



Financial Report 2025



30 June 2025
ABN 95 084 695 045

benevolent SOCIETY

About The Benevolent Society

Our vision

A just society where everyone is valued, safe and belongs.

Our purpose

We support and empower people and communities. Since 1813, our history reflects a passion for helping people live life their way.

Our values

Integrity • Respect • Collaboration • Effectiveness • Optimism

Our principles

- We work towards reconciliation with Aboriginal and Torres Strait Islander Peoples.
- We believe change is possible when we work together with our clients.
- We use our skills, voice and resources to reduce disadvantage and work for a just society.
- We are creative, efficient, resourceful and effective in the pursuit of social impact.
- We work in and through communities to improve the welfare of individuals and families.
- We are brave innovators who will always pursue social change.

Contact us

The Benevolent Society

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ABN 95 084 695 045

benevolent.org.au

1800 236 762 (Business Hours Monday–Friday 8am to 6pm)

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The Benevolent Society acknowledges the Traditional Owners of Country throughout Australia and recognises Aboriginal and Torres Strait Islander Peoples' continuing connection to land, waters, and community. We pay our respects to Elders past and present.

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Directors' report

The Benevolent Society is a registered charity and public benevolent institution with deductible gift recipient status endorsed by the Australian Charities and Not-for-profits Commission (ACNC) and accepted by the Australian Taxation Office (ATO). The Benevolent Society also has a wholly-owned subsidiary, Benevolent Australia — Disability Services Limited (BA-DS), which transferred all its assets and liabilities to The Benevolent Society on 29 October 2021 at which point it also ceased trading. BA-DS has since been voluntarily deregistered as a charity with the ACNC, and deregistered as a company with the Australian Securities and Investments Commission (ASIC) on 14 August 2024.



Vision and values

The Benevolent Society is a not-for-profit organisation that has helped people, families and communities achieve positive change since 1813.

Our vision is for a just society where all Australians can live their life their way. We seek to deliver on that vision by meeting people at their points of need and driving social change to dismantle the barriers that prevent people from full participation and

inclusion in the community. For over 200 years, The Benevolent Society has pioneered new solutions to social problems and spoken out against disadvantage.

Our values guide us to stand strong, to never give up, to speak out on the issues that matter and to make a positive difference every day for people of all ages and backgrounds.

Directors

The following people were Directors of The Benevolent Society during the whole of the financial year up to the date of this report, except where noted:

Ken Smith AO

Chair appointed on 27 November 2023

Andrew Yates

Chair of the Audit, Finance and Risk Committee until 30 March 2025

Rod Young

Nancy Milne

Chair of the People and Culture Committee

Robyn Mildon

Chair of Research, Practice and Quality Committee

Lior Etta Griew

Formerly Robert Griew.
Ceased directorship on 17 August 2024

Mahir Momand

Chair of the Audit, Finance and Risk Committee from 31 March 2025

Lorraine Sheppard

David Wenitong

Elaine Leong

Group General Counsel and Group Company Secretary

All Directors are members of The Benevolent Society (see Note 21(a) on page 38 for more information).

Principal activities

Our principal activities are summarised in **Figure 1** below.

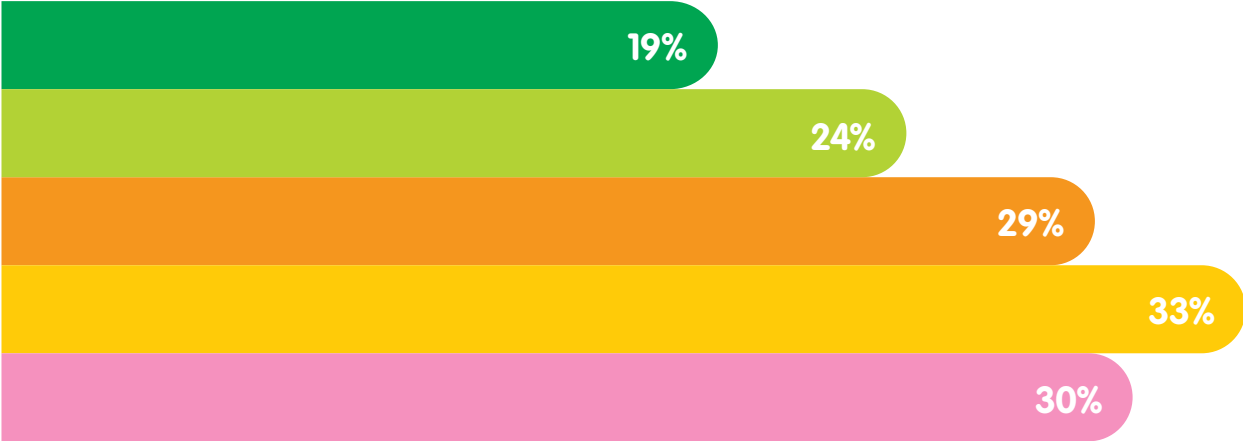
We provide services and support to children, families, older people and people with a disability across Australia. Our primary locations are in New South Wales, South Australia, Queensland and the Australian Capital Territory. We also contribute to positive social change through our advocacy and partnerships.

Everything we do is underpinned by the skills of our workforce, the passion of our volunteers and the generosity of our donors, corporate partners and funders. The Benevolent Society employs 1,321 staff, the equivalent of 1,209 full-time staff throughout New South Wales, South Australia, Queensland and ACT. Approximately 167 volunteers are involved in our service delivery and supporting our corporate functions at any given time during the year. We also continue to partner with a wide range of for-purpose organisations, academic bodies and government agencies.

Figure 1: Principal Activities (percentages based on income by Service)



Child, Youth and Family



Ageing and Carers



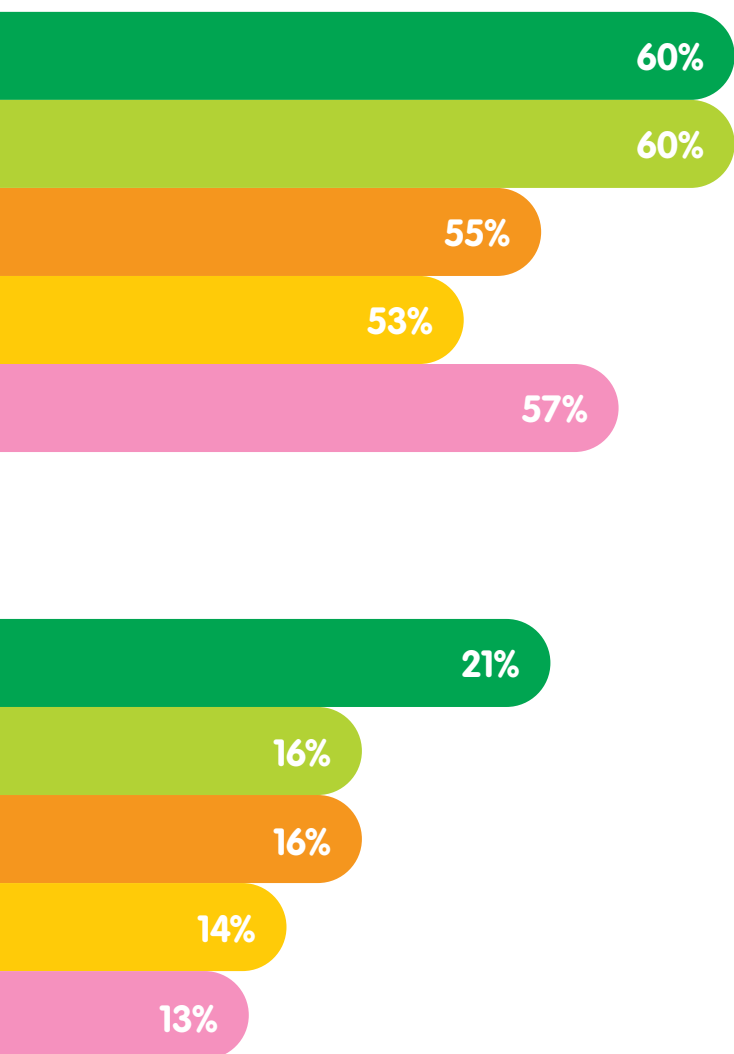
Disability

Legend: 2021 (green), 2022 (light green), 2023 (orange), 2024 (yellow), 2025 (pink)

Our strategy

Our Strategic Plan is the key tool for the Board to set its longer-term vision of the organisation and guides the operational delivery of activities to achieve this. Over the last three years, the Directors oversaw the delivery of the 2022–2024 Strategic Plan *Better Together*. This plan built on our long experience and established strengths in supporting people, families, and communities, to facilitate the growth and development of The Benevolent Society. Key focuses included being person focused through our services and practice, enhancing our positive impact and ensuring the organisation provides a thriving environment for our staff and stakeholders.

