

# 2025 Consolidated Annual Report

The Bethanie Group Inc

For the Year ended 30 June 2025  
ABN 60 992 323 648



**Bethanie**





# Annual Report Contents

Chair's Message	3
CEO's Message	4
Financial Performance Overview	6
Environmental, Social and Governance (ESG)	8
Directors' Report	10
Auditor's Independence Declaration	12
Financial Statement Contents	13
Consolidated Statement of Profit and Loss and Other Comprehensive Income	14
Consolidated Statement of Financial Position	15
Consolidated Statement of Cash Flows	16
Consolidated Statement of Changes in Equity	17
Notes to the Consolidated Financial Statements	18
Directors' Declaration	37
Independent Auditor's Report	38



# Chair's Message

On behalf of the Board of Directors, I am pleased to present the 2025 Annual Report for The Bethanie Group Inc ('Bethanie').

The 2025 financial year was one of both reflection and renewal. In September 2024, we marked Bethanie's 70th anniversary, a milestone that celebrated our history and reinforced the values that have guided us for seven decades. From our origins in 1954 to our role today as a leading provider of aged care and retirement living, Bethanie has remained steadfast in its Mission: *to demonstrate the Love of God by positively changing the way Australians experience ageing – every customer, every family, every community, every day.*

For the Board, this anniversary was also an opportunity to reflect on how governance, strategy and stewardship must continue to evolve with the transformation of the aged care sector. The sector is entering the final stages of a period of profound reform with the introduction of strengthened Aged Care Quality Standards and the new Aged Care Act from November 2025. These reforms enshrine dignity, safety, and choice for older Australians, principles that have long been central to Bethanie's approach. The Board strongly welcomes this direction and has ensured the organisation is positioned to lead positive change.

Financial sustainability remains a key priority. Against a backdrop of inflationary pressures and heightened regulatory requirements, the Board has overseen disciplined investment in people, systems, and infrastructure to balance short-term performance with long-term resilience. Our focus has been on strengthening capability and governance frameworks to support Bethanie's ongoing growth and safeguard the trust placed in us by residents, clients, families, and the wider community.

None of this would be possible without the contribution of the people who choose to work with us, and the people who choose us for their care. On behalf of the Board, I extend my deepest gratitude to all staff and volunteers for their integrity, compassion, and commitment, and to our customers and their families for the trust they place in Bethanie. I would also like to thank my fellow Board members for their commitment, insight, and stewardship throughout the year, the Trustees for their continued support, and the Executive Team for their dedication in guiding Bethanie through both challenges and opportunities.

**Looking forward, the Board remains confident that Bethanie is well-positioned to navigate change, embrace opportunity, and continue to deliver on its Mission.**



A handwritten signature in black ink, which appears to read 'D Forsyth'.

**Diana Forsyth**  
Chair of the Board

# CEO's Message

## A year of milestones and celebration

The 2025 financial year has been a year of celebration, achievement and progress for Bethanie.

Our 70th anniversary in September 2024 was a defining moment. Celebrations across our sites with residents, clients, tenants, staff, and volunteers reflected the strength of the community we have built together. At the Bethanie awards night in March, we recognised the dedication of our people, whose values and behaviours demonstrate daily commitment to our Mission. A highlight of the evening was the acknowledgement of Ron Hancock for more than 65 years of volunteer service, supported by his wife Beryl. Ron continues to bring music and joy to residents each week, exemplifying the spirit of service that has underpinned Bethanie since our beginnings in 1954.

On Aged Care Employee Day, we joined others across the nation in acknowledging the critical role of nurses and carers in supporting older Australians and their families. Throughout the year, we also welcomed a steady increase in the number of volunteers, whose companionship and kindness enrich daily life for our residents and clients. Their contribution remains one of the most extraordinary strengths of our community.

We are proud to share that our Voice of Customer results show what happens when small actions are taken consistently: they make a big difference in our customers' day-to-day experience. Since last year, our Net Promoter Score - a widely used and simple measure of how likely our customers are to recommend Bethanie - has risen significantly, with every service line achieving double digit growth and overall results exceeding industry benchmarks. This collective achievement reflects the commitment of everyone at Bethanie. Beyond the numbers, this reflects how our residents truly experience day-to-day life with us: feeling safe and supported in their homes, forming friendships, and experiencing a genuine sense of belonging within our community.

## Welcoming sector reform

Throughout these celebrations, we have continued to prepare for sector reform. We welcomed the strengthened Aged Care Quality Standards and new Aged Care Act, commencing in November 2025. At Bethanie, these reforms reflect practices that have been guiding us for 70 years by ensuring dignity, safety, and choice for every individual.

## Living our Mission every day

Building on the solid foundations of our past, and as a practical expression of what "God's love demonstrated is", we refreshed the Bethanie Behaviours. These behaviours – listen with humility, care with understanding, make connections with purpose, provide a trusted service, and create special moments – represent the values that underpin Bethanie and are the practical expression of our Mission in action. They will guide us as individuals, teams, and as an organisation, strengthening our commitment to advancing Bethanie's Mission in service to our customers and in our care for each other.

## Building for our future

Progress accompanied a year of celebrations.

In early 2025, we located our Support Services Office to Hay Street, West Perth, creating a modern space that enhances collaboration. We also strengthened our commitment to inclusion and respect with the accreditation of our Reconciliation Action Plan by Reconciliation Australia. This milestone affirms our responsibility to deliver care that acknowledges the identity, history, and choices of every individual.

At the same time, we invested in operational capability to prepare for the future. A new people management system was implemented to enhance employee experience and support growth. Integrated resource planning was introduced in residential care to ensure the right people are in the right place at the right time to deliver the right care. Our Workplace Health and Safety team also played a vital role in nurturing a positive and caring

culture, prioritising wellness at work, and offering early help and support so our people feel safe, valued, and able to thrive together.

In our aged care homes, three Memory Support Areas were upgraded to align with best practice dementia design. The redesign improved wayfinding with clear, simple layouts, enhanced natural light and visual access, reduced noise and unnecessary stimulation, and incorporated familiar, homelike features. These improvements help residents feel safer, more comfortable, and better able to navigate their space independently, supporting both wellbeing and quality of life.

In Home Care, we transitioned to a replacement digital platform. Our retirement living portfolio grew during the year with seventeen new independent living units completed at Bethanie Beachside and a further five units commencing construction in July 2025. These homes provide more housing options and nurture vibrant communities where residents can connect, form friendships, and enjoy a supportive place to call home. Importantly, residents benefit from access to Bethanie's Home Care services within our villages, giving them the freedom to live independently with tailored support. Whether through assistance with daily living, personal care, household tasks or other individual needs, our Home Care team ensure residents feel both supported and empowered to live life their way in their own homes.

We are also pleased to report on the progress of our subsidiary, Bethanie Housing Ltd (BHL), which made several significant announcements during the year. In January 2025, the Department of Housing and Works selected BHL to develop and operate a new 90-dwelling community housing development in Mount Lawley. BHL also announced a new residential project in the heart of Fremantle, comprising 50 contemporary apartments thoughtfully designed to meet diverse community needs and further expand our role in creating inclusive, sustainable housing solutions.

## Financial performance

Our financial performance for the 2025 financial year reflects our commitment to delivering sustainable, quality care to our residents, tenants, and customers. Revenue increased from \$200 million to \$224 million, representing a 12 percent uplift, while profit rose from \$1.7 million to \$5 million.

These results were driven by operational improvements, disciplined management, and the continued growth and value of our Villages.

## Executive transitions

During the year, we farewelled two valued members of our Executive Team: Shane Ogilvie, Chief Financial Officer and Chief Executive Officer of BHL, who served for more than six years, and Annie Pathak, Chief Operating Officer, who served for more than five years. We are grateful for their significant contributions and leadership and extend our best wishes for the future.

Looking ahead, we were pleased to welcome Jacqui Hall as Interim Chief Financial Officer and Lindsay O'Sullivan as Interim Chief Executive Officer of BHL. Their leadership will provide stability and fresh perspectives as we continue to strengthen Bethanie's financial and operational position.

## Acknowledgements

I am proud of what we have achieved together in the 2025 Financial Year. My sincere thanks go to our staff, volunteers, customers and their families for their dedication, trust, and support. I would also like to acknowledge the Board for their support and guidance throughout the year, which has been invaluable in enabling us to deliver on our Mission.

**With solid foundations and a clear direction, we look to the future with optimism, confident in our ability to continue positively changing the ageing experience for Western Australians.**



A handwritten signature in black ink that reads "Roule Jones".

