Aaron Rodman
Director

30 October 2026

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GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY A J WHYTE TO THE DIRECTORS OF AUSTRALIAN POST-TEL INSTITUTE (QUEENSLAND) LIMITED

As lead auditor of Australian Post-Tel Institute (Queensland) Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australian Post-Tel Institute (Queensland) Limited and the entities it controlled during the period.

A J Whyte

Director

BDO Audit Pty Ltd

Brisbane, 30 October 2026

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Australian Post-Tel Institute (Queensland) Ltd and controlled entities
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General information

The financial statements cover Australian Post-Tel Institute (Queensland) Ltd as a consolidated entity consisting of Australian Post-Tel Institute (Queensland) Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Australian Post-Tel Institute (Queensland) Ltd's functional and presentation currency.

Australian Post-Tel Institute (Queensland) Ltd is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 11
301 Coronation Drive
Milton QLD 4064

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 October 2026. The directors have the power to amend and reissue the financial statements.

Australian Post-Tel Institute (Queensland) Ltd and controlled entities
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $	Consolidated 2025 $
Revenue	3	6,400,527	7,458,500
Revaluation gain on investment properties		-	2,538
Other income		847,890	-
Expenses			
Administrative expense		(1,531,091)	(1,588,179)
Employee benefits expense		(5,139,898)	(5,131,881)
Donations	4	(2,000,000)	-
Depreciation and amortisation expense	4	(759,500)	(757,115)
Impairment of assets	13	(776,000)	-
Finance costs	4	(679,354)	(767,568)
Total expenses		(10,885,843)	(8,244,743)
Loss before income tax (expense)/benefit		(3,637,426)	(783,705)
Income tax (expense)/benefit	5	205,471	(67,862)
Loss after income tax (expense)/benefit for the year attributable to the owners of Australian Post-Tel Institute (Queensland) Ltd		(3,431,955)	(851,567)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of land and buildings, net of tax		2,000,286	-
Other comprehensive income for the year, net of tax		2,000,286	213,024
Total comprehensive income for the year attributable to the owners of Australian Post-Tel Institute (Queensland) Ltd		(1,431,669)	(638,543)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australian Post-Tel Institute (Queensland) Ltd and controlled entities
Statement of financial position
As at 30 June 2026

	Note	Consolidated 2026 $	Consolidated 2025 $
Assets			
Current assets			
Cash and cash equivalents	6	305,527	714,278
Trade and other receivables	7	285,402	209,615
Income tax refund due	5	18,136	-
Other		95,499	268,363
Assets classified as held for sale	8	7,750,000	-
Total current assets		8,454,564	1,192,256
Non-current assets			
Inventories	9	205,306,976	146,162,414
Investment properties	10	4,870,495	8,015,000
Property, plant and equipment	11	560,833	7,440,430
Right-of-use assets	12	8,082,498	8,678,214
Intangibles	13	3,098,473	3,874,473
Deferred tax	5	333,375	127,904
Total non-current assets		222,252,650	174,298,435
Total assets		230,707,214	175,490,691
Liabilities			
Current liabilities			
Trade and other payables	14	809,735	662,270
Contract liabilities		109,723	136,045
Borrowings	15	702,757	3,612,625
Lease liabilities	16	301,701	261,365
Income tax	5	-	89,179
Employee benefits	17	318,790	354,145
Total current liabilities		2,242,706	5,115,629
Non-current liabilities			
Lease liabilities	16	8,806,841	9,104,321
Deferred tax	5	666,762	-
Employee benefits	17	52,919	45,648
Financial liabilities	18	181,779,605	122,635,043
Total non-current liabilities		191,306,127	131,785,012
Total liabilities		193,548,833	136,900,641
Net assets		37,158,381	38,590,050
Equity			
Reserves	20	2,590,017	589,731
Retained profits		34,568,364	38,000,319
Total equity		37,158,381	38,590,050

The above statement of financial position should be read in conjunction with the accompanying notes

Australian Post-Tel Institute (Queensland) Ltd and controlled entities
Statement of changes in equity
For the year ended 30 June 2026