Throughout Financial Year 2025, Directors worked with staff to develop a new strategic plan (currently a working draft) in which we set the vision for the organisation to be “A just society where everyone is valued, safe and belongs.” Key focus areas will continue to build on our long term work in the community, our strong partnerships and our professional and skilled workforce, and include improving the safety and wellbeing of the people we work with, building social inclusion and community capacity, increasing impact and social change and growing the sustainability of our organisation.



Performance

The Benevolent Society monitors performance through management reporting, performance scorecards, KPIs and benchmarks, including:

- outcome measures of service delivery;
- actual performance versus budgeted performance;
- the cost-effectiveness of fundraising activities; and
- the cost of administration and indirect costs to support operations.

We also assess client and staff experience through a range of feedback mechanisms and regular net promoter score surveys.

Review of operations and results

Operating results

The Benevolent Society, here on will be referred as the group and the consolidated group Surplus from continuing operations amounted to \$11,735,000 (2024: \$3,664,000).

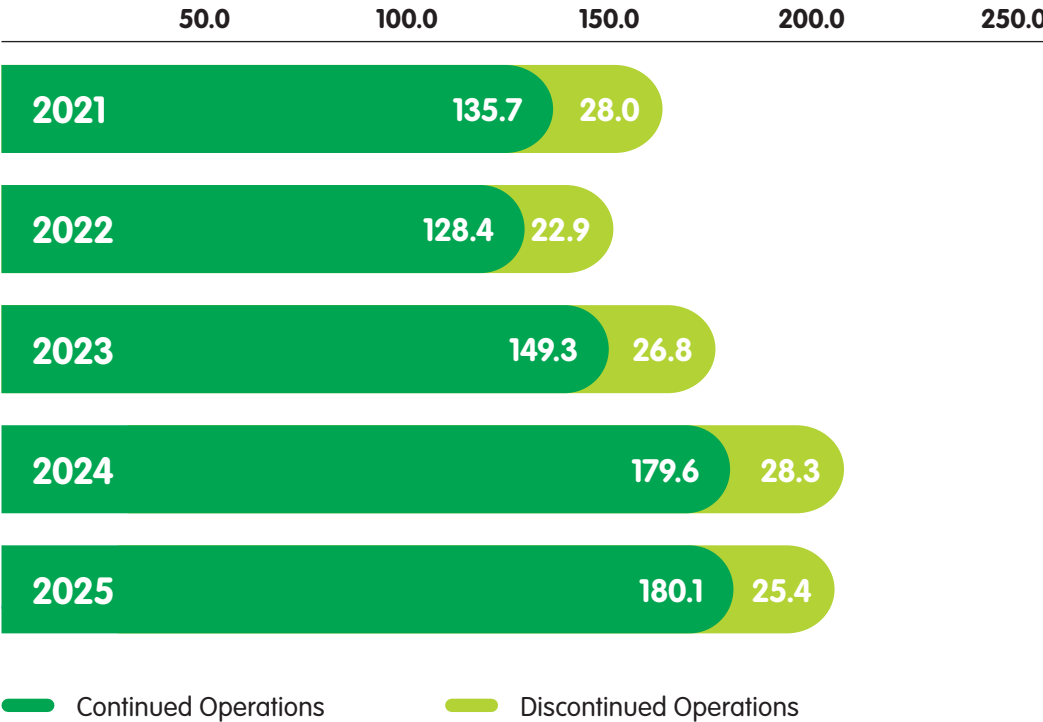
Review of operations

A review of operations of the consolidated group during the financial year shows total revenue increasing by 0.4% (2024: 2.0% increase).

- Revenue from contracts with customers decreased by 4.4% to \$161,472,000 (2024: \$168,918,000). Excluding prior year rollover revenue of \$11,641,000 from Carer Gateway Program, revenue from contracts with customers increased by 2.7% to \$161,472,000 (2024: \$157,277,000) due to an increase in service contracts funding.
- Revenue from other operations increased to \$5,450,000 (2024: \$223,000) results from significant increase in bequests.
- Investment revenue increased to \$10,125,000 (2024: \$8,730,000) from unrealised gains and distributions on investments.
- Other income increased to \$3,244,000 (2024: \$1,704,000) as a result of final distribution of Early Learning Fund to distribution partners.

Operating expenses from continued operations decreased by 4.2% (2024: 0.6% increase) due to a decrease in community partnership arrangement and marketing expenditure.

Figure 2: Revenue



Significant changes during the financial year

After careful consideration, The Benevolent Society has concluded that transferring our NDIS allied health therapies and behaviour support services in NSW and SA (and some directly related support roles) to specialist therapies provider — Australian Health and Therapy Group Pty Ltd (AHTG) — is in the best interests of our clients and our dedicated therapy and behaviour support staff.

This agreement means that there will be a continuity of services for clients and maximises continuity of employment for staff. The agreed transfer will also enable all Disability Services teams across all locations — metro, rural and remote — to stay together as one business.

Significant changes after the end of the financial year

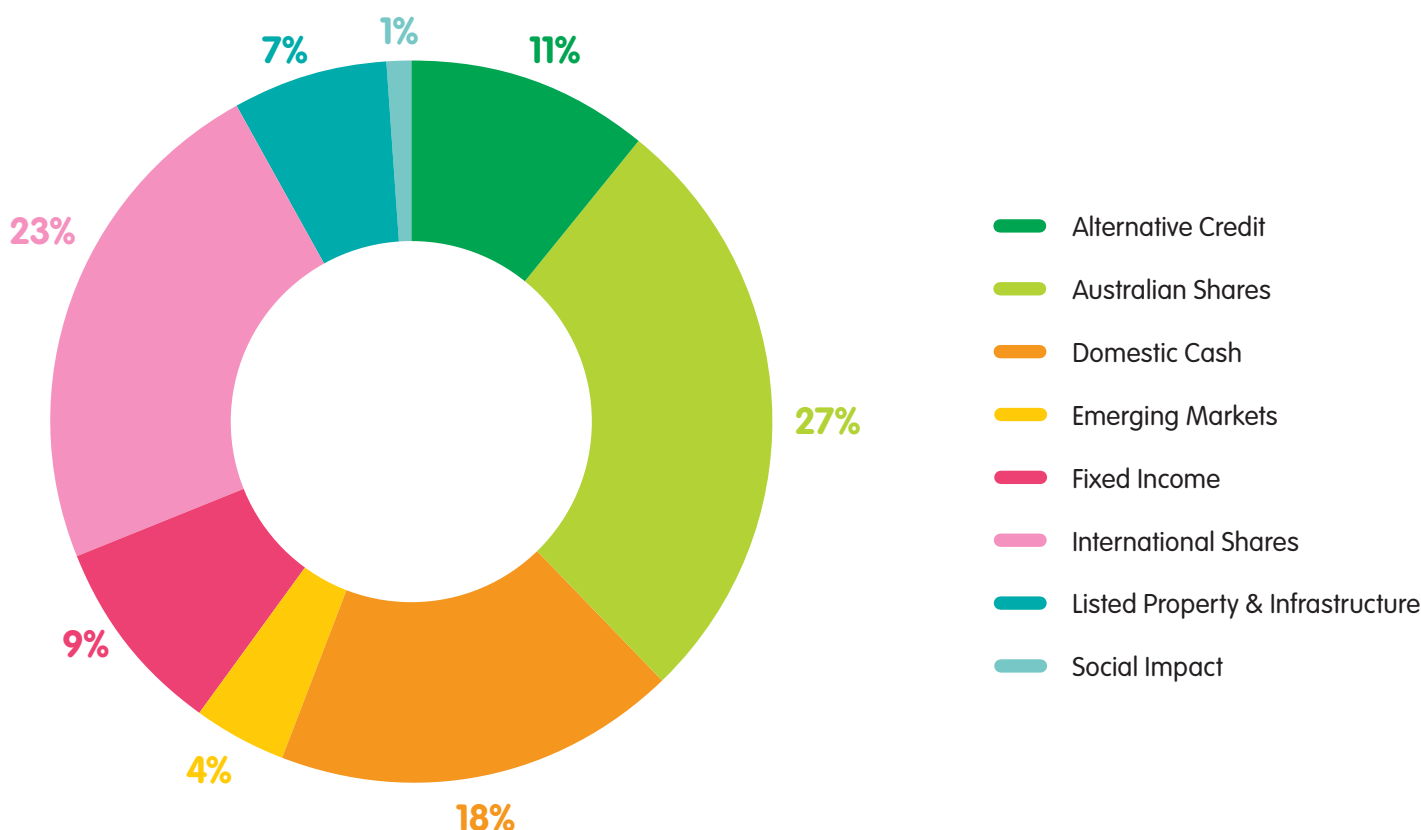
The transfer of the group's NDIS allied health therapies and behaviour support services to AHTG was completed and settled on the 8 July 2025.