**Roule Jones**  
Chief Executive Officer

# Financial Performance Overview FY25

**\$223.8m**  
Total Revenue

**12%** increase compared to prior year



**17** new independent living units completed at Bethanie Beachside making a positive addition to a vibrant community

**\$5.0m**  
net profit in current year

## Our People

**2,545**

Staff

**79%**

Staff Retention Target

**293**

Volunteers

**87.4%**

Staff Retention



# Our Customers

5,205 Total Customers

1,202 Aged Care Home Residents

630 Bethanie Housing Limited Tenants

1,078 Residential Village Residents

2,295 Home Care Customers

# Sites by Region

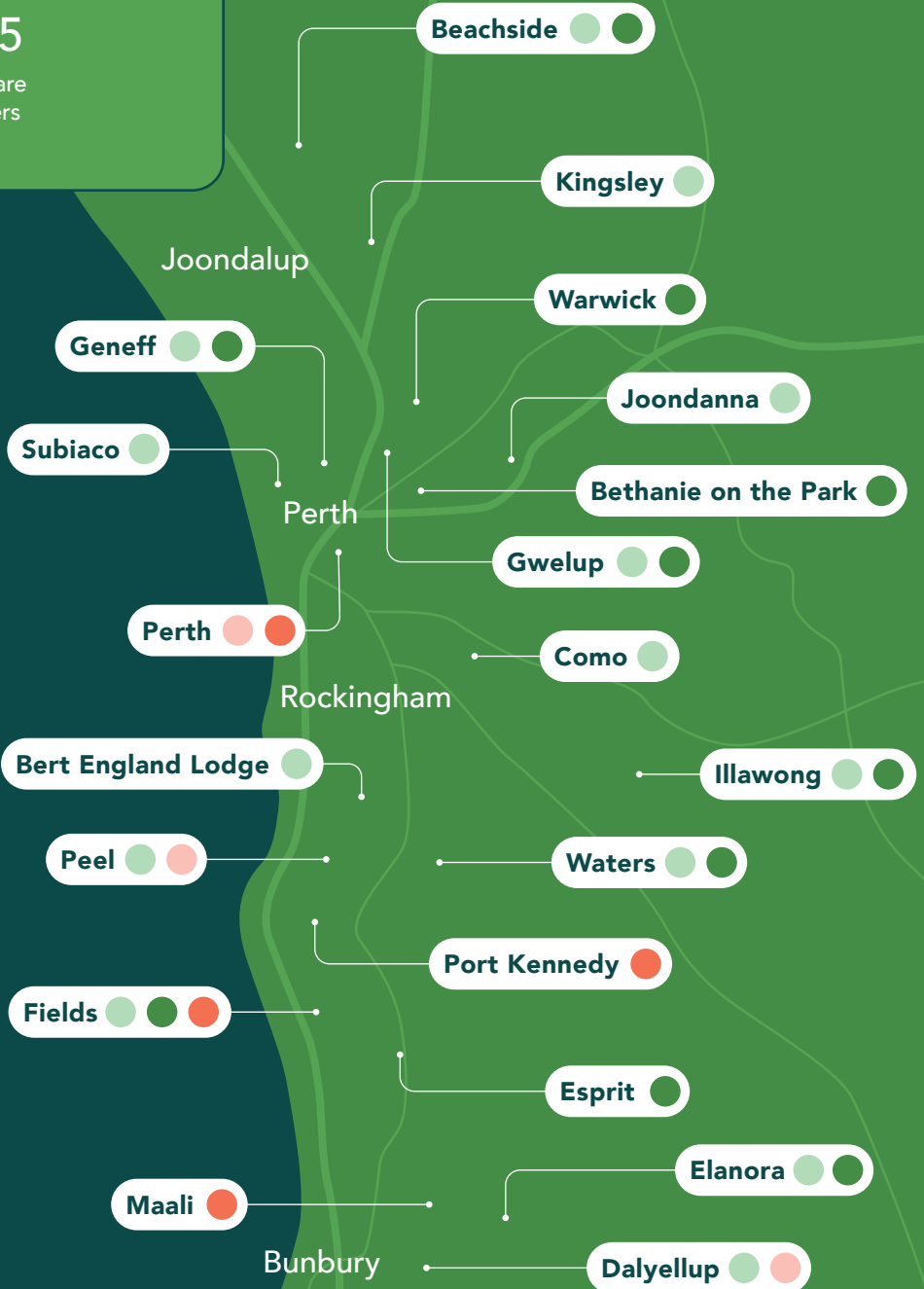
Aged Care Home (14)

Retirement Villages (10)

Social Centres (4)

Community Housing (3)

4 Home Care regions



# Environmental, Social and Governance (ESG)

## Approach to Sustainability

In 2023, Bethanie committed to the development of a sustainability program to strengthen our environmental, social and governance practices. As a not-for-profit organisation with a focus on driving meaningful lives for older Australians, our Mission also extends to the responsible conduct of our business. We believe that a transparent approach to our sustainability performance builds accountability and sets a benchmark for progress over time. It allows us to demonstrate our impact while ensuring that our business is well prepared for any future reforms or compliance requirements.

This year, Bethanie advanced its commitment to sustainability and responsible business practices, with a focus on deepening our social impact and strengthening governance.

## Reconciliation Action Plan (RAP)

A key milestone was the launch of our inaugural Reflect Reconciliation Action Plan (RAP), which sets out clear actions to build cultural awareness, foster respectful relationships with First Nations communities, and create more inclusive environments across all Bethanie sites.

This year, Bethanie's RAP was endorsed by Reconciliation Australia, a proud and significant milestone in our history. Launched in March 2025 with a special Yarning Event at Bethanie Waters, we welcomed more than 40 guests to a heartfelt Welcome to Country Smoking Ceremony, basket weaving, and food prepared by First Nations people. In May, our National Reconciliation Week event at Bethanie Maali Centre brought together more than 60 people, including the Reconciliation Advisory Committee, Reconciliation Working Group, South West Aboriginal Medical Service, Aged Care Home residents, Social Centre clients, staff and families.

## Our ESG Reporting Journey

We also progressed our ESG reporting journey, confirming the Global Reporting Initiative (GRI) as our primary disclosure framework, supported by the Sustainability Accounting Standards Board (SASB), to ensure transparency and alignment with global best practice. We have also published our first Sustainability Report, providing a comprehensive account of our environmental, social, and governance performance and our progress on material topics.

Our material topics remain unchanged, reflecting the ongoing priorities of service quality and safety, employee engagement and retention, compliance, and energy management.

### Bethanie Material Topics

Service Quality and Safety

Work Health and Safety

Employee Engagement and Retention

Compliance and Regulatory Performance

Business Ethics

Customer Privacy and Data Security

Access and Affordability

Energy Management

Risk Management

## Our People

Our people remain central to delivering our mission. This year we introduced new measures to support engagement, wellbeing, and retention. Initiatives included expanding salary packaging options, expanding parental leave entitlements, and enhancing access to professional development through conferences, study leave, and a leadership development program now in design. Diversity and inclusion also remained a focus, with progress on our RAP, inclusive hiring practices, and flexible work arrangements. Looking ahead, planned improvements to induction processes, performance development frameworks, and HR systems will further strengthen our employee experience and help ensure Bethanie continues to be a place where people feel valued, supported, and empowered to deliver exceptional care.

## Our Mission in Action

Bethanie's Mission is conveyed in the actions we take every day to bring joy, care and a sense of belonging to residents, clients, employees, and communities. A moment of laughter, a celebration shared, or support for someone in need, are examples of a heartfelt expression of our Mission in Action and the thriving communities we nurture.

## Christmas Hampers with Churches of Christ WA (COCWA)

In a first-time partnership with COCWA churches, Bethanie helped prepare Christmas hampers for families in need across Perth, the South-West, and Northam. Residents, families, and employees donated grocery items, which were assembled into hampers by local congregations. The initiative was warmly embraced, with feedback from participants and churches confirming a wonderful partnership.

## Seniors Week Gala at Peel Community Housing

The Chaplaincy and Community Housing teams brought more than 100 tenants together for a Seniors Week celebration of laughter and friendship. Eastlake Church hosted lunch, followed by games, door prizes, and stalls featuring hand-crafted items made by tenants. A cupcake on arrival, and complimentary coffee or ice-cream added much joy.



