

McGARVIE SMITH INSTITUTE

**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2025**

McGARVIE SMITH INSTITUTE

**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2025**

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The financial report covers McGarvie Smith Institute as an individual entity. The financial report is presented in the Australian currency.

The financial report was authorised for issue by the trustees on 11 December 2025. The Trust has the power to amend and reissue the financial report.

McGARVIE SMITH INSTITUTE

TRUSTEES' REPORT

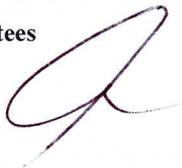
For the year ended 30 June 2025, the Trustees' report the following:

1. a. The Trustees reaffirm the policy of making available the maximum funds to appropriate research projects whilst maintaining a capital base at a level above the rate of inflation. Grants approved and paid this year of \$206,162 were directed to research in the following areas:
 - University of Sydney – multivalent nanoparticle-based vaccine for robust mucosal immune responses against infectious bovine keratoconjunctivitis;
 - University of Sydney – epidemiological surveillance of gastrointestinal nematodes and antiparasitic drug resistance in sheep and cattle;
 - University of Sydney for a study of improving success of in-vitro embryo production using AI;
 - NSW Department of Primary Industries – monitoring the prevalence and development pattern of parasite infection in meat goats in Western regions of NSW;
 - NSW Department of Primary Industries - genomic microbial surveillance: the infectome of NSW dairy calves;
 - NSW Department of Primary Industries – amplicon sequencing;
 - Charles Sturt University – metabolic measures and leptin at puberty as indicators of longevity and health;
 - Charles Sturt University – microbial enhancement for improved compost bedding and dairy cow health;
- b. The maturity dates of the Institute's cash investments have been staggered over the medium term while sufficient short term investments will cover forthcoming commitments and anticipated research applications.
2. With respect to the Financial Report of the Institute:
 - a. The results of the Institute's operations for the year covered by the Income Statement have not been materially affected by items of an unusual character.
 - b. No circumstances have arisen which render adherence to the existing method of valuation of assets or liabilities of the Institute misleading or inappropriate.
 - c. There are no commitments which will become enforceable within the succeeding period of twelve months which will materially affect the Institute in its ability to meet its obligations as and when they fall due.
 - d. Current assets will realise values at which they are shown in the Statement of Financial Position.
 - e. The Income Statement of the Institute is drawn up so as to present fairly the results of the business of the Institute for the year covered by the Financial Report and the Balance Sheet is drawn up so as to present fairly the state of affairs of the Institute at the end of the year.

By and on Behalf of the Trustees

Chairman of Trustees

Sydney



Trustee

Dated: 11 Dec 2025

McGARVIE SMITH INSTITUTE

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025	2024
INCOME		\$	\$
Interest Received			
AMP		7,747	7,655
ATO		0	133
ME Bank		42,082	40,704
Macquarie Bank		11,136	16,414
National Australia Bank		12,061	6,170
Suncorp Bank		0	5
		73,026	71,081
Distributions from Trusts			
Perls VI		-	7,229
		-	7,229
Dividends Received			
Australia and New Zealand Banking Group Limited		7,540	8,649
BHP Billiton Limited		9,451	11,668
Coles Group		3,107	2,082
Commonwealth Bank of Australia		13,442	14,715
CSR Limited		-	4,305
Estia Health Limited		-	4,400
IVE Group Limited		6,633	-
Janus Henderson Group Plc		-	2,356
National Australia Bank		7,855	8,308
National Australia Bank Preference Shares		9,653	-
Origin Limited		3,146	-
Perpetual Limited		4,684	5,342
PM Capital Global Opportunities		3,824	-