As a result of the transfer, the revenue impact for the group is \$25,000,000 based on the current financial year. For further details, please refer to note 1. In total 196 employees, equivalent of 176 full-time staff, were transitioned to AHTG.

Endowment investments

The Endowment Fund's purpose is to secure the long-term sustainability of The Benevolent Society and fund strategic initiatives and activities. The strategy includes management of two pools of funds: Future Generation Fund and Liquid Reserve. Russell Investments Ltd is the appointed external investment advisor to manage the funds. The Audit, Finance and Risk Committee (AFR) oversees governance of the endowment activities.

Figure 3: Endowment Fund asset allocations



The Fund allocation chart above reflects the actual allocation as at 30 June 2025.

Investment performance

The Endowment Fund returned 10.8% (2024: 9.4%) which reflects the favourable conditions in the financial markets during the year. The Endowment Fund transferred \$3,090,000 to working capital to fund transformation project expenses.

The Endowment Fund balance at 30 June 2025 is \$87,783,000.

Going concern

For the year ended 30 June 2025, the consolidated entity had net current liabilities of \$17,319,000 (2024: \$14,557,000) comprising of total current assets of \$38,486,000 (2024: \$25,039,000) and total current liabilities of \$55,805,000 (2024: \$39,596,000).

The following matters have been considered by the Directors in determining the appropriateness of the going concern basis of preparation in the Financial Statements:

- i. availability of the option to draw down from the Endowment Fund balance of \$87,783,000, subject to appropriate approval of the Board and whilst being liquid the Endowment Fund's intent is long-term growth; and
- ii. the group continues to meet its obligations from the cash flow generated from its operations.

As a result of the above matters, the Directors are of the view that the consolidated entity will continue as a going concern and, therefore, will realise its assets and liabilities and commitments in the normal course of business and at the amounts stated in the Financial Statements.

Matters subsequent to the end of the financial year

Other than the transfer of our NDIS allied health therapies operations on 8 July 2025 to AHTG, no matter of circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the group, the results of those operations, or state of affairs of the group in future financial years.

Likely developments and expected results of operations

In the opinion of the Directors, there are no likely changes in The Benevolent Society's operations which may adversely affect The Benevolent Society.

Dividends

The Benevolent Society is a company limited by guarantee. It is prohibited by its Constitution from paying dividends to members.

Information on Directors

The people listed in **Table 1** below were Directors of The Benevolent Society during the financial year and up to the date of this report.

Directors' meetings

Table 1 shows the number of Board and Board subcommittee meetings held while the person was a Director, during the year ended 30 June 2025 and the number of meetings each attended.

Table 1: Directors' meetings

Director	Board of Directors		Audit, Finance & Risk Committee*		People & Culture Committee		Research, Practice & Quality Committee*	
	Held during tenure	Attended during tenure	Held during tenure	Attended during tenure	Held during tenure	Attended during tenure	Held during tenure	Attended during tenure
Ken Smith AO	10	10	4	4	4	1	5	1
Andrew Yates	10	8	4	3	-	-	-	-
Lorraine Sheppard	10	10	4	4	4	4	5	5
Robyn Mildon	10	8	-	-	4	1	5	5
Mahir Momand	10	10	4	4	-	-	-	-
Lior Etta Griew (formerly Robert Griew)	2	1	-	-	-	-	1	0
Nancy Milne	10	8	4	4	4	4	-	-
Rod Young	10	10	-	-	4	3	5	5
David Wenitong	10	3	-	-	4	0	-	-
Elaine Leong (Group Company Secretary)	10	10	4	4	4	3	5	4

*Board Directors are invited to attend any Committee meeting, even where they are not a Committee member.

During the 2024/2025 financial year, several non-standing working groups and committees were convened to oversee significant transactions and matters. These included the Oversight Committee for the divestment of Disability Therapy Services and other M&A opportunities, the Service Delivery Regulatory Compliance Working Committee, and the Board Director and CEO Search Panels.

Audit, Finance and Risk Committee Composition for FY24–25

Andrew Yates, Committee Chair until 30 March 2025

Nancy Milne, Director

Mahir Momand, Committee Chair from 31 March 2025

Ken Smith AO, Board Chair

Lorraine Sheppard, Director

People and Culture Committee Composition for FY24–25

Nancy Milne, Committee Chair

Rod Young, Director

David Wenitong, Director

Ken Smith AO, Board Chair

Research, Practice and Quality Committee Composition for FY24–25

Robyn Mildon, Committee Chair

Lorraine Sheppard, Director

Rod Young, Director

Lior Griew, Director until 17 August 2024

Ken Smith AO, Board Chair

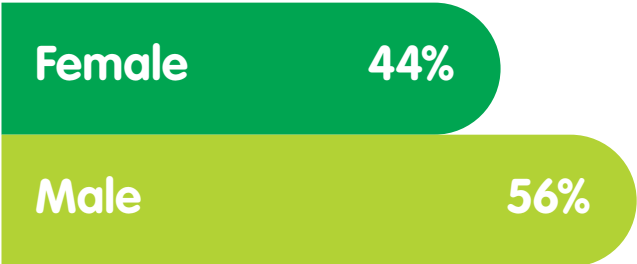
Remuneration of Directors

The Benevolent Society’s Directors (excluding Group Company Secretary) are not remunerated. Based on the latest report published by the Australian Institute of Company Directors, the average salary paid to a Board Director in the Social Service sector is \$21,389. The total in-kind contribution of The Benevolent Society’s Board in FY2025 is estimated to be \$171,112.

Loans to Directors and executives

There are no loans to The Benevolent Society’s Directors or executives.

Figure 4: Composition of the Board



Insurance of officers

During the financial year, The Benevolent Society paid premiums of \$61,690 to insure its Directors, Company Secretary, and all executive officers of The Benevolent Society against a liability incurred by them, to the extent permitted by the Corporations Act 2001.

The Benevolent Society is insured for any loss for which a Director or officer becomes legally obligated to pay resulting from a wrongful act, and any amount for which The Benevolent Society indemnifies any Director, Company Secretary or executive officer in respect of any claims made against the Director or officer arising from a wrongful act.

The Benevolent Society has entered into deeds of access, indemnity and insurance for the benefit of Directors, Company Secretary and executive officers.

Indemnity of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of The Benevolent Society.



Proceedings on behalf of The Benevolent Society

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings against The Benevolent Society, nor to intervene in any proceedings to which The Benevolent Society is a party, for the purpose of taking responsibility on behalf of The Benevolent Society for all or part of those proceedings. No proceedings have been brought, or intervened in, on behalf of The Benevolent Society, with leave of the Court under section 237 of the Corporations Act 2001.

Other assurance services

The Benevolent Society has decided to engage the auditor (HLB Mann Judd) for the current financial year on assignments additional to their statutory audit duties, where the auditor's expertise and previous experience with the not-for-profit industry. PricewaterhouseCoopers (PwC) has resigned as our auditors after providing audit and assurance services to The Benevolent Society for over 20 financial years, from 2004 through to the 2024 financial year.

In accordance with advice received from the Audit, Finance and Risk Committee, the Board of Directors is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditor imposed by the Australian Charities and Not-for-profits Commission Act 2012.

The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit, Finance and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditors' independence as set out in APES 110 Code of Ethics for Professional Accountants.

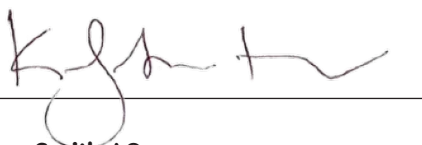
A copy of the auditor's independence declaration is set out on page 15 as required under section 60–40 of the Australian Charities and Not-for-profits Commission Act 2012.

Rounding of amounts

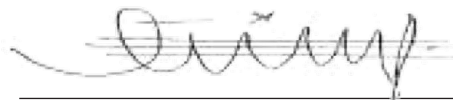
In relation to the 'rounding off' of amounts in the Directors' Report, The Benevolent Society is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, and in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of Directors.



Ken Smith AO
Chair



Mahir Momand
*Chair of the Audit, Finance
and Risk Committee*

Sydney, 29 September 2025

Auditor's declaration

For the year ended 30 June 2025



Auditor's Independence Declaration

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of The Benevolent Society for the year ended 30 June 2025.