Consolidated	Revaluation reserve $	Retained profits $	Total equity $
Balance at 1 July 2024	376,707	38,851,886	39,228,593
Loss after income tax expense for the year	-	(851,567)	(851,567)
Other comprehensive income for the year, net of tax	213,024	-	213,024
Total comprehensive income for the year	213,024	(851,567)	(638,543)
Balance at 30 June 2025	589,731	38,000,319	38,590,050

Consolidated	Revaluation reserve $	Retained profits $	Total equity $
Balance at 1 July 2025	589,731	38,000,319	38,590,050
Loss after income tax benefit for the year	-	(3,431,955)	(3,431,955)
Other comprehensive income for the year, net of tax	2,000,286	-	2,000,286
Total comprehensive income for the year	2,000,286	(3,431,955)	(1,431,669)
Balance at 30 June 2026	2,590,017	34,568,364	37,158,381

The above statement of changes in equity should be read in conjunction with the accompanying notes

Australian Post-Tel Institute (Queensland) Ltd and controlled entities
Statement of cash flows
For the year ended 30 June 2026

	Note	Consolidated 2026 $	Consolidated 2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		6,368,373	8,429,603
Payments to suppliers and employees (inclusive of GST)		(6,458,551)	(7,185,708)
		(90,178)	1,243,895
Interest received		6	305
Interest and other finance costs paid		(679,355)	(767,568)
Income taxes paid		(107,535)	(5,029)
Net cash from/(used in) operating activities		(877,062)	471,603
Cash flows from investing activities			
Payments for property, plant and equipment	11	(159,488)	(141,402)
Payments for intangibles	13	-	(12,270)
Proceeds from disposal of investment properties		3,294,811	-
Proceeds from disposal of property, plant and equipment		500,000	-
Net cash from/(used in) investing activities		3,635,323	(153,672)
Cash flows from financing activities			
Repayment of borrowings	15	(2,909,868)	(329,443)
Repayment of lease liabilities	16	(257,144)	(216,173)
Net cash used in financing activities		(3,167,012)	(545,616)
Net decrease in cash and cash equivalents		(408,751)	(227,685)
Cash and cash equivalents at the beginning of the financial year		714,278	941,963
Cash and cash equivalents at the end of the financial year	6	305,527	714,278

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

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.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial report, the consolidated entity incurred a loss before tax of $3,431,955, and net cash used in operating activities of $877,062 for the year ended 30 June 2026. As at 30 June 2026, current assets exceeded current liabilities by $6,211,858.

The directors believe that the going concern basis of preparation is appropriate for the following reasons:

- As at 30 June 2026, current assets exceeded current liabilities by $6,211,858.
- Included in the loss before tax are the following non-cash or abnormal expenses:
  - Impairment loss of $776,000
  - Donation to Canopy Community Ltd of $2,000,000

Material accounting policy information

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

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Australian Post-Tel Institute (Queensland) Ltd ('company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Australian Post-Tel Institute (Queensland) Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Note 1. Material accounting policy information (continued)

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Childcare fees
Revenue from the rendering of childcare services is recognised over time as performance obligations are satisfied, which is upon delivery of the service, primarily on a daily or monthly basis.

Holiday home rental
Rental income corresponds to all the revenues received from guests/tenants of the holiday homes. The services rendered are distinct performance obligations, for which prices invoiced to the guests/tenants are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room/unit rentals, which is over the stay within the holiday homes, and at a point in time for other services, when they have been delivered or rendered.

Commercial lease
Commercial lease revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Government grants
Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Note 1. Material accounting policy information (continued)

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Australian Post-Tel Institute (Queensland) Ltd (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Note 1. Material accounting policy information (continued)

Inventories
Inventories are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of land and buildings held for development and resale is determined by the specific identification of costs and includes acquisition, development and borrowing costs incurred during the development.

Non-current assets or disposal groups classified as held for sale
Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investment properties
Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the consolidated entity. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured every three years at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is change in use of the property, such as development for intended sale. In this instance, property is reclassified as inventory.