## Intergenerational Care with Hale School

From friendly tennis matches to hands-on crafting, the connection between Bethanie Geneff residents and Hale School students created treasured intergenerational moments. For Cliff, a former Hale School Captain in 1945, it was a chance to reminisce and share stories from his school days. In another visit, students joined residents for a birdhouse building activity, guided by a Bunnings team member. Residents enjoyed letting their creativity soar while enjoying good company.

## SevenTEA: Celebrating 70 Years

To celebrate Bethanie's 70th birthday, we hosted SevenTEA, a series of events bringing our community together and honouring seven decades of trusted service in Western Australia. The concept captured the spirit of Bethanie, creating Mission Moments that reflected our people and culture.



# Director's Report

The directors present their report together with the consolidated financial statements of the Group comprising The Bethanie Group Inc ('Bethanie') and its subsidiaries for the financial year ended 30 June 2025.

## 1. The Directors

The directors of the Company at any time during or since the end of the financial year are:

### Directors

Diana Forsyth	Chair
Celia Hammond	Deputy chair
Maria Foundas	
Ross Hughes	
Dana Dermody	
Paul Lakey	
Stuart Beattie	
Glen Power	Appointed 17 February 2025, resigned 13 October 2025
David Kilpatrick	Resigned 25 November 2024

## 2. Principal activities

The principal activity of the Group during the financial year was the provision of accommodation and care services to people over 55.

There were no significant changes in the nature of the activities of the Group during the year.

## 3. Review of operations and results of those operations

Bethanie is an aged care provider for seniors seeking to live well and retire into a welcoming and engaging community.

Bethanie is an approved aged care provider under the Aged Care Act 1997 and the Aged Care (Transitional Provisions) Act 1997.

Bethanie's objective is to positively change the way Australians experience ageing.

Further details about the Group's activities are described below:

### Aged Care Homes

The Group owns and operates 14 residential aged care homes for people who require 24-hour care.

Bethanie's aged care homes are in metropolitan Perth and regional Western Australia (WA) with many homes offering specialised dementia care.

### Home Care

The Group offers a wide range of care services from nursing and regular checking to helping with chores and community participation that enable people to remain in their own home.

The Group also owns and operates 4 Social Centres for seniors providing social and therapy wellbeing services.

### Retirement Living

The Group owns and operates 10 retirement villages. Bethanie's retirement villages allow people over 55 to live independently in a safe environment and in the company of like-minded people.

### Community Housing

Bethanie Housing Ltd, a subsidiary of the Group owns and manages affordable and appropriate accommodation including apartments, townhouses, and villas for seniors in Perth and regional WA.

Bethanie Housing Ltd also manages 2 properties owned by the Housing Authority.

### 3. Review of operations and results of those operations (continued)

For the year ended 30 June 2025, the Group generated revenue of \$223.8 million (2024: \$200.2 million) and realised a net profit of \$5.0 million (2024: profit of \$1.7 million).

The Group's net cash inflow from operating activities for the year ended 30 June 2025 was \$23.1 million (2024: \$51.9 million).

### 4. Significant changes in the state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

### 5. Environmental regulation

The Group's operations are not subject to significant environmental regulation under both Commonwealth and State legislation in relation to its activities. The Group conducts its operations with respect to the environment in which it operates and will continue to enhance its focus in this area through Environmental, Social and Governance initiatives as set out on page 8.

### 6. Events subsequent to reporting date

The Group's existing Facility Agreement with Commonwealth Bank of Australia (CBA) is scheduled to expire on 17 May 2026. As at 30 June 2025, there was no formal renewal agreement in place.

On 7 October 2025, the Group received conditional approval from CBA of borrowing facilities for a further 3-year term. The approval is subject to satisfaction of conditions precedent, including compliance with covenants and no material adverse events. At the date of this report, the Group is in the process of finalising terms and conditions under the proposed term sheets, prior to the completion of formal loan documentation.

Other than those mentioned, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future years.

### 7. Likely developments

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

### 8. Indemnification and insurance of officers and auditors

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Group.

During the financial year the Company has paid premiums in respect of directors' and officers' liability and legal expenses insurance contracts. Such insurance contracts insure against certain liability persons who are or have been directors or executive officers of the Group.

The directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contract.

### 9. Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 12 and forms part of the directors' report for the financial year ended 30 June 2025.

This report is made out in accordance with a resolution of the directors.



**Diana Forsyth**

Non-executive Chair

Dated at Perth, Western Australia this  
22nd day of October 2025



# Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of The Bethanie Group Inc

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG  
KPMG

A handwritten signature in blue ink, appearing to read 'L. Cardy', written over a light blue circular stamp.

Laura Cardy  
*Partner*  
Perth  
22 October 2025

# Financial Statements Contents

## Financial Statements

Consolidated Statement of Profit and Loss and Other Comprehensive Income	14
Consolidated Statement of Financial Position	15
Consolidated Statement of Cash Flows	16
Consolidated Statement of Changes in Equity	17

## Notes to the Consolidated Financial Statements

### A. About these statements

A1. Reporting entity	18
A2. Basis of preparation	18
A3. Going concern basis	18
A4. Functional and presentation currency	19
A5. Use of judgements and estimates	19
A6. New and amended standards adopted by the Group	19
A7. Presentation of comparative information	19

### B. Current performance

B1. Revenue and other income	20
B2. Expenses	22

### C. Assets and liabilities

C1. Cash and cash equivalents	22
C2. Financial assets	23
C3. Trade and other receivables	23
C4. Intangible assets	24
C5. Property, plant and equipment	25
C6. Investment properties	27
C7. Trade and other payables	27
C8. Employee provisions	28
C9. Resident liabilities	29

### D. Capital and financing

D1. Borrowings	31
D2. Leases	32
D3. Financial risk management	33
D4. Capital commitments	34

### E. Others

E1. Remuneration of auditors	35
E2. Contingent liabilities	35
E3. Economic dependency	35
E4. Parent entity	35
E5. Subsidiaries	35
E6. Related party transactions	36
E7. Subsequent events	36

# Consolidated Statement of Profit and Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Revenue	B1	223,789	200,162
Other income	B1	6,479	14,762
Net gain on revaluation	C6	10,518	6,731
<b>Total revenue and other income</b>		<b>240,786</b>	<b>221,655</b>
Operating expenses	B2	(219,546)	(201,729)
Depreciation		(12,340)	(13,099)
Finance costs	B2	(3,264)	(3,678)
Impairment expense		(640)	(1,405)
<b>Total expenses</b>		<b>(235,790)</b>	<b>(219,911)</b>
<b>Profit for the year</b>		<b>4,996</b>	<b>1,744</b>
Other comprehensive income		-	-
<b>Total comprehensive profit</b>		<b>4,996</b>	<b>1,744</b>

*The accompanying notes form part of the consolidated financial statements.*

# Consolidated Statement of Financial Position

As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
<b>ASSETS</b>			
Cash and cash equivalents	C1	13,926	26,669
Financial assets	C2	51,273	37,523
Trade and other receivables	C3	5,989	5,157
Prepayments		3,468	2,848
Right-of-use assets	D2	13,994	9,910
Investment properties	C6	388,036	339,499
Property, plant and equipment	C5	235,049	234,114
Intangible assets	C4	38,538	38,538
<b>Total assets</b>		<b>750,273</b>	<b>694,258</b>
<b>LIABILITIES</b>			
Trade and other payables	C7	18,763	15,227
Borrowings	D1	30,379	38,966
Employee provisions	C8	23,278	20,396
Lease liabilities	D2	12,382	7,466
Resident liabilities	C9	595,346	547,046
Other liabilities		1,760	1,788
<b>Total liabilities</b>		<b>681,908</b>	<b>630,889</b>
<b>NET ASSETS</b>		<b>68,365</b>	<b>63,369</b>
<b>EQUITY</b>			
Retained earnings		68,365	63,369
<b>TOTAL EQUITY</b>		<b>68,365</b>	<b>63,369</b>

The accompanying notes form part of the consolidated financial statements.