**The above statement should be read
in conjunction with the accompanying notes.**

McGARVIE SMITH INSTITUTE

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025
(Continued)**

	Note	2025	2024
		\$	\$
South32 Limited		4,147	1,693
WAM Capital Limited		5,813	11,625
Wesfarmers Limited		13,737	7,983
Westpac Banking Corporation		8,755	11,252
Woodside Petroleum Limited		10,305	9,140
Woolworths Limited		4,323	2,603
Telstra Corporation Limited		4,924	2,888
		121,339	109,009
Other Income			
Refund of Imputation Credits		47,412	45,503
Profit/(Loss) on Sale of Non-Current Assets		154,629	(14,104)
Other Income		-	1,166
		202,041	32,565
TOTAL INCOME		396,406	219,884
EXPENSES			
Audit and Accountancy Fees	2	16,659	19,271
Investment Advice		13,292	12,881
Website Development Costs		6,996	-
Secretarial Fees		28,892	28,188
Sundry Expenses		4,202	5,585
Trustees' Fees		2,767	3,368
TOTAL EXPENSES		72,808	69,293
 OPERATING PROFIT		 323,598	 150,591

**The above statement should be read
in conjunction with the accompanying notes.**

McGARVIE SMITH INSTITUTE

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025
(Continued)**

	Note	2025 \$	2024 \$
OPERATING PROFIT BROUGHT FORWARD		323,598	150,591
LESS: RESEARCH GRANTS			
University of Sydney			
- Multivalent nanoparticle-based vaccine for robust mucosal immune responses against infectious bovine keratoconjunctivitis		(74,580)	-
- Epidemiological surveillance of gastrointestinal nematodes and antiparasitic drug resistance in sheep and cattle		(20,750)	-
- Improving success of in-vitro embryo production using AI		(25,000)	(25,000)
- Refund of Development of recombinant antigen for vaccine, control and prevention of footrot		-	67,372
NSW Department of Primary Industries			
- Gene editing in Australian merino sheep		-	(9,660)
- Monitoring the prevalence and development pattern of parasite infection in meat goats in Western regions of NSW		(30,326)	-
- Genomic Microbial Surveillance: The infectome of NSW dairy calves		(50,000)	(50,000)
- Gene expression study		-	(59,112)
- Amplicon Sequencing		(1,006)	(56,885)
- Spatial Epidemiology and GIS for Enhancing NSW Biosecurity		-	(7,500)
- OJD Sheep Research		-	38,116
Charles Sturt University			
- Metabolic Measures and Leptin at puberty as indicators of longevity and health		(2,500)	(11,000)
- Microbial enhancement for improved compost bedding and dairy cow health		(2,000)	(13,000)
TOTAL RESEARCH GRANTS		(206,162)	(126,668)

**The above statement should be read
in conjunction with the accompanying notes.**

McGARVIE SMITH INSTITUTE

**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025
(Continued)**

	Note	2025	2024
		\$	\$
NET (LOSS)/PROFIT AFTER PAYMENT OF RESEARCH GRANTS		117,436	23,923
Retained Profits at the Beginning of the Financial Year		3,457,170	3,433,247
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		3,574,606	3,457,170

**The above statement should be read
in conjunction with the accompanying notes.**

McGARVIE SMITH INSTITUTE

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	257,746	785,304
Receivables	4	100,880	52,517
Financial Assets	5	1,583,558	1,533,729
TOTAL CURRENT ASSETS		1,942,184	2,371,550
 NON-CURRENT ASSETS			
Financial Assets	5	1,981,738	1,428,439
TOTAL NON-CURRENT ASSETS		1,981,738	1,428,439
TOTAL ASSETS		3,923,922	3,799,989
 CURRENT LIABILITIES			
Payables	6	45,225	38,728
TOTAL CURRENT LIABILITIES		45,225	38,728
TOTAL LIABILITIES		45,225	38,728
NET ASSETS		3,878,697	3,761,261
 EQUITY			
Reserves		304,091	304,091
Retained Profits		3,574,606	3,457,170
TOTAL EQUITY		3,878,697	3,761,261

**The above statement should be read
in conjunction with the accompanying notes.**

McGARVIE SMITH INSTITUTE

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		\$	\$
EQUITY MOVEMENT			
Opening Balance		3,761,261	3,737,338
Current Year Profit/(Loss)		117,436	23,923
Closing Balance		<u>3,878,697</u>	<u>3,761,261</u>

The above statement should be read
in conjunction with the accompanying notes.