This declaration is in relation to The Benevolent Society and the entity it controlled during the year.

A handwritten signature in black ink that reads 'HLB Mann Judd'.

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

Sydney, NSW
29 September 2025

A handwritten signature in black ink that reads 'A G Smith'.

A G Smith
Director

hlb.com.au

HLB Mann Judd Assurance (NSW) Pty Ltd ABN 96 153 077 215

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

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Financial statements

Financial statements for the year ended 30 June 2025

Consolidated statement of income and comprehensive income

	Notes	2025 \$'000	2024 \$'000
Revenue			
Revenue from continuing operations	2	177,047	177,871
Other income	2	3,244	1,704
Total Revenue		180,291	179,575
Expenses			
Salaries and wages		(113,726)	(103,902)
Administration expenses		(9,917)	(11,072)
Client and brokerage expenditure		(18,849)	(21,213)
Community partners		(6,288)	(16,233)
Information technology		(5,549)	(6,006)
Marketing, events and communications		(1,896)	(5,040)
Travel and transport		(1,008)	(945)
Property and equipment		(1,947)	(2,031)
Depreciation and amortisation expense	3	(9,376)	(9,469)
Total expenses from continuing operations		(168,556)	(175,911)
Surplus before income tax		11,735	3,664
Income tax expense	31(e)	-	-
Surplus from continuing operations		11,735	3,664
Deficit from discontinued operations		(7,101)	(5,549)
Surplus/(deficit) for the year		4,634	(1,885)
Other comprehensive income			
Items that will not be reclassified to Statement of Income	20(b)	194	(228)
Actuarial gain/(loss) on employee benefit obligations			
Total comprehensive income/(loss) for the year		4,828	(2,113)

The above consolidated statement of income and comprehensive income should be read in conjunction with the accompanying Notes.

Consolidated statement of financial position

	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	4	24,215	16,877
Trade and other receivables	5	5,746	7,094
Financial assets at FVTPL	6	5,500	1,068
Assets classified as held for sale	7	3,025	-
Total current assets		38,486	25,039
Non-current assets			
Receivables	8	3,366	3,366
Financial assets at FVTPL	9	82,239	72,986
Property, plant and equipment	10	42,021	44,253
Right-of-use assets	11(a)	16,279	18,988
Intangible assets	12	345	801
Total non-current assets		144,250	140,394
Total assets		182,736	165,433
Liabilities			
Current liabilities			
Trade and other payables	13	31,539	18,837
Employee benefit obligations	14	12,732	14,386
Borrowings	15	-	8
Refundable loans	16	-	100
Lease liabilities	11(a)	6,233	6,265
Liabilities relating to assets classified as held for sale	17	5,301	-
Total current liabilities		55,805	39,596
Non-current liabilities			
Provisions	18	2,844	2,753
Employee benefit obligations	19	2,315	2,706
Lease liabilities	11(a)	15,535	18,969
Total non-current liabilities		20,694	24,428
Total liabilities		76,499	64,024
Net assets		106,237	101,409
The Benevolent Society Funds			
Retained earnings	20(a)	99,642	95,008
Defined benefit reserve	20(b)	6,595	6,401
Total funds		106,237	101,409

The above consolidated statement of financial position should be read in conjunction with the accompanying Notes.

Consolidated statement of changes in funds

	Notes	Defined Benefit Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 July 2023		6,629	96,893	103,522
Deficit for the year	20(a)	-	(1,885)	(1,885)
Other comprehensive income	20(b)	(228)	-	(228)
Balance at 30 June 2024		6,401	95,008	101,409
Surplus for the year	20(a)	-	4,634	4,634
Other comprehensive income	20(b)	194	-	194
Balance at 30 June 2025		6,595	99,642	106,237

The above consolidated statement of changes in funds should be read in conjunction with the accompanying Notes.

Consolidated statement of cash flows

	Notes	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from government and clients (inclusive of goods and services tax)		222,548	198,542
Payments to suppliers and employees (inclusive of goods and services tax)		(201,067)	(210,645)
Interest paid		(1,668)	(1,711)
Net cash inflow (outflow) from operating activities		19,813	(13,814)
Cash flows from investing activities			
Payments for property, plant and equipment		(1,967)	(1,706)
Payments for intangible assets		(165)	(411)
Payments for held-to-maturity investments		(4,432)	(38)
Payments for purchase of financial assets at fair value through profit and loss		(4,220)	(560)
Distributions on financial assets at fair value through profit and loss		1,999	2,729
Proceeds from sale of financial assets at fair value through profit and loss		3,090	3,288
Proceeds from sale of property, plant and equipment		212	191
Net cash (outflow) inflow from investing activities		(5,483)	3,493
Cash flows from financing activities			
Repayment of borrowings		(8)	(42)
Principal elements of lease payments		(6,984)	(6,057)
Net cash (outflow) from financing activities		(6,992)	(6,099)
Net increase/(decrease) in cash and cash equivalents		7,338	(16,420)
Cash and cash equivalents at the beginning of the financial year		16,877	33,297
Cash and cash equivalents at end of year	4	24,215	16,877

The above consolidated statement of cash flows should be read in conjunction with the accompanying Notes.

Notes to the financial statements

For the year ended 30 June 2025

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1 Significant changes in the current reporting period

For a detailed discussion about The Benevolent Society's performance and financial position, please refer to our Review of operations and results in our Directors' report on page 4

The management has made the decision to transfer our NDIS Therapies operations to AHTG. **The details of the discontinued operations can be found from the table below:**

	2025 \$'000	2024 \$'000
Revenue	25,354	28,295
Salaries and wages	(21,131)	(23,791)
Depreciation and amortisation expense	(895)	(781)
Other expenses	(10,429)	(9,271)
Total deficit from discontinued operations	(7,101)	(5,548)

The transfer of the group's NDIS allied health therapies and behaviour support services to AHTG was completed and settled on 8 July 2025.

As a result of the transfer, the revenue impact for the group is \$25,000,000 based on the current financial year. In total, 196 employees equivalent to 176 full-time positions were transitioned to AHTG.

The consolidated statement of income and comprehensive income shows the impact of discontinued operations.

2 Revenue

A From contracts with customers

Revenue from services subject to specific performance obligations.

	2025 \$'000	2024 \$'000
Government funding	159,044	165,032
Client fees and charges	1,228	1,645
Corporate funding	122	100
Trusts and foundations (refer to Note 28)	1,078	2,141
Revenue from contracts with customers	161,472	168,918

B From other operations

Revenue streams which are either not enforceable or do not have sufficiently specific performance obligations.

	2025 \$'000	2024 \$'000
Bequests and legacies	5,246	62
Fundraising appeals and events (refer to Note 28)	204	161
Revenue from other operations	5,450	223

2 Revenue *continued*

C From investments

	2025 \$'000	2024 \$'000
Interest	1,712	1,785
Investment distributions/dividends	4,231	3,209
Realised (loss)/gain on sale of investments	(10)	55
Unrealised gain on investments	4,192	3,681
Revenue from investments	10,125	8,730
Total revenue from continuing operations	177,047	177,871

D Other income

	2025 \$'000	2024 \$'000
Rent	1,307	1,345
Net gain on sale of property, plant and equipment	480	196
Gain on Lease remeasurement	5	-
Other	1,452	163
Total other income	3,244	1,704

See Note 31(d) for revenue recognition accounting policy and application of AASB 15 and AASB 1058.

3 Expenses

Expenses from continuing operations include the following specific expenses:

	2025 \$'000	2024 \$'000
Depreciation and amortisation		
Buildings	892	892
Right-of-use assets	6,349	5,798
Software	290	432
Plant and equipment	1,845	2,347
Total depreciation and amortisation	9,376	9,469
Net transfers to provisions		
Employee entitlements	2,054	1,623
Receivables written off during the year as uncollectible	25	70
Expense related to defined contribution plans	11,074	9,866

4 Current assets: cash and cash equivalents

	2025 \$'000	2024 \$'000
Cash at bank and on hand	21,500	14,142
Cash at bank and on hand — Endowment	2,715	2
Short term deposits — Endowment	-	2,733
Total cash and cash equivalents	24,215	16,877

Cash and cash equivalents contains \$2,715,000 (2024: \$2,735,000) held as part of the Endowment Fund (Note 29).

A Cash at bank and on hand

This includes three (2024: two) at call interest bearing accounts of \$1,772,374 at interest 0.25% (2024: \$874,544 at interest rate of 0.25%) and Business Online Saver Account of \$17,840,852 at interest rate of 3.50% (2024: \$9,109,601 at interest rate of 4.15%).