# Consolidated Statement of Cash Flows

For the year ended 30 June 2025

Note	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>		
Receipts from government funding	161,951	145,982
Receipts from residents and care recipients	55,894	54,204
Payments to suppliers and employees	(215,294)	(207,062)
<b>Net cash generated used in operating activities before interest, refundable accommodation deposits and retirement villages' entry contributions</b>	<b>2,551</b>	<b>(6,876)</b>
Proceeds from refundable accommodation deposits	90,427	111,481
Repayments of refundable accommodation deposits	(82,187)	(67,934)
Proceeds from retirement villages' entry contribution	33,038	33,803
Repayments of retirement villages' outgoing contribution less deferred management fees	(22,035)	(17,573)
Interest received	3,148	1,944
Interest paid	(1,804)	(2,948)
<b>Net cash generated from operating activities</b>	<b>23,138</b>	<b>51,897</b>
<b>Cash flows used in investing activities</b>		
Payments for property, plant and equipment	(12,237)	(9,600)
Proceeds from the sale of property, plant and equipment	990	4,385
Investment in financial assets - term deposits	(13,750)	(3,000)
Business combination	-	-
<b>Net cash used in investing activities</b>	<b>(24,997)</b>	<b>(8,215)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	10,000	28,484
Repayments of borrowings	(18,746)	(46,849)
Repayment of lease liabilities	(2,138)	(1,946)
<b>Net cash used in financing activities</b>	<b>(10,884)</b>	<b>(20,311)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(12,743)</b>	<b>23,371</b>
Cash and cash equivalents at the beginning of the year	26,669	3,298
<b>Cash and cash equivalents at the end of the year</b>	<b>13,926</b>	<b>26,669</b>

The accompanying notes form part of the consolidated financial statements.

# Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Retained earnings \$'000	Contributed equity \$'000	Total \$'000
Balance as at 1 July 2024	63,369	-	63,369
Profit for the year	4,996	-	4,996
<b>Balance as at 30 June 2025</b>	<b>68,365</b>	<b>-</b>	<b>68,365</b>
Balance as at 1 July 2023	61,625	-	61,625
Profit for the year	1,744	-	1,744
<b>Balance at 30 June 2024</b>	<b>63,369</b>	<b>-</b>	<b>63,369</b>

*The accompanying notes form part of the consolidated financial statements.*

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## A. About these statements

This section addresses the basis for compiling the financial statements.

A1	Reporting entity
A2	Basis of preparation
A3	Going concern basis
A4	Functional and presentation currency
A5	Use of judgements and estimates
A6	New and amended standards adopted
A7	Presentation of comparative information

### A1. Reporting entity

The Bethanie Group Inc ('Bethanie') is domiciled and incorporated in Australia. The principal registered office of Bethanie is Level 4, 1060 Hay St, West Perth, WA, 6005. These consolidated financial statements comprise Bethanie and its controlled entities for the year ended 30 June 2025 (together referred to as the 'Group').

The Bethanie Group Inc is incorporated under the Associations Incorporation Act 2015 and registered with the Australian Not-for-Profit Commission ('ACNC') in accordance with the Australian Not-for-Profit Commission (ACNC) Act 2012.

The Group is a not-for-profit entity and is primarily involved in the provision of care and accommodation services to people over 55 including aged care homes, home care, social centres, community housing and related corporate and management services. The Group also operates several retirement villages.

### A2. Basis of preparation

These consolidated financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, the Association Incorporation Act 2015 and the ACNC Act 2012.

The Group does not have 'public accountability' as defined in AASB 1053 Application of Tiers of Australian Accounting Standards and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by Treasurer's instructions. Several of these are modified by Treasurer's instructions to vary application, disclosure, format and wording.

The Act and Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

The financial statements were authorised for issue by the directors on 22 October 2025.

Management is of the view that the requirement under the Accounting Standards to treat refundable accommodation deposits and entry contributions from retirement villages residents as current liabilities do not reflect the true liquidity position of the Group as these liabilities are not likely to be repaid in the next 12 months. Accordingly, the Group has adopted the liquidity balance sheet presentation on the basis that it presents a more reliable and relevant view. Amounts expected to be recovered or settled after 12 months have been disclosed in the notes.

Material and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

### A3. Going concern basis

The consolidated financial statements have been prepared on a going concern basis. As at 30 June 2025, Bethanie held \$13.9 million of cash and cash equivalents and \$51.3 million in term deposits.

The Group has an existing Facility Agreement with Commonwealth Bank of Australia (CBA) dated 23 March 2016 amended in 2018 and 2021. The loan is scheduled to expire on 17 May 2026 which falls within 12 months after reporting date. On 7 October 2025, the Group received conditional approval from CBA of borrowing facilities for a further 3-year term. The approval is subject to satisfaction of conditions precedent, including compliance with covenants and no material adverse events. At the date of this report, the Group is in the process of finalising terms and conditions under the proposed term sheets, prior to the completion of formal loan documentation.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## A3. Going concern basis (continued)

The Directors consider that the Group has sufficient resources to meet its financial obligations as and when they fall due and that the going concern basis of preparation is appropriate.

## A4. Functional and presentation currency

The consolidated financial statements are presented in Australian dollars, which is Bethanie's functional and presentation currency.

All values rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

## A5. Use of judgements and estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group'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 the following notes:

- C4 Intangible assets: assessment of goodwill valuation
- C5 Property, plant and equipment: assessment of indication of impairment
- C6 Investment properties: estimation of fair value

## A6. New and amended standards adopted by the Group

The Group has adopted all new and revised Standards, amendments thereof and interpretations effective for the current year that are relevant to the Group.

There is no material impact on the Group's consolidated financial statements.

## A7. Presentation of comparative information

The presentation of the comparative information has been updated to be consistent with the current year's presentation.

## B. Current performance

This section addresses the financial performance of the Group including the accounting policies applied and key estimates and judgements made.

B1 Revenue and other income

B2 Expenses

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## B1. Revenue and other income

	2025 \$'000	2024 \$'000
<b>Aged care homes</b>		
<b>Care and everyday living</b>		
Government funding	126,893	109,349
Resident fees	33,688	32,230
<b>Accommodation</b>		
Government funding	11,402	9,924
Resident fees	8,259	7,456
<b>Total aged care homes</b>	<b>180,242</b>	<b>158,959</b>
<b>Home care</b>		
Government funding	20,696	20,601
Client contributions	1,198	750
<b>Total home care</b>	<b>21,894</b>	<b>21,351</b>
<b>Retirement living</b>		
Deferred management fees	6,224	5,973
Resident fees	5,051	4,584
Rental income	1,141	1,165
Sale commission and other fees	1,366	1,123
Management and accounting fees	1,012	958
<b>Total retirement living</b>	<b>14,794</b>	<b>13,803</b>
<b>Community housing</b>		
Rental income	5,832	5,125
<b>Total community housing</b>	<b>5,832</b>	<b>5,125</b>
Other revenue	1,027	924
<b>Total revenue</b>	<b>223,789</b>	<b>200,162</b>
<b>Other income</b>		
Grant income	2,382	8,272
Interest income	3,008	2,213
Donations	5	340
Profit on disposal of assets	639	3,412
Sundry income	445	525
<b>Total other income</b>	<b>6,479</b>	<b>14,762</b>

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## B1. Revenue and other income (continued)

The Group generates revenue primarily from the provision of care and accommodation services to people over 55 including aged care homes, home care and community housing. The Group also operates several retirement villages.

Revenue is derived from government subsidies, care recipient and resident fees.

Accounting policies relevant to the various sources of revenues are described below:

### *Aged care homes*

Bethanie is an approved aged care home provider under the Aged Care Act 1997.

The amount of funding for care is assessed under the Australian National Aged Care Classification (AN-ACC). Independent assessors perform the assessments to distribute funding based on the resident's needs and cost of care.

A supplement is received from the Commonwealth for eligible residents as contribution towards their accommodation and everyday living costs. Government funding is paid monthly in arrears.

Residents are also charged fees (basic daily fees, means tested care fees, daily accommodation fees, additional service fees) as contributions towards their care and accommodation and everyday living costs. The fees are determined in accordance with the Government authorised rates. Residents are invoiced fortnightly in advance.

The Group recognises revenue from aged care homes over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily basis.

### *Home care*

Bethanie is an approved provider of Home Care Packages ('HCP') and Commonwealth Home Support Programme ('CHSP') under the Aged Care Act 1997 and the Aged Care (Transitional Provisions) Act 1997. Both programmes aim to support older people to live independently in their own homes. The programmes include support with household tasks, personal care, clinical care, minor home modifications and equipment.

The level of funding per care recipient varies dependent on the level of care needs and the recipient's financial circumstances. Care recipients may be required to make a financial contribution.

The Group recognises revenue from home care over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or monthly basis.

CHSP subsidies are received monthly based on the agreed funding for the financial year. Any unused funding is recognised as a liability and is included within Trade and Other payables.

HCP subsidies are received monthly in arrears, for the number of actual services delivered only. The Government holds the portion of unspent funds for each care recipient.