McGARVIE SMITH INSTITUTE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest, Dividend and Trust Distributions Received		144,536	193,093
Cash Payments in the course of operations		(67,262)	(69,260)
Grants Paid		(206,162)	(126,668)
Net Cash Provided by/(Used in) Operating Activities	9ii	(128,888)	(2,835)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Investments		306,122	448,262
Payments for Investments		(704,792)	(250,000)
Net Cash Provided by/(Used in) Investing Activities		(398,670)	198,262
NET INCREASE/(DECREASE) IN CASH HELD			
Cash at the Beginning of the Financial Year		785,304	589,877
CASH AT THE END OF THE FINANCIAL YEAR	9i	257,746	785,304

The above statement should be read
in conjunction with the accompanying notes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

1 BASIS OF PREPARATION

The financial report is a special purpose financial report prepared to satisfy the financial report preparation requirements of the McGarvie Smith Institute Incorporation Act, 1928. The trustees have determined that the company is not a reporting entity.

McGarvie Smith Institute is an entity limited by shares, incorporated and domiciled in Australia.

The financial statements were approved by the Trustees on 11 December 2025.

Basis of Preparation

The report has been prepared in accordance with the requirements of the McGarvie Smith Institute Incorporation Act, 1928 and the following applicable Australian Accounting Standards and Urgent Issues Group Interpretations.

- AASB 101 – Presentation of Financial Statements
- AASB 107 – Cash Flow Statements
- AASB 108 – Accounting Policies, Changes in Accounting and Estimates and Errors
- AASB 110 – Events after the Balance Sheet Date; and
- AASB 1031 – Materiality

No other Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a Recognition of Income and Expenditure

With the exception of managed investments in the Bell Potter Portfolio account, income is brought to account when received and expenses are accounted for on an accruals basis.

b Investments

Investments are stated at average cost. The carrying amount of investments is reviewed annually by Trustees to ensure they are not in excess of the recoverable amount of these investments.

McGARVIE SMITH INSTITUTE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

1 BASIS OF PREPARATION (Continued)

c Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a net basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

d Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

e Financial Assets

Financial assets are recorded at average cost.

	2025	2024
	\$	\$

2 AUDITORS REMUNERATION

Total amount received and receivable by the auditors of the Institute for:

• Audit of the financial report – Baker Taylor Pty Ltd	5,532	5,127
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3 CASH AND CASH EQUIVALENTS

Current

Cash at Bank

- Macquarie Cash Management Account	257,527	785,085
- Suncorp Bank	219	219
	257,746	785,304

4 RECEIVABLES

Current

GST Receivable	7,965	7,015
2024 Franking Credit Refund	45,503	45,503
2025 Franking Credit Refund	47,412	-
	100,880	52,518

McGARVIE SMITH INSTITUTE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

5 FINANCIAL ASSETS

	2025	2024
Current	\$	\$
At Call Deposits		
- Members Equity Business Online Savings Account	1,064,641	1,022,559
- AMP Business Saver Account	268,917	261,170
	1,333,558	1,283,729
Term Deposits		
- NAB Term Deposit	-	250,000
- Members Equity Term Deposit	250,000	-
	-	-
TOTAL CURRENT FINANCIAL ASSETS	1,583,558	1,533,729
Non-Current		
<i>Shares in Public Companies (Market Value \$2,731,340)</i>		
- ANZ Banking Group Limited – 3,277 shares	78,083	117,756
- BHP Group Limited - 4,972 shares	121,011	121,011
- Coles Group Limited – 4,503 shares	58,619	33,644
- Commonwealth Bank of Australia Limited – 2,381 shares	99,282	134,850
- IVE Group Limited – 49,354 shares	105,185	-
- National Australia Bank – 3,654 shares	90,158	122,752
- National Australia Bank Preference Shares – 1,931 shares	199,986	-
- Origin Group Limited – 10,485 shares	104,764	-
- Perpetual Limited – 4,109 shares	101,311	101,311
- PM Capital Global Opportunities Fund Ltd – 46,750 shares	104,844	-
- South32 Limited – 43,850 shares	167,291	124,804
- Telstra Corporation Limited – 30,265 shares	105,146	50,113
- WAM Capital Limited - 75,000 shares	175,604	175,604
- Wesfarmers Limited – 3,707 shares	116,508	129,331
- Westpac Banking Corporation – 5,366 shares	104,195	134,875
- Woodside Energy Limited – 5,910 shares	199,348	156,944
- Woolworths Group Limited – 3,179 shares	50,403	25,444
	1,981,738	1,428,439
TOTAL NON-CURRENT FINANCIAL ASSETS	1,981,738	1,428,439
TOTAL FINANCIAL ASSETS	3,565,296	2,962,168