B Short term deposits

Deposits are with the Commonwealth Bank of Australia. Deposit rates are between 4.13% and 4.61% (2024: 4.85% and 5.04%). These deposits have an original maturity of 31 to 90 days.

4 Current assets: cash and cash equivalents *continued*

C Interest rate risk exposure

The Benevolent Society's exposure to interest rate risk is discussed in Note 32.

D Reconciliation of cash at the end of the year

The above figures are reconciled to the amount of cash shown in the consolidated statement of cash flows at the end of the financial year as follows:

	2025 \$'000	2024 \$'000
Balances as above	24,215	16,877
Balances as per consolidated statement of cash flows	24,215	16,877

5 Current assets: trade and other receivables

	2025 \$'000	2024 \$'000
Trade receivables*	2,759	4,306
Provision for impairment	(38)	(274)
Investment income receivable*	215	220
Trade receivables	2,936	4,252
Prepayments	2,810	2,842
Trade and other receivables	5,746	7,094

*\$201,000 (2024: \$194,000) of trade receivables and \$128,000 (2024: \$128,000) of investment income receivable relates to the Endowment Fund.

Movements in the provision for impairment are as follows:

	2025 \$'000	2024 \$'000
At 1 July	274	327
Provision for impairment recognised during the year	(24)	78
Receivables written off during the year as uncollectible	(212)	(131)
As at 30 June	38	274

The creation and release of the provision for impaired receivables has been included in 'Administration expenses' in the consolidated statement of income and comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovery.

6 Current assets: financial assets at fair value through profit or loss

	2025 \$'000	2024 \$'000
Term deposit — working capital	3,000	-
Term deposits — Endowment	2,500	1,068
Total financial assets at fair value through profit and loss	5,500	1,068

7 Current assets: assets classified as held for sale

	2025 \$'000	2024 \$'000
Trade receivables	958	-
Property, plant and equipment	1,040	-
Intangible assets	216	-
Right-of-use assets	811	-
Total current assets: assets classified as held for sale	3,025	-

Assets classified as held for sale are assets reclassified as a result of discontinued operations. Please refer to note 1 and Directors' report.

8 Non-current assets: receivables

	2025 \$'000	2024 \$'000
Receivables	3,366	3,366
Total non-current receivables	3,366	3,366

The receivables outstanding at the end of the current year are deeply subordinated notes in Goodstart Early Learning of \$2,500,000 and capitalised interest earned to date on these notes of \$866,000. The deeply subordinated notes in Goodstart Early Learning has a maturity date of October 2030.

A Impaired receivables and receivables past due

None of the non-current receivables are impaired or past due but not impaired.

B Risk exposure

Information about The Benevolent Society's exposure to credit risk and interest rate risk is provided in Note 32.

9 Non-current assets: financial assets at fair value through profit or loss

	2025 \$'000	2024 \$'000
Managed funds — Endowment	82,239	72,986
Total financial assets at fair value through profit or loss	82,239	72,986

See Note 31(j) for the relevant accounting policies.

A Managed funds

The managed funds hold assets in line with The Benevolent Society's approved strategic asset allocation. A summary of the Endowment assets and income are shown in Note 29.

B Non-current assets pledged as security

The Benevolent Society does not hold any non-current assets pledged as security.

C Impairment and risk exposure

The maximum exposure to credit risk at the reporting date is the fair value of the managed funds classified as financial assets at fair value through profit or loss.

All financial assets at fair value through profit or loss are denominated in Australian currency. For an analysis of the sensitivity of financial assets at fair value through profit or loss to price and interest rate risk refer to Note 32.

10 Non-current assets: property, plant and equipment

	Work in progress Assets in the course of construction \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Cost				
Balance as at 1 July 2024	161	35,684	32,174	68,019
Additions	1,839	-	1,192	3,031
Reclassification	(1,653)	-	1,653	-
Disposals	-	-	(1,328)	(1,328)
Reclassified to held for sale	-	-	(2,195)	(2,195)
Balance as at 30 June 2025	347	35,684	31,496	67,527
Accumulated depreciation				
Balance as at 1 July 2024	-	(5,402)	(18,364)	(23,766)
Disposals	-	-	622	622
Depreciation expense	-	(892)	(2,625)	(3,517)
Reclassified to held for sale	-	-	1,155	1,155
Balance as at 30 June 2025	-	(6,294)	(19,212)	(25,506)
Net Book Value 2025	347	29,390	12,284	42,021
Net Book Value 2024	161	30,282	13,810	44,253

A Valuations of land and buildings

Land and buildings were deemed at cost as at transition to Australian equivalents to International Financial Reporting Standards ('AIFRS') date (1 July 2004). Valuations performed in April 2023 by Charter Keck Cramer showed recoverable values as greater than carrying values thus an impairment loss did not occur (refer Note 31(g)).

The Benevolent Society building 2E Wentworth Park Road, Glebe was valued at \$40,000,000 in April 2023, which exceeds carrying value of \$29,390,000 as at 30 June 2025.

B Restricted assets

The Benevolent Society does not have any material restrictions on title, property, plant and equipment. Minor restrictions relating to approved plant and equipment purchases through government funded contracts may include asset maintenance, security, risk responsibility, any insurance and registration requirements, disposal approval requirements and using the asset for the purpose for which it was funded.

11 Leases

A Amounts recognised in the balance sheet

The following amounts are recognised in the consolidated statement of financial position relating to leases:

	2025 \$'000	2024 \$'000
Right-of-use assets		
Right-of-use property lease	31,701	31,731
Right-of-use motor vehicle lease	8,223	7,445
Total Right-of-use Assets	39,924	39,176
Accumulated depreciation of Right-of-Use Assets	(23,645)	(20,188)
Net Book Value of Right-of-Use Assets	16,279	18,988
Lease liabilities		
Lease liability property	4,337	4,200
Lease liability motor vehicle	1,896	2,065
Total current lease liabilities	6,233	6,265
Lease liability property	13,976	17,781
Lease liability motor vehicle	1,559	1,188
Total non-current lease liabilities	15,535	18,969
Total lease liabilities	21,768	25,234
Future lease payments in relation to lease liabilities at period end are as follows:		
	2025 \$'000	2024 \$'000
Not later than a year	10,228	7,784
Later than a year and not later than 5 years	15,777	16,662
Later than 5 years	2,874	6,588
Total future lease payments	28,879	31,034

Additions to right-of-use assets during the financial year were \$3,453,374 (2024: \$4,029,080).

11 Leases *continued*

B Amounts recognised in the statement of income

The statement of income shows the following amounts relating to leases:

	2025 \$'000	2024 \$'000
Depreciation charge of right-of-use assets		
Property leases	3,608	3,519
Motor vehicle leases	2,741	2,279
Total depreciation charge of right-of-use assets	6,349	5,798
Property leases interest expense (included in Administration expense)	1,243	1,414
Motor vehicle interest expense (included in Travel and transport expense)	375	296
Total interest expense	1,618	1,710
Expense relating to short-term leases (included in Property and equipment expenses)	268	206
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in Administration expenses)	83	91
Expense relating to variable lease payments not included in leases liabilities (included in Property and equipment expenses)	653	516

The total cash outflow for leases in 2025 was \$8,602,041 (\$6,983,963 representing principal elements included in cash flow from financing activities and \$1,618,078 lease interest expenses included in cash outflow from operating activities).

C Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or to not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

See Note 31(f) for more information on relevant accounting policies.

12 Non-current assets: intangible assets

	Work in progress IT Development and Software \$'000	IT Software \$'000	Total \$'000
Cost			
Balance as at 1 July 2024	-	5,616	5,616
Additions	165	-	165
Reclassification	(165)	165	-
Disposals	-	(20)	(20)
Reclassified to held for sale	-	(507)	(507)
Balance as at 30 June 2025	-	5,254	5,254
Accumulated depreciation			
Balance as at 1 July 2024	-	(4,815)	(4,815)
Disposals	-	20	20
Depreciation expense	-	(405)	(405)
Reclassified to held for sale	-	291	291
Balance as at 30 June 2025	-	(4,909)	(4,909)
Net book value 2025	-	345	345
Net book value 2024	-	801	801

13 Current liabilities: trade and other payables

	2025 \$'000	2024 \$'000
Trade payables	1,636	1,910
Other payables	8,170	6,149
Accruals	2,103	3,571
Provisions	984	-
Contract liabilities — Government grants	16,335	3,448
Contract liabilities — Trust and foundations	2,311	3,759
Total current liabilities: trade and other payables	31,539	18,837

Risk exposure

Information about The Benevolent Society's exposure to foreign exchange risk is provided in Note 32(d).