### *Retirement villages*

The Group offers a range of resident arrangements for its retirement lifestyle villages including lease for life agreements and rental agreements.

A lease for life arrangement takes the form of a 60-year lease agreement that gives the resident the exclusive right to occupy a unit or apartment at the lifestyle village.

A deferred management fee is payable by the resident in consideration for the supply of accommodation and the right to use the community facilities. Deferred management fees are paid upon exit, with the amount payable calculated as a percentage of either the initial entry contribution paid by the outgoing resident, or the entry contribution paid by the new incoming resident in accordance with the terms of the lease for life agreement.

Deferred management fee revenue is recognised over the expected length of stay of the resident.

In addition, a fee is payable during the resident stay that covers the running costs of the village including the facilities. Included in these fees are management and accounting fees for support services provided by the Group in relation to operating the villages. Residents are invoiced fortnightly in advance.

The Group recognises revenue from the resident fees over time as performance obligations are satisfied, which is as the services are rendered on a daily basis.

### *Rental income*

Rental income for retirement village units and community housing units is recognised on a straight-line basis over the term of the lease.

### *Grant income*

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions have been complied with. Government grants are classified as other income.

### *Interest income*

Interest income is recognised as other income using the effective interest method.

### *Donations*

Donations are recognised as other income when received.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## B2. Expenses

	2025 \$'000	2024 \$'000
<b>Operating expenses</b>		
Employee benefits expense	165,391	159,047
Food, utilities, rates and service costs	23,734	20,954
Administration costs	14,641	12,757
Repairs and maintenance	15,780	8,971
<b>Total operating expenses</b>	<b>219,546</b>	<b>201,729</b>
<b>Finance costs</b>		
Interest and finance charges	3,360	3,773
Amount capitalised	(96)	(95)
<b>Total finance costs expended</b>	<b>3,264</b>	<b>3,678</b>

### Operating expenses

Operating expenses and other financing costs are recognised in profit or loss in the period in which they are incurred.

### Finance costs

Finance costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

## C. Assets and Liabilities

This section addresses assets and liabilities of the Group, excluding leases and borrowings, including the accounting policies applied and key estimates and judgements made.

- C1 Cash and cash equivalents
- C2 Financial assets
- C3 Trade and other receivables
- C4 Intangible assets
- C5 Property, plant and equipment
- C6 Investment properties
- C7 Trade and other payables
- C8 Employee provisions
- C9 Resident liabilities

### C1. Cash and cash equivalents

	2025 \$'000	2024 \$'000
Cash	13,926	9,669
Term deposits	-	17,000
<b>Total cash and cash equivalents</b>	<b>13,926</b>	<b>26,669</b>

Cash and cash equivalents include cash on hand and short-term deposits with original maturities of three months or less from acquisition date.

Refer to Note D3. Financial risk management for the Group's liquidity policy.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C2. Financial assets

	2025 \$'000	2024 \$'000
Term deposits	51,273	37,523
<b>Total term deposits</b>	<b>51,273</b>	<b>37,523</b>

Financial assets consist of term deposits with original maturities of more than three months.

Term deposits are measured at amortised cost.

## C3. Trade and other receivables

	2025 \$'000	2024 \$'000
<b>Current</b>		
Trade receivables	2,011	1,632
Provision for expected credit loss	(66)	(66)
Other receivables	3,478	3,025
<b>Total current trade and other receivables</b>	<b>5,423</b>	<b>4,591</b>
<b>Non-current</b>		
Resident loans	566	566
<b>Total non-current trade and other receivables</b>	<b>566</b>	<b>566</b>
<b>Total trade and other receivables</b>	<b>5,989</b>	<b>5,157</b>

### Trade and other receivables

Trade receivables are initially recognised at the transaction price and subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses measured at lifetime expected credit losses.

Any impairment is recognised in profit or loss.

The ageing of the trade receivables is as follows:

	2025 \$'000	2024 \$'000
Current	1,761	1,145
1 to 3 months	106	168
Over 3 months	144	319
<b>Total</b>	<b>2,011</b>	<b>1,632</b>

### Resident loans

Resident loans are initially recognised at the transaction price and subsequently measured at amortised cost using the effective interest method. Resident loans are not interest bearing.

### Expected credit loss ('ECL') assessment

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost.

The group measures the loss allowances at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of the receivables.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted to the effective interest rate of the financial asset.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C4. Intangible assets

	2025 \$'000	2024 \$'000
Goodwill on acquisition of Berrington	38,538	38,538
<b>Total intangible assets</b>	<b>38,538</b>	<b>38,538</b>

### Goodwill

Goodwill arising in a business combination is initially measured as the excess of the consideration transferred over the acquisition-date fair values of identifiable assets acquired and liabilities assumed. Goodwill is tested annually for impairment and carried at cost less any accumulated impairment losses. An impairment loss recognised for goodwill cannot be reversed in subsequent years.

The recoverable amount was determined to be higher than the carrying amount of the CGU. No impairment loss has therefore been recognised.

This approach has been determined to be Level 3 within the fair value hierarchy.

The determination of FVLCD represents management's assessment of future trends in the relevant industries and has been based on historical data from both external and internal sources and was most sensitive to the following assumptions:

Management has applied significant judgement in determining and applying these assumptions within the model, considering experience as well as reasonable expectations based upon the best available data.

	2025 \$'000	2024 \$'000
Opening balance at 1 July	38,538	38,538
Impairment expense	-	-
<b>Total</b>	<b>38,538</b>	<b>38,538</b>

The goodwill arose from the acquisition of the Berrington Group and its two aged care homes (Como and Subiaco. The two aged care homes, each representing a separate cash generating unit (CGU), have been grouped together for the purpose of testing goodwill for impairment.

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. Impairment testing is performed annually for goodwill and other intangible assets with indefinite useful lives.

The recoverable amount of the combined Bethanie Subiaco and Bethanie Como CGUs and goodwill was determined based on the fair value less cost of disposal (FVLCD) determined using an income-based approach to derive the price that would be received to sell the CGU in an orderly transaction with a market participant, less the costs of disposal.

	2025	2024
Occupancy	94%	95%
Discount Rate	12%	12%
Average RAD value	\$886,500	\$850,000
RAD appreciation	Increase of 2.5% per annum	Increase of 2.5% per annum
RAD/DAP Ratio	Ratio of 75:25 to the time remaining on each land lease; Bethanie Subiaco, 36 years; Bethanie Como 52 years	Ratio of 70:30 to the time remaining on each land lease; Bethanie Subiaco, 37 years; Bethanie Como 53 years

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C5. Property, plant and equipment

	Land	Buildings	Property under construction	Plant and equipment	Motor vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Year ended 30 June 2025</b>						
Opening net book amount	39,055	172,260	2,429	19,805	565	234,114
Additions	-	57	9,459	2,585	118	12,237
Disposals	-	-	-	(58)	(154)	(212)
Transfer to Investment Properties	-	-	(715)	-	-	(715)
Transfers	-	18	(218)	218	-	-
Depreciation expense	-	(6,209)	-	(4,032)	(134)	(10,375)
Impairment expense	-	-	-	-	-	-
<b>Closing net book value</b>	<b>39,055</b>	<b>166,126</b>	<b>10,955</b>	<b>18,518</b>	<b>395</b>	<b>235,049</b>
Cost	39,055	202,046	10,955	58,475	2,818	313,349
Accumulated depreciation and impairment	-	(35,920)	-	(39,957)	(2,423)	(78,300)
<b>Closing net book value</b>	<b>39,055</b>	<b>166,126</b>	<b>10,955</b>	<b>18,518</b>	<b>395</b>	<b>235,049</b>
<b>Year ended 30 June 2024</b>						
Opening net book amount	39,534	180,359	5,571	15,916	638	242,018
Additions	-	1,238	4,464	3,607	114	9,423
Disposals	(479)	(71)	-	(38)	-	(588)
Transfer to Investment Properties	-	-	(6,237)	-	-	(6,237)
Transfers	-	(3,183)	(1,355)	4,538	-	-
Depreciation expense	-	(6,101)	-	(4,230)	(187)	(10,518)
Depreciation on disposals	-	18	-	12	-	30
Impairment expense	-	-	(14)	-	-	(14)
<b>Closing net book value</b>	<b>39,055</b>	<b>172,260</b>	<b>2,429</b>	<b>19,805</b>	<b>565</b>	<b>234,114</b>
Cost	39,055	201,971	2,443	55,730	2,854	302,053
Accumulated depreciation and impairment	-	(29,711)	(14)	(35,925)	(2,289)	(67,939)
<b>Closing net book value</b>	<b>39,055</b>	<b>172,260</b>	<b>2,429</b>	<b>19,805</b>	<b>565</b>	<b>234,114</b>

Land and Buildings comprise of the Group's aged care homes, owned community housing and rental retirement villages as well as undeveloped lands.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C5. Property, plant and equipment (continued)

### *Recognition and measurement*

Items of property, plant and equipment are measured at cost less any accumulated depreciation and impairment losses, if any. Such cost includes the borrowing costs for long term construction projects if the recognition criteria are met.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items and depreciated accordingly.