Transfers to and from investment properties to property, plant and equipment, or inventory, are determined by a change in use of owner-occupation or development and intended sale. The fair value on the date of change of use from investment properties is used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on the date of change of use.

Note 1. Material accounting policy information (continued)

Investment properties also include properties under construction for future use as investment properties. These are carried at fair value, or at cost where fair value cannot be reliably determined and the construction is incomplete.

Property, plant and equipment
Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Furniture and fittings	2-10 years
Plant and equipment	2-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Note 1. Material accounting policy information (continued)

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Impairment of non-financial assets
At the end of each reporting period, determination is made whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Borrowing costs
Borrowing costs attributable to qualifying assets are capitalised as part of the asset and amortised of 5 years. All other finance costs are expensed in the period in which they are incurred.

Provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 1. Material accounting policy information (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 2. Critical accounting judgements, estimates and assumptions

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

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

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

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

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	Consolidated 2026 $	Consolidated 2025 $
Revenue from contracts with customers		
Childcare revenue	5,171,081	6,201,933
Membership subscription revenue	161,251	185,292
Rental revenue	589,658	536,181
Other member related revenue	3,603	8,196
Kindergarten funding grant	38,158	215,748
	5,963,751	7,147,350
Other revenue		
Other revenue	436,776	311,150
Revenue	6,400,527	7,458,500

Note 4. Expenses

	Consolidated 2026 $	Consolidated 2025 $
Loss before income tax includes the following specific expenses:		
Depreciation		
Property, plant and equipment	163,784	161,399
Right of use asset	595,716	595,716
	759,500	757,115
Donation paid		
Donation paid to other related party	2,000,000	-
Finance costs		
Interest and finance charges paid/payable on borrowings	124,393	199,363
Interest and finance charges paid/payable on lease liabilities	554,961	568,205
Finance costs expensed	679,354	767,568
Superannuation expense		
Defined contribution superannuation expense	510,657	460,326

Note 5. Income tax

	Consolidated 2026 $	Consolidated 2025 $
Income tax expense/(benefit)		
Current tax	-	107,564
Deferred tax - origination and reversal of temporary differences	(205,471)	(39,702)
Aggregate income tax expense/(benefit)	(205,471)	67,862
Deferred tax included in income tax expense/(benefit) comprises:		
Increase in deferred tax assets	(205,471)	(39,702)
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Loss before income tax (expense)/benefit	(3,637,426)	(783,705)
Tax at the statutory tax rate of 25%	(909,357)	(195,926)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Impairment of goodwill	194,000	-
Non-Taxable Items	605	-
Mutual income/expense adjustment	157,942	-
Deferred tax on losses not recognised	209,466	263,788
Capital gain	571,778	-
Utilisation of prior year tax losses not recognised	(313,912)	-
Under/over from prior year	(162,667)	-
Deferred tax asset not recognised	46,559	-
Sundry items	115	-
Income tax expense/(benefit)	(205,471)	67,862

	Consolidated 2026 $	Consolidated 2025 $
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	7,225	(102)
Employee benefits	80,370	(14,829)
AASB16 Leases	256,511	94,886
Accrued expenses	10,500	48,101
Prepayments	(21,231)	(152)
Deferred tax asset	333,375	127,904
Movements:		
Opening balance	127,904	88,202
Credited to profit or loss	205,471	39,702
Closing balance	333,375	127,904

Note 5. Income tax (continued)

	Consolidated 2026 $	Consolidated 2025 $
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in equity:		
Revaluation of property, plant and equipment	666,762	-
Deferred tax liability	666,762	-

	Consolidated 2026 $	Consolidated 2025 $
Income tax refund due		
Income tax refund due	18,136	-

	Consolidated 2026 $	Consolidated 2025 $
Provision for income tax		
Provision for income tax	-	89,179

Note 6. Cash and cash equivalents

	Consolidated 2026 $	Consolidated 2025 $
Current assets		
Cash on hand	509	700
Cash at bank	305,018	713,578
	305,527	714,278