14 Current liabilities: employee benefit obligations

	2025 \$'000	2024 \$'000
Employee benefits — annual leave	8,528	9,427
Employee benefits — long service leave	4,204	4,959
Total current liabilities: employee benefit obligations	12,732	14,386

15 Current liabilities: borrowings

	2025 \$'000	2024 \$'000
Hire purchase liabilities	-	8
Total current liabilities: borrowings	-	8

16 Current liabilities: refundable loans

	2025 \$'000	2024 \$'000
Retirement village resident entry contributions	-	100
Total current liabilities: refundable loans	-	100

17 Current liabilities: liabilities relating to assets classified as held for sale

	2025 \$'000	2024 \$'000
Trade and other payables	1,644	-
Employee benefits obligations	2,769	-
Lease liabilities	888	-
Total current liabilities: liabilities relating to assets classified as held for sale	5,301	-

Liabilities relating to assets classified as held for sale are liabilities reclassified as a result of discontinued operations. Please refer to note 1 and Directors' report.

18 Non-current liabilities: provisions

	2025 \$'000	2024 \$'000
Property make good provisions	2,844	2,753
Total non-current liabilities: provisions	2,844	2,753

Make good provision

The Benevolent Society is required to restore several leased premises currently utilised as operational hubs to their original condition at the end of the respective lease terms. A provision has been recognised for the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of leasehold improvements and are amortised over the shorter of the term of the lease or the useful life of the assets.

19 Non-current liabilities: employee benefit obligations

	2025 \$'000	2024 \$'000
Employee benefits — long service leave	719	794
Defined superannuation benefit	1,596	1,912
Total non-current liabilities: employee benefit obligations	2,315	2,706

A Defined superannuation benefit

On acquisition of the New South Wales State Government Family and Community Services Disability operations on 28 July 2017, a commitment was made by The Benevolent Society to a number of employees to continue their arrangements in respect of their defined superannuation benefits plan.

Accordingly, The Benevolent Society became the new employer for the purpose of the following public sector defined benefit schemes:

- State Authorities Superannuation Scheme (SASS);
- State Superannuation Scheme (SSS); and
- State Authorities Non-contributory Superannuation Scheme (SANCS).

The above schemes (along with the Police Superannuation Scheme (PSS)) are collectively known as the NSW Pooled Fund (Pooled Fund).

These schemes are all defined benefit schemes — at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive lump sum or pension benefits on retirement, death, disablement and withdrawal.

All the Schemes are closed to new members.

19 Non-current liabilities: employee benefit obligations *continued*

Description of risks

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

a) Investment risk

The risk that investment returns will be lower than assumed and the group will need to increase contributions to offset this shortfall.

b) Pension indexation risk

The risk that pensions will increase at a rate greater than assumed, increasing future pensions.

c) Salary growth risk

The risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.

d) Legislative risk

The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

The defined benefit Fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

(i) Balance Sheet amounts

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year under AASB119 Accounting Standard "Employee Benefit" are as follows:

	Present value of obligation \$'000	Fair Value of Plan assets \$'000	Total \$'000
1 July 2024	(7,884)	5,972	(1,912)
Total amount recognised in profit and loss	(439)	317	(122)
Total amount recognised in other comprehensive income	(42)	236	194
Contributions by fund participants	(13)	13	-
Contribution by the employer	-	244	244
Benefits paid by the plan	1,610	(1,610)	-
Taxes, premiums and expenses paid	4	(4)	-
30 June 2025	(6,764)	5,168	(1,596)

Net liability disclosed above relates to funded obligations.

19 Non-current liabilities: employee benefit obligations *continued*

A Defined superannuation benefit (continued)

d) Legislative risk (continued)

(i) Balance Sheet amounts (continued)

	2025 \$'000	2024 \$'000
Present value of funded obligations	(6,764)	(7,884)
Fair value of plan assets	5,168	5,972
Deficit of funded plans	(1,596)	(1,912)

The Benevolent Society has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions. The Benevolent Society intends to continue to contribute to the defined benefit section of the plan at the following fixed amount in line with the actuary's latest recommendations.

Superannuation schemes	Expected employer contribution
SASS	\$0
SANCS	\$87,527
SSS	\$170,874
Total	\$258,401

(ii) Categories of plan assets

The percentage invested in each asset class at the reporting date are as follows:

Category of Assets	As at 30 June 2025
Short Term Securities	6.70%
Australian Fixed Interest	2.40%
International Fixed Interest	0.70%
Australian Equities	11.70%
International Equities	38.90%
Property	7.70%
Alternatives	31.90%
Total	100.00%

19 Non-current liabilities: employee benefit obligations *continued*

A Defined superannuation benefit (continued)

d) Legislative risk (continued)

(iii) Principal actuarial assumptions

The principal actuarial assumptions used (expressed as weighted averages) were as follows:

Assumptions	As at 30 June 2025
Discount rate	5.56% p.a.
Salary increase rate (excluding promotional increases)	3.47% for 25/26; 3.56% for 26/27; 3.58% for 27/28; 3.50% pa thereafter
Rate of CPI increase	2.50% for 24/25; 3.00% for 25/26; 2.60% for 26/27; 2.50% pa thereafter
Pensioner mortality	The pensioner mortality assumptions are those used for the 2024 Actuarial Investigation of the Pooled Fund. These assumptions are disclosed in the actuarial investigation report on the trustee's website. The report shows the pension mortality rates for each age.

Funding arrangements are reviewed at least every three years following the release of the triennial actuarial review. Funding positions are reviewed annually and funding arrangements may be adjusted as required after each annual review. The review will be performed by the actuary in accordance with AASB 1056 Accounting Standard 'Superannuation Entities'.

The economic assumptions adopted for 30 June 2025 AASB 1056 Accounting Standard 'Superannuation Entities'.

Weighted-Average Assumptions	As at 30 June 2025
Expected rate of return on Fund assets backing current pension liabilities	7.0% p.a.
Expected rate of return on Fund assets backing other liabilities	6.2% p.a.
Expected salary increase rate (excluding promotional salary increases)	3.47% for 25/26, 3.56% for 26/27; 3.58% for 27/28; 3.50% pa thereafter
Expected rate of CPI increase	1.90% for 24/25; 2.50% pa thereafter

The financial position of the Fund calculated in accordance with AASB 1056 Accounting Standard 'Superannuation Entities' at 30 June 2025 is a net deficit of \$299,879.

20 Reserves and retained surplus

A Retained surplus

	2025 \$'000	2024 \$'000
Balance 1 July	95,008	96,893
Net surplus/(deficit) for the period	4,634	(1,885)
Balance 30 June	99,642	95,008

B Defined benefit reserve

	2025 \$'000	2024 \$'000
Balance 1 July	6,401	6,629
Re-measurement of employee benefit obligation	194	(228)
Balance 30 June	6,595	6,401

C Nature and purpose of reserves

Defined benefit reserve

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in reserve in the consolidated statement of changes in funds and in the consolidated statement of financial position.

21 Key management personnel disclosures

A Directors and Group Company Secretary

The following people were non-executive Directors of The Benevolent Society during the financial year (except the Group Company Secretary):

Ken Smith AO BSW (Hons), MSocWk	Chair appointed on 27 November 2023 Director from 9 October 2023
Andrew Yates BEc, CA	Chair of the Audit, Finance and Risk Committee until 30 March 2025 Director from 9 November 2015
Rod Young LLB, BHSM, MAICD, ACHSM	Director from 1 November 2016
Nancy Milne BA LLB, FAICD	Chair of the People and Culture Committee Director from 4 March 2021
Robyn Mildon PhD	Chair of Research, Practice and Quality Committee Director from 28 June 2021
Lior Etta Griew (formerly Robert Griew) B, MPH, GradCertEcon	Director from 1 November 2022 Ceased 17 August 2024
Mahir Momand MBA, MComm, GAICD	Chair of the Audit, Finance and Risk Committee from 31 March 2025 Director from 22 May 2023
Lorraine Sheppard BAppSc (Physiotherapy), MBA, PhD, GAICD	Director from 30 October 2023
David Wenitong LLB, GDLP	Director from 26 February 2024
Elaine Leong BA, LLB, BA Comms (Hons), Grad Dip Legal Prac, GAICD, FGIA	Group General Counsel and Group Company Secretary from 14 November 2016

B Directors' compensation

Directors (excluding Group Company Secretary) of The Benevolent Society are not remunerated.