Any gains and loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

### *Subsequent expenditure*

Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group.

### *Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Buildings	Up to 40 years
Plant and equipment	Up to 10 years
Motor vehicles	Up to 7 years

Land is not depreciated.

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

### *Impairment review of non-financial assets*

At each reporting date the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. The recoverable amount is the fair value of the asset or CGU at the reporting date.

For impairment testing assets are grouped together into CGUs. Each property is considered a separate CGU.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or CGU exceeds its recoverable amount.

### *Key estimates, assumptions and judgements*

Management use judgement to review the portfolio of properties for indication of impairment.

As part of the review management consider internal and external sources of information including the external valuation reports prepared by an independent property valuer as required by the bank under the terms of the Facility Agreement.

No indicators of impairment were identified from the assessment performed.

### *Assets pledged as security*

The carrying amount of the land and buildings pledged as security for the borrowings (Note D1. Borrowings) is \$125.5 million (30 June 2024: \$129.7 million).

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C6. Investment properties

	2025 \$'000	2024 \$'000
Opening balance at 1 July	339,499	304,532
Additions	715	6,429
Disposals	(140)	(441)
Fair value adjustment	47,962	28,979
<b>Closing balance at 30 June</b>	<b>388,036</b>	<b>339,499</b>

Investment properties comprise of the retirement villages that are leased to residents under a lease for life arrangement.

### Recognition and measurement

Investment properties are initially measured at cost and subsequently at fair value with change recognised in profit or loss.

Any gain or loss on disposal of an investment property is recognised in profit or loss.

### Fair value measurement

The investment property portfolio is valued annually. The fair value of the investment properties was determined as at 30 June 2025 internally using a discounted cash flow valuation model.

Key assumptions include:

	2025	2024
Discount rate	12%	12%
Residents' average length of stay	11 years	11 years
Property price increase	2%-26%	0%-19%
Growth rates	3.0%	3.0%

## C7. Trade and other payables

	2025 \$'000	2024 \$'000
<b>Current</b>		
Trade payables	3,740	3,369
Sundry creditors and accruals	10,120	6,326
Subsidies received in advance	4,890	5,525
Unspent client funds	13	7
<b>Total trade and other payables</b>	<b>18,763</b>	<b>15,227</b>

### Trade payables, sundry creditors and accruals

Trade payables, sundry creditors and accruals represent liabilities for goods and services provided prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

The net gain on revaluation is as follows:

	2025 \$'000	2024 \$'000
Gain on revaluation of investment	47,962	28,979
Loss on revaluation of resident liabilities	(37,444)	(22,248)
<b>Total</b>	<b>10,518</b>	<b>6,731</b>

### Assets pledged as security

The carrying amount of the investment properties pledged as security for the borrowing (Note D1. Borrowings) is \$388.0 million (2024: \$339.5 million).

They are recognised initially at their transaction price and subsequently measured at amortised cost using the effective interest method.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C7. Trade and other payables (continued)

### *Subsidies received in advance*

Subsidies received in advance represent various government subsidies received in cash for which the services have not been provided to the residents or care recipients at the end of the reporting year.

At year end, this includes \$3.3 million of CHSP funding not utilised in FY23 and \$1.0 million funding received in Bethanie Housing Ltd under the Social Housing Economic Recovery Package Grants Program, to be spent on the development of properties.

## C8. Employee provisions

	2025 \$'000	2024 \$'000
<b>Current</b>		
Annual leave	15,362	13,378
Long service leave	4,630	4,538
<b>Total current employee provisions</b>	<b>19,992</b>	<b>17,916</b>
<b>Non-current</b>		
Long service leave	3,286	2,480
<b>Total non-current employee provisions</b>	<b>3,286</b>	<b>2,480</b>
<b>Total employee provisions</b>	<b>23,278</b>	<b>20,396</b>

### *Employee provisions*

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

The current liability for annual leave and long service leave (for which settlement within 12 months of the reporting date cannot be deferred) is recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The non-current liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect

of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted to determine their present values.

A reconciliation of employee provisions is provided below:

	2025 \$'000	2024 \$'000
1 July	20,396	18,299
Additions	17,055	15,061
Utilised	(14,173)	(12,964)
<b>30 June</b>	<b>23,278</b>	<b>20,396</b>

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C9. Resident liabilities

	2025 \$'000	2024 \$'000
<b>Current - expected settlement within 12 months</b>		
Refundable accommodation deposits	75,060	72,369
Retirement village resident liabilities net of accrued deferred management fees	20,291	17,709
Guaranteed buy back	2,410	2,410
Interest free loans	2,377	2,719
Major reserve funds	944	815
<b>Total current resident liabilities - expected settlement within 12 months</b>	<b>101,082</b>	<b>96,022</b>
<b>Current - expected settlement after 12 months</b>		
Refundable accommodation deposits	207,322	201,652
Retirement village resident liabilities net of accrued deferred management fees	286,942	249,372
<b>Total current resident liabilities - expected settlement after 12 months</b>	<b>494,264</b>	<b>451,024</b>
<b>Total resident liabilities</b>	<b>595,346</b>	<b>547,046</b>

### Refundable accommodation deposits

Refundable accommodation deposits ('RADs') are deposits paid by residents in aged care homes upon admission. Residents can choose to pay a full lump-sum RAD; a regular rental-type payment called a 'daily accommodation payment' ('DAP'), or a combination of both.

RADs are refundable when the resident vacates the aged care home in accordance with the prudential requirements set out in the Aged Care Act 1997.

RADs are non-interest bearing and are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest rate method. As financial liabilities with a demand feature, the carrying value of RADs at balance date approximates their fair value.

Approved Aged Care Providers are required to implement and maintain a liquidity management strategy to ensure they have sufficient liquidity to refund RADs as they fall due. Refer to Note D3. Financial risk management.

### Retirement village resident liabilities net of accrued deferred management fees.

	2025 \$'000	2024 \$'000
Retirement village resident liabilities	352,825	310,502
Less: Accrued deferred management fees	(45,592)	(43,421)
<b>Total</b>	<b>307,233</b>	<b>267,081</b>

The Group owns and operates several retirement villages. The Group recognises a liability for the entry contribution paid by the resident under a lease for life arrangement.

Upon exit the resident is refunded the entry contribution paid by the new incoming resident less any outstanding fees owed (i.e. the outgoing termination payment).

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## C9. Resident liabilities (continued)

### *Retirement village resident liabilities net of accrued deferred management fees (continued)*

The entry contributions are non-interest bearing and are recognised at fair value through profit or loss with resulting fair value adjustments recognised in profit or loss.

Under a lease for life arrangement a deferred management fee is payable by the resident upon exit (via a deduction from the outgoing termination payment). The deferred management fee receivable is calculated based on the current tenure of the resident and the relevant contract terms.

The Group holds a contractual right to set-off the deferred management fee receivable on termination against the resident liabilities to be repaid.

### *Guaranteed buy back*

A guaranteed buy back clause may be agreed with the resident upon entry into a retirement village under a lease for life arrangement. The entry contribution (less any fees owed including the deferred management fees) under a guaranteed buy back arrangement is refundable upon exit.

Entry contributions under a guaranteed buyback agreement are initially recorded at the amount received and subsequently at amortised cost.

### *Interest free loans*

The Group has a number of interest free loans whereby the entry contribution upon entry into a retirement village was contractually agreed to be an interest free loan from the resident to the Group and repayable upon exit.

Interest-free loans are initially recorded at the amounts received and subsequently at amortised cost.

These interest-free loan arrangements are no longer entered into by the Group.

### *Major reserve funds*

The Group has established major reserve funds for each retirement village it owns and operates.

Major reserve funds are managed by the Group to fund the cost of major replacement, renovation or refurbishment of the villages. Funds are sourced from fixed percentage contributions by outgoing residents at the time of settlement in accordance with their agreement.