Note 7. Trade and other receivables

	Consolidated 2026 $	Consolidated 2025 $
Current assets		
Trade receivables	111,390	208,301
Less: Allowance for expected credit losses	(9,616)	-
	101,774	208,301
Other receivables	77,091	1,314
Loan to related party	106,537	-
	285,402	209,615

Note 8. Assets classified as held for sale

	Consolidated 2026 $	Consolidated 2025 $
Current assets		
Land and buildings	7,750,000	-

Note 9. Inventories

	Consolidated 2026 $	Consolidated 2025 $
Non-current assets		
Inventory - Burly Project - work in progress	205,306,976	146,162,414

Inventory - Burly Residence Project
The Burly Residence project development (Burly) is a 101 luxury apartments development located at North Burleigh on Queensland's Gold Coast. The Project consists of two adjoining sites: 264 and 266-268 The Esplanade. All activity is outsourced to a third party developer, Devine. API previously owned 264 The Esplanade and this has been reclassified from investment properties to inventory upon commencement of the project. API acquired 266-268 The Esplanade from the developer in late 2023.

Note 10. Investment properties

	Consolidated 2026 $	Consolidated 2025 $
Non-current assets		
Investment properties - at independent valuation	4,870,495	8,015,000
Reconciliation		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	8,015,000	8,015,000
Disposals	(3,144,505)	-
Closing fair value	4,870,495	8,015,000

Valuations of investment properties
The basis of the valuation of land and buildings is fair value based an independent valuation. The last independent valuation was on 15 January 2024 and based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The independent valuations were based on current prices for similar properties in the same location and condition.

Note 11. Property, plant and equipment

	Consolidated 2026 $	Consolidated 2025 $
Non-current assets		
Land and buildings - at independent valuation	-	7,277,055
Less: Accumulated depreciation	-	(351,259)
	-	6,925,796
Plant and equipment - at cost	231,202	138,286
Less: Accumulated depreciation	(112,603)	(99,828)
	118,599	38,458
Furniture and fittings - at cost	592,634	526,062
Less: Accumulated depreciation	(150,400)	(49,886)
	442,234	476,176
	560,833	7,440,430

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Consolidated	Land and buildings $	Plant and equipment $	Furniture and fittings $	Total $
Balance at 1 July 2025	6,925,796	38,458	476,176	7,440,430
Additions	-	92,916	66,572	159,488
Classified as held for sale (note 8)	(7,750,000)	-	-	(7,750,000)
Disposals	(1,792,349)	-	-	(1,792,349)
Revaluation increments	2,667,048	-	-	2,667,048
Depreciation expense	(50,495)	(12,775)	(100,514)	(163,784)
Balance at 30 June 2026	-	118,599	442,234	560,833

Valuations of land and buildings
The basis of the valuation of land and buildings is fair value based on an independent valuation. The last independent valuation was on 15 January 2024 and based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The independent valuations were based on current prices for similar properties in the same location and condition. The fair value at 30 June 2026 was determined with reference to information obtained as part of the sales process for 160 Wharf Street.

Mortgages are registered on properties – 160 Wharf Street, Brisbane QLD 4000 as security for the borrowings to purchase canopy Ormiston and canopy Dakabin and on 264 The Esplanade, Miami QLD 4220 for the property development agreement.

Note 12. Right-of-use assets

	Consolidated 2026 $	Consolidated 2025 $
Non-current assets		
Land and buildings - right-of-use	9,440,011	9,440,011
Less: Accumulated depreciation	(1,357,513)	(761,797)
	8,082,498	8,678,214

Note 12. Right-of-use assets (continued)

Additions to the right-of-use assets during the year were $NIL and depreciation charged to profit or loss was $595,716.

Note 13. Intangibles

	Consolidated 2026 $	Consolidated 2025 $
Non-current assets		
Goodwill - at cost	3,874,473	3,874,473
Less: Impairment	(776,000)	-
	3,098,473	3,874,473

Impairment
The Group tests annually whether goodwill is impaired. The recoverable amount of the cash-generating units (CGUs) was determined based on value in use calculations using cashflow projections based on financial budgets over a ten-year period. The calculation of value-in-use for the each CGU in the Group is based on the key assumption of occupancy achieved at each Childcare Centre. On this basis, Dakabin has assessed this assumption at an annual average rate of 75%, and Ormiston has assessed this at 43% for the next financial year, increasing to 70% by the year ending 30 June 2029. It has also been assumed that the revenue will increase by 5% year on year. A 9% discount rate has been applied to the value in use calculations.