21 Key management personnel disclosures *continued*

C Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of The Benevolent Society, directly or indirectly, during the financial year:

Lin Hatfield Dodds BSc (Hons), M Coun Psych	Chief Executive Officer (appointed 19 July 2021, resigned 14 March 2025)
Stefan Duvenhage B Com, ACMA	Executive Director, Finance and Corporate Services (Interim Chief Executive Officer from 15 March 2025) (appointed 1 July 2022)
Andrea Tustin GAICD, CPA, BCompt	Interim Executive Director, Finance, IT and Corporate Services (appointed 20 March 2025)
Kelly Bruce B Com, MEM	Executive Director, Future Directions (appointed 27 July 2021, resigned 7 March 2025)
Rebecca Vassarotti	Acting Executive Director, Future Directions (appointed 10 March 2025)
Jeremy Halcrow BA, Grad Dip IM, MBA (Social Impact), GAICD	Executive Director, Disability, Ageing & Carers since 2024 Executive Director, Business Development and Philanthropy since 2022 (appointed 4 October 2022)
Kalena Smitham BSC, GDipCouns, MMgt, GAICD	Executive Director, People and Culture (appointed 12 February 2024)
Linda Griffiths	Executive Director, Child, Youth and Family (appointed 17 April 2023)
Michael Woodhouse B.Ec. LLB (Hons)	Executive Director, Disability, Ageing and Carers (appointed 11 July 2022, resigned 15 August 2024)

21 Key management personnel disclosures *continued*

D Other key management personnel compensation

	2025 \$'000	2024 \$'000
Short-term employee benefits (total compensation)	2,903	2,758

E Loans to key management personnel

The Benevolent Society does not hold any loans with key management personnel.

F Other transactions with key management personnel

The Benevolent Society does not have any other transactions with key management personnel.

22 Limitation of members' liabilities

The parent entity is registered with the Australian Charities and Not-for-Profits Commission as a company limited by guarantee, and in accordance with the constitution the liability of members in the event the parent entity is wound up would not exceed \$100 per member. At 30 June 2025 the number of members of this company was 24 (2024: 57).

23 Contingencies

The Benevolent Society had \$2,379,626 of contingent liabilities at 30 June 2025 (2024: \$2,182,114) in relation to security for property lease agreements. The Benevolent Society had no contingent assets at 30 June 2025 (2024: nil).

In the ordinary course of business, the group becomes involved in litigation and claims. Provisions have been made for known obligations where the existence of the liability is probable and can be reasonably quantified.

The Benevolent Society historically provided short-term residential care for children at Scarba House, located at Bondi in Sydney's eastern suburbs during the period 1917 to 1986.

In 2004, The Benevolent Society provided a full and unreserved apology for all abuse, mistreatment or harm experienced by children in our care. A copy of our apology is available on The Benevolent Society's website at www.benevolent.org.au.

The Benevolent Society joined the National Redress Scheme on 24 December 2020.

24 Commitments

A Capital commitments

The Benevolent Society had capital commitments payable within one year as at 30 June 2025 of \$188,469. (2024: \$491,896).

B Repairs and maintenance: investment property

The Benevolent Society had no contractual obligation for future repairs and maintenance in existence at the reporting date other than those recognised as liabilities.

25 Subsidiaries

The consolidated Financial Statements incorporate the assets, liabilities and results of the following principal subsidiaries in accordance with the accounting policy described in Note 31:

Name of entity	Country of incorporation	Class of shares	2025 % Owned	2024 % Owned
Benevolent Australia — Disability Service Limited	Australia	Ordinary	100	100

Benevolent Australia — Disability Service Limited was deregistered on 14 August 2024.

26 Related party transactions

A Social Ventures Australia

The Benevolent Society is one of the four founding members of Social Ventures Australia Limited. Social Ventures Australia Limited (SVA) is a company limited by guarantee, incorporated and operating in Australia. The Benevolent Society invested a sum of \$1,048,876 in SVA's Diversified Impact Fund since 2017 and received total distribution to date of \$566,836. At Balance Sheet date the carrying value of this investment amounted to \$510,150.

B Goodstart Early Learning

The Benevolent Society is one of four founding members of Goodstart Early Learning Limited (Goodstart). Goodstart is a company limited by guarantee, incorporated and operating in Australia. In 2025 The Benevolent Society received interest income of \$504,841 (2024: \$506,224) and held receivables of \$3,366,000 (2024: \$3,366,000) principal and interest in relation to deeply subordinated notes

C Transactions with Directors

The Benevolent Society has entered into deeds of access, indemnity and insurance for the benefit of Directors.

D Key management personnel compensation

Disclosures relating to key management personnel are set out in Note 21.

27 Events occurring after the reporting period

Other than the event highlighted in note 1, no significant events have occurred since 1 July 2025 that has significantly affected, or may significantly affect, the operations of the group, the results of those operations, or state of affairs of the group in future financial years.

28 Information furnished under the Charitable Fundraising Act 1991

	2025 \$'000	2024 \$'000
Gross proceeds of fundraising from trusts and foundations	1,078	2,141
Gross proceeds of fundraising appeals and events	204	161
Total proceeds of fundraising	1,282	2,302
Total direct costs of fundraising appeals and events	(82)	(310)
Net surplus from fundraising	1,200	1,992

The net surplus from fundraising was used to supplement income received from government funding, client fees and charges, and other income sources.

During 2025 we carried out fundraising activities through email and direct mail appeals, as well as digital advertising across social media and search platforms.

Bequests, corporate giving and private donations also contribute to the overall fundraising activity.

	2025		2024	
	\$'000	%	\$'000	%
Total cost of fundraising: Gross income from fundraising	82:1,282	6	310:2,302	13
Net surplus from fundraising: Gross income from fundraising	1,200:1,282	94	1,992:2,302	87

29 Endowment investments

The Endowment assets and income are included in The Benevolent Society's consolidated statement of financial position and consolidated statement of income and comprehensive income as follows:

	Notes	Endowment \$'000	Operations \$'000	Total \$'000
Current assets				
Cash and cash equivalents	4	2,715	21,500	24,215
Trade and other receivables	5	329	5,417	5,746
Financial assets at fair value through profit or loss	6	2,500	3,000	5,500
Non-current assets				
Financial assets at fair value through profit or loss	9	82,239	-	82,239
Total assets		87,783	29,917	117,700
Revenue from investments				
Interest		168	1,544	1,712
Investment distributions		4,231	-	4,231
Realised loss on sale of investments		(10)	-	(10)
Unrealised gain of investments		4,192	-	4,192
Total revenue from investments	2(c)	8,581	1,544	10,125

30 Remuneration of auditors

Assurance and other services provided by HLB Mann Judd in current financial year.
(PricewaterhouseCoopers in 2024)

	2025 \$	2024 \$
1. Audit services		
PricewaterhouseCoopers: Audit of financial reports and other audit work under the Australian Charities and Not-for-profits Commission Act 2012		98,280
HLB Mann Judd: Audit of financial reports and other audit work under the Australian Charities and Not-for-profits Commission Act 2012	80,000	
Total remuneration for audit services	80,000	98,280
2. Other assurance services		
PricewaterhouseCoopers: Other assurance services		33,363
HLB Mann Judd: Other assurance services	24,960	
Total remuneration for other assurance services	24,960	33,363
3. Other services		
PricewaterhouseCoopers: Tax advisory services		11,080
HLB Mann Judd: Corporate advisory services	7,800	
Total remuneration for other services	7,800	11,080
Total remuneration to PricewaterhouseCoopers		142,723
Total remuneration to HLB Mann Judd	112,760	

HLB Mann Judd continues in office in accordance with section 327 of the Corporations Act 2001.

31 Summary of material accounting policies

The principal accounting policies adopted in this financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

A Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards — Simplified Disclosure Requirements, and Interpretations issued by the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012 ('ACNC Act 2012'). The Benevolent Society is a large not-for-profit entity for the purpose of preparing this financial report.

(i) Compliance with Australian Accounting Standards — Simplified Disclosure Requirements

The Benevolent Society's financial report complies with Australian Accounting Standards — Simplified Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB) and the disclosure requirement of AASB 1060 General Purpose Financial Statements — Simplified Disclosures for For Profit and Not-for-profit Tier 2 Entities.

The Benevolent Society has continued to disclose the following non-required disclosures to assist with transparency: financial risk management (Note 32), interest rate risk exposure (Note 32), movements in the position for impairment of receivables (Note 5), non-current receivables and receivables past due (Note 8(a)), and non-current receivables risk exposure (Note 8(b)).

(ii) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- financial assets at fair value through profit or loss; and
- defined benefit pensions plans — plan assets measured at fair value.