McGARVIE SMITH INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

6 PAYABLES

	2025	2024
Current	\$	\$
Sundry Creditors	45,225	38,728

7 COMMITMENTS

The McGarvie Smith Roy Watts research Masters/PhD Scholarship involves offering one scholarship each year across a range of NSW universities for Masters or PhD students who work in the veterinary or related sciences and their research has a demonstrable benefit to the production livestock industries of NSW. A second scholarship may be offered depending on the quality of the research being undertaken. The institute is committed to spending up to \$10,000 for a scholarship each year. Further commitments will be subject to a review of the scholarship by the trustees on an annual basis.

McGARVIE SMITH INSTITUTE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

a Interest Rate Risk

Interest Rate Risk Exposures

The Institute's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below:

	Note	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Maturing in		Non- Interest Bearing	Total
				1 Year or Less	Over 1 to 5 Years		
			\$	\$	\$	\$	\$
2025							
Financial Assets							
Cash assets	3	2.96%	257,746	-	-	-	257,746
Receivables	4	-	-	-	-	100,880	100,880
Financial Assets	5	7.07%	1,981,738	1,583,558	-	-	3,565,296
Financial Liabilities							
Payables	6					45,225	45,225
2024							
Financial Assets							
Cash assets	3	2.90%	785,304	-	-	-	785,304
Receivables	4	-	-	-	-	52,518	52,518
Financial Assets	5	7.11%	1,428,439	1,533,729	-	-	2,962,168
Financial Liabilities							
Payables	6					38,728	38,728

McGARVIE SMITH INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

8 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (Continued)

b Net Fair Values of Financial Assets and Liabilities

On-Balance Sheet Financial Instruments

The carrying amounts and net fair values of financial assets and liabilities as at the reporting date are as follows:

	2025 Net Fair Value \$	2025 Carrying Amount \$	2024 Net Fair Value \$	2024 Carrying Amount \$
Financial Assets				
Cash assets	257,746	257,746	785,304	785,304
Receivables	100,880	100,880	52,517	52,517
Financial Assets	4,314,898	3,565,296	3,557,363	2,962,168
Financial Liabilities				
Payables	45,225	45,225	38,728	38,728

Cash assets, receivables and payables are not readily traded on organised markets in a standardised form. Financial assets may be readily traded on organised markets in a standardised form.

McGARVIE SMITH INSTITUTE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

9 NOTES TO THE STATEMENT OF CASH FLOWS

- i For the purposes of the Statement of Cash Flows, Cash and cash equivalents includes Cash at Bank.

Cash and cash equivalents as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2025	2024
	\$	\$
Cash at Bank	257,527	785,085
Suncorp Bank	219	219
	<u>257,746</u>	<u>785,304</u>

- ii **Reconciliation of Net Profit to Net Cash Provided by Operating Activities:**

Net Profit/(Loss)	117,436	23,923
Loss/(Gain) on Sale of Financial Assets	(154,629)	14,104
In specie dividend/interest received	(49,828)	(48,360)
Changes in Assets and Liabilities		
Increase/(Decrease) in Payables	6,496	2,256
Decrease/(Increase) in Receivables	(47,412)	7,464
Decrease /(Increase) in GST	(951)	(2,222)
Net Cash Provided by Operating Activities	<u>(128,888)</u>	<u>(2,835)</u>

10 RELATED PARTY DISCLOSURES

The persons who were trustees of the Institute in office during the financial year were:

Dr B.M. Christie (Chair)

Mr S.J. Walker

Mrs H. Brown

Dr R.G. Munro

Dr J.T. Rothwell