Note 14. Trade and other payables

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Trade payables	164,957	143,594
Other payables	644,778	518,676
	809,735	662,270

Note 15. Borrowings

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Bank loans	702,757	3,612,625

The bank loans are principal and interest payment loans, repayable in monthly instalments and due to mature in 2027. The bank loans at year end were repaid following the sale of 160 Wharf Street. The variable interest rate is 5.67% (2025: 5.27%).

Note 16. Lease liabilities

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Lease liability	301,701	261,365
Non-current liabilities		
Lease liability	8,806,841	9,104,321
Future lease payments		
Future lease payments are due as follows:		
Within one year	839,237	793,470
One to five years	3,623,138	3,522,623
More than five years	9,615,970	10,555,722
	14,078,345	14,871,815

Company as lessor
Multiple buildings are leased out to members on a short-term basis and non-members on a medium-term basis. However, the total revenue and the asset lease is immaterial to the consolidated entity's assets and revenue. These leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property in the statement of financial position (refer note 10).

Note 17. Employee benefits

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Annual leave	221,444	203,895
Long service leave	97,346	150,250
	318,790	354,145
Non-current liabilities		
Long service leave	52,919	45,648

Note 18. Financial liabilities

	Consolidated 2026 $	Consolidated 2025 $
Non-current liabilities		
Loan - Devine Burleigh Residence Project	181,779,605	122,635,043

API has entered into a facility agreement with the developer to fund the Burly Residence project. The facility agreement requires payment of the obligation out of the proceeds from sale of units in the project. All project costs (including interest) are recognised as part of this liability as incurred by the developer.

Note 19. Issued capital

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 20. Reserves

	Consolidated	
	2026	2025
	$	$
Revaluation surplus reserve	2,590,017	589,731

Revaluation surplus reserve
The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

Movements in reserves
Movements in each class of reserve during the current financial year are set out below:

Consolidated	Revaluation surplus reserve $	Total $
Balance at 1 July 2025	589,731	589,731
Revaluation	2,667,048	2,667,048
Deferred tax	(666,762)	(666,762)
Balance at 30 June 2026	2,590,017	2,590,017

Note 21. Dividends

Australian Post-Tel Institute (Queensland) Ltd is a company limited by guarantee and is prohibited by the Corporations Act 2001 from making distributions to members.

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company, and its network firms:

	Consolidated	
	2026	2025
	$	$
Audit services - BDO Audit Pty Ltd		
Audit of the financial statements	31,000	48,000
Other services - BDO Services Pty Ltd		
Preparation of the financial statements	12,000	12,360

Note 23. Related party transactions

Parent entity
Australian Post-Tel Institute (Queensland) Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 26.

Key management personnel
Disclosures relating to key management personnel are set out in note 24.

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

Transactions with related parties
Australian Post-Tel Institute (Queensland) Ltd (APIQ) provides management, administrative and operational support services to Canopy Community Ltd (Canopy), a separate charitable entity. The entities share executive management personnel and the board members of APIQ are also board members of Canopy. Canopy is not included in APIQ's consolidated reporting group. The nature of the transactions and outstanding balance is described below.

The following transactions occurred with related parties:

	Consolidated 2026 $	Consolidated 2025 $
Sale of goods and services:		
Sale of services to Canopy	280,086	-

Services were provided by APIQ to Canopy to support Canopy's early education and care operations. Charges comprised management and administrative staff costs of $211,408 and operational support costs relating to the Chief Operating Officer and Area Manager of $68,678.