### *Current versus non-current classification*

Refundable accommodation deposits and retirement village resident liabilities are classified as current under the Accounting Standards as the Group does not have an unconditional right to defer payment for 12 months however, they are not expected to all be repaid in the next 12 months.

It is expected that the RAD refunded will be replaced by another RAD as another resident moves in. In addition, under the lease for life contractual terms, resident liabilities are repaid directly from incoming residents which results in a nil cash impact to the Group.

The amounts expected to be settled in less than 12 months are based on:

Refundable accommodation deposits	average RADs repaid in the last two years
Retirement village resident liabilities	budgeted resales for the coming 12 months

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## D. Capital and Financing

This section addresses the debt, leases and financial risks of the Group including the accounting policies applied and key estimates and judgements made.

D1	Borrowings
D2	Leases
D3	Financial risk management
D4	Capital commitments

### D1. Borrowings

	2025 \$'000	2024 \$'000
<b>Current</b>		
Bank loans secured	30,379	1,155
<b>Total current borrowings</b>	<b>30,379</b>	<b>1,155</b>
<b>Non-current</b>		
Bank loans secured	-	37,811
<b>Total non-current borrowings</b>	<b>-</b>	<b>37,811</b>
<b>Total borrowings</b>	<b>30,379</b>	<b>38,966</b>

The Group has an existing Facility Agreement with Commonwealth Bank of Australia (CBA) dated 23 March 2016 amended in 2018 and 2021.

The loan is scheduled to expire on 17 May 2026 which falls within 12 months after reporting date. As at 30 June 2025, there was no formal renewal agreement in place. On 7 October 2025, the Group received conditional approval from CBA of borrowing facilities for a further 3-year term. The approval is subject to satisfaction of conditions precedent, including compliance with covenants and no material adverse events. At the date of this report, the Group is in the process of finalising terms and conditions under the proposed term sheets, prior to the completion of formal loan documentation.

In accordance with the accounting standards (AASB 101), in the absence of a legally binding agreement to extend the facility beyond 12 months, the debt is classified as current as at 30 June 2025.

#### Classification, recognition, measurement and derecognition

Borrowings are initially recognised at the amount drawn; net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss and Other Comprehensive Income.

Borrowings are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the

financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### CBA Facility Agreement

The Group has the following facilities in place under the Facility Agreement with CBA.

	Facility Limit \$'000	Amount Drawn \$'000
Tranche A	35,000	15,362
Tranche B	9,408	9,408
Project (BHL)	13,400	3,432
Asset Finance	5,000	2,176
Technology Finance*	2,000	5
<b>Total</b>	<b>64,808</b>	<b>30,383</b>

\*The \$5,000 of the Technology Finance facility drawn at reporting date is reported as part of the lease liabilities. (Note D2. Leases)

The loan balances are repayable at the latest on the termination date of the Facility Agreement being 5 years from the latest amendment dated 17 May 2021 except for the Asset and Technology Finance facilities for which the terms (interests, repayments, termination) are subject to separate agreement with the Lender.

Interest is payable at the end of each interest period except for any loans drawn from Tranche B used to fund the development of a project for which interest is capitalised until 2 years after practical completion of the project is achieved.

In addition to the above committed facilities the Facility Agreement makes provision for an accordion facility of \$15 million which, subject to certain

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## D1. Borrowings (continued)

conditions being met, allows the Group to add additional facilities or increase the existing facilities (Tranche A, Tranche B or the Project facility) on the same economic terms as the committed facilities.

The accordion facility is uncommitted and is subject to review and approval by both parties, Bethanie and CBA.

### Covenants

The Facility Agreement contains financial and non-financial covenants.

In August 2025, the Group obtained from the Lender a letter to waive testing of the interest cover ratio as

at 30 June 2025. All other covenants were tested and in compliance.

### Assets pledged as security

The bank loans are secured by a first mortgage over the Group's freehold land and buildings. The terms of the first mortgage preclude the assets being sold or used as security for borrowings without the permission of the bank.

The carrying amount of the assets pledged as security is disclosed in Note C5. Property, plant and equipment and Note C6. Investment properties. The bank also has a deed of fixed and floating charge over the Group's assets.

## D2. Leases

	Right-of-use assets			Lease liabilities
	Land and buildings \$'000	Equipment \$'000	Total \$'000	\$'000
<b>Year ended 30 June 2025</b>				
Opening balance as at 1 July	8,991	919	9,910	7,466
Additions	6,660	27	6,687	6,686
Depreciation expense	(1,483)	(482)	(1,965)	-
Impairment expense	(638)	-	(638)	-
Interest expense	-	-	-	368
Payments	-	-	-	(2,138)
<b>Closing balance as at 30 June 2025</b>	<b>13,530</b>	<b>464</b>	<b>13,994</b>	<b>12,382</b>
<b>Year ended 30 June 2024</b>				
Opening balance as at 1 July	10,502	1,386	11,888	9,461
Additions	164	18	182	183
Disposal	-	(15)	(15)	(16)
Depreciation expense	(1,675)	(470)	(2,145)	-
Interest expense	-	-	-	216
Payments	-	-	-	(2,138)
<b>Closing balance as at 30 June 2024</b>	<b>8,991</b>	<b>919</b>	<b>9,910</b>	<b>7,466</b>

Leases are recognised on the balance sheet as a right-of-use asset with a corresponding lease liability.

The Group uses the recognition exemptions for leases that at the commencement date have a lease term of less than 12 months and for lease contracts for which the underlying asset is of low value. These leases are not recognised on the Statement of Financial Position and the rental payments are expensed in profit or loss.

The Group applies the practical expedient to account for a portfolio of leases with similar characteristics as an individual lease, when the effects are not expected to differ materially from accounting for the leases separately.

The Group uses the Incremental Borrowing Rate where the rate implicit in the lease is not available. Depreciation and finance costs are recognised in profit or loss.

### Future lease payments

The total of future lease payments (including those lease payments that are not included in the measurement of the lease liability, e.g. short-term leases and leases of low-value items) are disclosed for each of the following periods:

	2025 \$'000	2024 \$'000
Less than one year	2,211	2,429
One to five years	5,096	2,323
More than five years	7,821	3,386
	<b>15,128</b>	<b>8,138</b>

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## D3. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk.

### Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and prices.

Market risk is managed and monitored by using sensitivity analysis and minimised through ensuring that all operational activities are undertaken in accordance with the financing and investment strategies of the Group.

### Interest risk

The main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

At the reporting date, the Group had 93% (2024: 92%) of its borrowings exposed to variable interest rates amounting to \$28.2 million (2024: \$35.9million).

The Group invests prudential funding in fixed term deposits classified as Cash and Cash Equivalents or Financial Assets depending on its length of maturity.

They are therefore not subject to interest rate risk as defined in the Accounting Standards, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

### Sensitivity

	Impact on profit/(loss) for the year	
	2025 \$'000	2024 \$'000
BBSY 90 days – increase by 100 basis points *	282	358
BBSY 90 days – decrease by 100 basis points *	(282)	(358)

\*All other variables held constant

The Group manages its interest payments on borrowings through investing in 12-month term deposits with a combination of maturity dates, to maximise interest income.

The exposure to interest rates is constantly monitored and where appropriate, steps are taken to mitigate the cost to the Group.

### Price risk

The Group's exposure to price risk primarily relates to the risk that the Federal Government through the Department of Health, alters the rate of funding provided to Approved Providers of aged care services.

A fluctuation in the rate of Government funding may have a direct material impact on the revenue of the Group. In addition, the Department of Health also administers the pricing of resident and care recipient contributions.

### Credit risk

Credit risk arises from cash at bank and term deposits with financial institutions as well as credit exposures to outstanding trade receivables.

Cash at bank, and term deposits are held with financial institutions with credit ratings of at least 'A', as follows:

	Credit Rating (Moody's)	2025 \$'000	2024 \$'000
Commonwealth Bank of Australia	Aa2	63,356	62,779
St George's bank (part of Westpac Bank Corp)	Aa2	1,843	1,413

The Group has policies in place to ensure that wherever possible services are provided to residents and care recipients with an appropriate credit history. Residential aged care residents undergo an assessment of assets and income.

### Liquidity risk

The Group manages liquidity risk by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Due to the dynamic nature of the businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available and surplus funds are generally only invested in instruments that are highly liquid.

The Group has a prudential liquidity risk policy in accordance with the Fees and Payments Principles 2014 (No.2) ('the Principles') that guides its financial management of liquid assets. Prudent liquidity risk management implies maintaining sufficient cash and term deposits and the availability of funding through adequate credit facilities. Refer to Note D1. Borrowings for details relevant to available credit facilities.