	Consolidated 2026 $	Consolidated 2025 $
Donation paid to Canopy	2,000,000	-

During the year, APIQ made a donation of $2,000,000 to Canopy to fund the acquisition of three childcare centres and support the establishment of Canopy's charitable operating activities. The donation was effected by applying $2,000,000 of the consideration receivable by APIQ from the sale of its Eastern Heights land against the consideration payable by Canopy for the childcare centre acquisitions. The donation is separate from the inter-entity loan balance disclosed below.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated 2026 $	Consolidated 2025 $
Current receivables:		
Loan to Canopy	106,537	-

The loan to Canopy is a result of APIQ assisting Canopy to fund its operations.
The balance owing by Canopy to APIQ is unsecured and interest-free, with no formal loan terms or agreed repayment schedule. Management expects the balance to be repaid within 12 months of the reporting date and, accordingly, it is classified as a current receivable.

Note 24. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated 2026 $	Consolidated 2025 $
Aggregate compensation	808,245	629,577

Note 25. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2026 $	Parent 2025 $
Loss after income tax	(1,849,917)	(527,599)
Total comprehensive income	(1,849,917)	(527,599)

Statement of financial position

	Parent 2026 $	Parent 2025 $
Total current assets	7,991,949	611,766
Total assets	221,876,438	161,742,469
Total current liabilities	1,646,662	1,477,865
Total liabilities	184,104,151	124,120,548
Net assets	37,772,287	37,621,921
Equity		
Revaluation surplus reserve	2,590,017	589,731
Retained profits	35,182,270	37,032,190
Total equity	37,772,287	37,621,921

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments as at 30 June 2026 other than the Burly project as disclosed at note 28.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except Investment in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 26. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	Principal place of business / Country of incorporation	2026 %	2025 %
A.P.I. Promotions Pty Ltd	Australia	100.00%	100.00%
canopy Ormiston Pty Ltd	Australia	100.00%	100.00%
canopy Dakabin Pty Ltd	Australia	100.00%	100.00%

Note 27. Contingent liabilities

The consolidated entity had a contingent liability in the form of a bank guarantee for rental bond security on the performance of its obligations as lessee for canopy Ormiston premises of $116,000 as at 30 June 2026 (2025: $116,000) and canopy Dakabin of $170,500 as at 30 June 2026 (2025: $170,500).

Note 28. Commitments

As noted at note 9, the Group is developing 101 luxury apartments as part of the Burly Project. At 30 June 2026, the estimated remaining costs to complete this project are $238,739,261 excluding GST. This is calculated from forecast total project costs of $420,518,866 less costs to date of $181,779,605 and includes remaining finance charges and interest of $52,922,212. The project is being funded by the developer, Devine, through finance organised by the developer.

Note 29. Events after the reporting period

Subsequent to 30 June 2026, the consolidated entity:

- Completed the sale of its property located at 160 Wharf Street for consideration of $8.0 million. Settlement of the sale occurred on 30 September 2026.
- Settled the 30 June 2026 borrowing balance of $702,757

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Australian Post-Tel Institute (Queensland) Ltd and controlled entities

Consolidated Entity Disclosure Statement

As at 30 June 2026

Entity Name	Entity Type	Country of Incorporation	Ownership Interest	Tax Residency
Australian Post-Tel Institute (Queensland) Ltd	Body corporate	Australia	N/a	Australia
A.P.I. Promotions Pty Ltd	Body corporate	Australia	100%	Australia
canopy Ormiston Pty Ltd	Body corporate	Australia	100%	Australia
canopy Dakabin Pty Ltd	Body corporate	Australia	100%	Australia

The Consolidated entity Disclosure Statement (CEDS) includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Australian Post-Tel Institute (Queensland) Ltd and controlled entities
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors





Claire Johnston
Director

Aaron Rodman
Director

30 October 2026

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INDEPENDENT AUDITOR'S REPORT

To the members of Australian Post-Tel Institute (Queensland) Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Post-Tel Institute (Queensland) Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of Australian Post-Tel Institute (Queensland) Limited, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards – Simplified Disclosures 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 Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, 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.

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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:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group 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 Group or to cease operations, or has 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.

A further description of our responsibilities for the audit of the financial report at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:
https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd





A J Whyte
Director

Brisbane, 30 October 2026

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