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## D3. Financial risk management (continued)

### Liquidity risk (continued)

The Group's policy is to maintain a minimum of \$35 million in liquid assets, ensuring refundable accommodation deposit liabilities can be refunded as and when required.

### Maturity analysis

The tables below analyse the Group's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Balances due within 12 months approximately equal their carrying balances as the impact of discounting is not significant.

	Carrying amount \$'000	Less than 12 months \$'000	1 – 2 years \$'000	2 – 5 years \$'000	Over 5 years \$'000	Contractual cashflows \$'000
<b>30 June 2025</b>						
Trade and other payables	18,763	18,763	-	-	-	18,763
Borrowings	30,379	30,379	-	-	-	30,379
Employee provisions	23,278	19,992	540	1,997	749	23,278
Lease liabilities	12,382	2,211	1,289	3,807	7,821	15,128
Resident liabilities	595,346	595,346	-	-	-	595,346
Other liabilities	1,760	58	65	194	1,443	1,760
<b>Total</b>	<b>681,908</b>	<b>666,749</b>	<b>1,894</b>	<b>5,998</b>	<b>10,013</b>	<b>684,654</b>

	Carrying amount \$'000	Less than 12 months \$'000	1 – 2 years \$'000	2 – 5 years \$'000	Over 5 years \$'000	Contractual cashflows \$'000
<b>30 June 2024</b>						
Trade and other payables	15,227	15,227	-	-	-	15,227
Borrowings	38,966	1,155	-	37,811	-	38,966
Employee provisions	20,396	17,916	440	1,363	677	20,396
Lease liabilities	7,466	2,429	1,001	1,322	3,386	8,138
Resident liabilities	547,046	547,046	-	-	-	547,046
Other liabilities	1,788	22	65	194	1,507	1,788
<b>Total</b>	<b>630,889</b>	<b>583,795</b>	<b>1,506</b>	<b>40,690</b>	<b>5,570</b>	<b>631,561</b>

## D4. Capital commitments

The Group is committed to incur capital expenditure of \$2.8 million (2024: \$0.7 million).

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## E. Other

This section addresses information on other items which require disclosure to comply with Australian Accounting Standards.

E1	Remuneration of auditors
E2	Contingent liabilities
E3	Economic dependency
E4	Parent entity
E5	Subsidiaries
E6	Related party transactions
E7	Subsequent events

### E1. Remuneration of auditors

During the year, the following fees were paid or payable for services provided by KPMG as the auditor.

	2025 \$	2024 \$
Audit fees	213,200	188,436
Other assurance services	12,000	-
Other services	61,213	28,288
<b>Total</b>	<b>286,413</b>	<b>216,724</b>

### E2. Contingent liabilities

There are no contingent liabilities as at the reporting date other than two bank guarantees in relation to rental premises of \$1.4 million (2024: \$0.9 million).

### E3. Economic dependency

The Group depends on the Department of Health for over 50% of its revenue in the form of subsidies and supplements.

### E4. Parent entity

The ultimate parent entity, which exercises control over the Group, is The Bethanie Group Inc and is incorporated in Australia.

	2025 \$'000	2024 \$'000
Current assets	72,955	71,193
Non-current assets	598,792	545,069
<b>Total assets</b>	<b>671,747</b>	<b>616,262</b>
Current liabilities	659,796	580,827
Non-current liabilities	15,159	43,664
<b>Total liabilities</b>	<b>674,955</b>	<b>624,491</b>
Accumulated losses	(3,208)	(8,229)
<b>Total equity</b>	<b>(3,208)</b>	<b>(8,229)</b>
<b>Profit/ (Loss) for the year</b>	<b>5,021</b>	<b>1,414</b>

### Guarantees

Bethanie guarantees the loan account of Bethanie Housing Ltd to \$13.4 million.

### Contingent liabilities

Contingent liabilities of Bethanie are disclosed within Note E2. Contingent liabilities.

### Contractual commitments

Contractual commitments for the acquisition of property, plant and equipment of Bethanie are included within Note D4. Capital commitments.

## E5. Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group 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 consolidated in these financial statements from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group balances, transactions and unrealised gains on transactions are eliminated in these consolidated financial statements.

The Group has the following subsidiaries:

	2025	2024
Bethanie Housing Ltd	100%	100%
BHL Dalyellup Two Apartments Ltd	100%	-
BHL East Parade Apartments Ltd	100%	-
BHL Dalyellup Key Worker Housing Ltd	100%	-
BHL QVS Apartments Ltd	100%	-
Bethanie Primary Care Limited	100%	100%
Vacant Beds Ltd	100%	100%

The management fee charged to Bethanie Housing Ltd for the year ended 30 June 2025 is \$3.3m (2024: \$2.2m).

# Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

## E6. Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There were no transactions with related parties during the year.

### Key management personnel

Key management personnel (KMP) include members of the Board and Senior Executives.

The KMP remuneration comprises short-term employee benefits, post-employment benefits and termination benefits. These are included in employee benefit expenses (Note B2).

	2025	2024
	\$	\$
Remuneration paid/ payable to all members of the board and KMP	2,347,646	2,809,537

During the year there were no material transactions between the Group and any KMP.

The names of and remuneration paid to the non-executive Directors in the financial year were as follows:

	2025	PCGC	GPTC	RAC	CCGC
	\$				
Diana Forsyth (Chair)	108,173	✓			✓
Celia Hammond (Deputy Chair)	80,913	C			✓
Maria Foundas	62,115				C
Ross Hughes	62,115		✓	C	
Dana Dermody	57,500				✓
Paul Lakey	60,000	✓	C		
Stuart Beattie	54,615		✓	✓	
Glen Power (Appointed 17 February 2025, resigned 13 October 2025)	18,173		✓		
David Kilpatrick (Resigned 25 November 2024)	26,683	✓			

C – Chair of the Committee

PCGC - People, Culture & Governance Committee

GPTC – Growth, Property & Technology Committee

RAC – Risk & Assurance Committee

CCGC – Clinical and Care Governance Committee

## E7. Subsequent events

The Group's existing Facility Agreement with Commonwealth Bank of Australia (CBA) is scheduled to expire on 17 May 2026. As at 30 June 2025, there was no formal renewal agreement in place.

On 7 October 2025, the Group received conditional approval from CBA of borrowing facilities for a further 3-year term. The approval is subject to satisfaction of conditions precedent, including compliance with covenants and no material adverse events. At the date of this report, the Group is in the process of finalising terms and conditions under the proposed term sheets, prior to the completion of formal loan documentation.

Other than those mentioned, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future years.

# Directors' Declaration

In the opinion of the directors of The Bethanie Group Inc ('The Company'):

- (a) the consolidated financial statements and notes set out on pages 14 to 36 are in accordance with the Associations Incorporation Act 2015, including:
  - (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements, the Associations Incorporation Act 2015, the ACNC Act 2012 and other mandatory professional reporting requirements.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board of the directors.

Signed for and on behalf of the Board of the directors by:



**Diana Forsyth**  
Non-Executive Chair  
Board of Directors  
The Bethanie Group Inc

Perth, Western Australia this 22nd day of October 2025



# Independent Auditor's Report

To the members of The Bethanie Group Inc

## Opinion

We have audited the **Financial Report**, of The Bethanie Group Inc and its controlled entities (the Group).

In our opinion, the accompanying Financial Report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and the *Associations Incorporations Act 2015* including:

- i. Giving a true and fair view of the **Group's** financial position as at 30 June 2025, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)*.

The **Financial Report** comprises:

- i. Consolidated statement of financial position as at 30 June 2025.
- ii. Consolidated statement of profit and loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended.
- iii. Notes, including material accounting policies.
- iv. Directors' declaration.

The **Group** consists of The Bethanie Group Inc and the entities it controlled at the year end or from time to time during the financial year.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 auditor independence requirements of the *ACNC Act 2012* 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 fulfilled our other ethical responsibilities in accordance with these requirements.



## Other information

Other Information is financial and non-financial information in Group's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR
- ii. Preparing the Financial Report in accordance with the Associations Incorporations Act 2015.
- iii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iv. Assessing the Group's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.



We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Group's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Group to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the registered Group regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

KPMG

A handwritten signature in blue ink, appearing to read 'L. Cardy', written over a light blue circular stamp.

Laura Cardy

*Partner*

Perth

22 October 2025





**Bethanie**