(iii) Presentation currency

The consolidated Financial Statements are presented in Australian dollars (\$), which is The Benevolent Society's functional and presentation currency.

(iv) New and amended standards adopted by the group

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group.

B Principles of consolidation and equity accounting

The consolidated Financial Statements comprise the Financial Statements of the parent entity, being The Benevolent Society and its controlled entity and together are referred to in this report as the group. Subsidiaries are all entities (including structured 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 fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

All inter-group balances and transactions between entities in the group, including any unrealised profits or losses, have been eliminated on consolidation. Where controlled entities have entered or left the group during the year, their operating results have been included from the date control was obtained or until the date control ceased. There are no outside interests in the equity or results of the controlled entities.

C Going concern

For the year ended 30 June 2025, the consolidated entity had net current liabilities of \$17,319,000 (2024: \$14,557,000) comprising of total current assets of \$38,486,000 (2024: \$25,039,000) and total current liabilities of \$55,805,000 (2024: \$39,596,000).

The following matters have been considered by the Directors in determining the appropriateness of the going concern basis of preparation in the Financial Statements:

- availability of the option to draw down from the Endowment Fund balance of \$87,783,000, subject to appropriate approval of the Board and whilst being liquid the Endowment Fund's intent is long-term growth; and
- the group continues to meet its obligations from the cash flow generated from its operations.

As a result of the above matters, the Directors are of the view that the consolidated entity will continue as a going concern and, therefore, will realise its assets and liabilities and commitments in the normal course of business and at the amounts stated in the Financial Statements.

31 Summary of material accounting policies *continued*

D Revenue recognition

Revenue is recognised for the major business activities as follows:

(i) Revenue recognition policy for revenue from contracts with customers (AASB 15)

AASB 15 requires revenue to be recognised where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations being satisfied.

The basis for revenue recognition is a 5-step model as follows:

1. Identify the contract with the customer
2. Identify sufficiently specific performance obligations
3. Determine the transaction price
4. Allocate the transaction price
5. Recognise revenue.

Government funding

The customer for these contracts is the funding provider. Government funding revenue arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised as each performance obligations is satisfied over the life of the contract.

Client fees and charges

Revenue from providing services is recognised in the accounting period in which the performance obligations are satisfied. Where there is a difference in the timing, it will result in the recognition of a receivable, contract asset or contract liability.

Corporate funding, trusts and foundations

Income arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised as each performance obligations is satisfied. Within agreements with corporate funding, trusts and foundations there may be some performance obligations which are satisfied at a point in time and others which are satisfied over the life of the contract. Where performance obligations are satisfied over time, revenue recognition is based on costs incurred relative to the total expected costs required to satisfy each performance obligation.

(ii) Revenue recognition policy for income of not-for-profit entities (AASB 1058)

If there is not an enforceable arrangement and/or the performance obligations are not sufficiently specific, then income is recognised under AASB 1058, almost always immediately.

Fundraising and bequests

Donations and bequests collected are recognised as revenue when the group gains control of the asset.

E Income tax

As a public benevolent institution, The Benevolent Society is endorsed for income tax exemption under subdivision 50-B of the Income Tax Assessment Act 1997.

F Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- lease payments to be made under an extension option if the group is reasonably certain to exercise the option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Entity-specific details about the group's leasing policy are provided in note 11.

Contracts might contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, the group has elected not to separate lease and non-lease components and it instead accounts for these instead as a single lease component.

31 Summary of material accounting policies *continued*

F Leases *continued*

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets cannot be used as security for borrowing purposes.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group, which does not have recent third party financing, and
- makes adjustments specific to the lease, (for example, term, country, currency and security).

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

G Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount

exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

H Cash and cash equivalents

For consolidated statement of cash flows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

I Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale when their carrying amount is expected to be recovered primarily through a sale transaction rather than through continuing use, and when the sale is considered highly probable. Upon classification, these assets are measured at the lower of their carrying amount and fair value less costs to sell. This measurement requirement excludes certain assets such as deferred tax assets, employee benefits assets, financial assets, investment properties carried at fair value and groups of contracts within the scope of AASB 17 Insurance Contracts.

Any initial or subsequent reduction in value to fair value less costs to sell is recognised as an impairment loss. Conversely, any subsequent increase in fair value less costs to sell is recognised as a gain, but only to the extent of previously recognised cumulative impairment losses. Gains or losses not previously recognised are accounted for at the date of derecognition, i.e., when the asset or disposal group is sold.

While classified as held for sale, non-current assets (including those within a disposal group) are not depreciated or amortised. However, interest and other expenses related to liabilities of a disposal group held for sale continue to be recognised.

Assets classified as held for sale and those within a disposal group are presented separately from other assets in the statement of financial position. Similarly, liabilities of a disposal group held for sale are disclosed separately from other liabilities.

31 Summary of material accounting policies *continued*

I Non-current assets (or disposal groups) held for sale and discontinued operations *continued*

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of such a line of business or area, or
- is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately in the consolidated statement of income and comprehensive income.

J Investments and other financial assets

(i) Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to present subsequent changes in fair value in other comprehensive income.

The group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all of the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.

31 Summary of material accounting policies *continued*

J Investments and other financial assets *continued*

- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the consolidated statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Equity instruments

The group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at amortised cost.
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

(iv) Impairment

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

(v) Trade and other receivables

Trade receivables were recognised at the amounts receivable as they were due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables was reviewed on an ongoing basis. Debts which were known to be uncollectible were written off by reducing the carrying amount directly. An allowance for doubtful debts was used when there was objective evidence that The Benevolent Society would not be able to collect all amounts due, according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor would enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) were considered to be indicators that the trade receivable was doubtful. The amount of the impairment allowance and cash flows relating to short-term receivables were not discounted as the effect of discounting was immaterial.

The amount of the impairment loss was recognised in the consolidated statement of income and comprehensive income within bad debts expenses. When a trade receivable for which an impairment allowance had been recognised became uncollectable in a subsequent period, it was written off against the allowance account. Subsequent recoveries of amounts previously written off were credited against bad debts in the consolidated statement of income and comprehensive income.

K Property, plant and equipment

Land and buildings are shown at deemed cost as at transition to AIFRS date. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Assets are generally capitalised if greater than \$5,000. If government funding contracts state a different level for capitalisation, then that level is applied in relation to assets purchased under the specific government contract.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to The Benevolent Society and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of income and comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Buildings	40 years
Fitout, Furniture and Fittings	10 years
Equipment	6–7 years
Motor Vehicle	6–7 years
IT Hardware	3–5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of income and comprehensive income.

31 Summary of material accounting policies *continued*

L Intangible assets

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to IT software. Costs capitalised include external direct costs of materials and service as well as internal labour cost directly attributable in developing products or services. Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where The Benevolent Society has an intention and ability to use the asset.

M Trade and other payables

These amounts represent liabilities for goods and services provided to The Benevolent Society prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is due later than 12 months from the reporting date. They are recognised at cost.

N Provisions

Provisions are recognised when The Benevolent Society 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 not recognised for future operating losses.

Provisions are measured at the cost of the best estimate of the expenditure required to settle the present obligation at the reporting date. The amount of the expenditure relating to provisions are not discounted as the effect of discounting is immaterial.

Retirement village resident entry contributions are payable on vacation of a unit by a resident, and are defined as the amounts village residents loan to The Benevolent Society by deed of loan, less the amount allowed to be retained by The Benevolent Society, as determined by the deed of the loan.

O Employee benefits

(i) Wages and salaries, annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables and employee benefit obligations in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date, using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the consolidated statement of financial position if The Benevolent Society does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) On-costs

Employee benefit on-costs, including superannuation and workers compensation, are recognised and included in employee benefit expenses when the employee benefits to which they relate are recognised as liabilities.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Benevolent Society recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

31 Summary of material accounting policies *continued*

O Employee benefits *continued*

(v) Post-employment obligations

The group operates a post-employment scheme which is a defined benefit pension plan.

Pension obligations

The liability or asset recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. Accordingly the 10 year government bond yield rate is used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

P Comparative Information

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

32 Financial risk management

The Benevolent Society's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Benevolent Society's overall financial risk management program focuses on financial markets and seeks to control potential adverse effects on our long-term financial performance. The Benevolent Society uses different investments to minimise certain risk exposures. Managed funds and bonds are used for medium and long-term investment purposes where a greater risk tolerance is accepted.

The Benevolent Society holds the following financial instruments:

	Notes	2025 \$'000	2024 \$'000
Financial assets			
Cash and cash equivalents	4	24,215	16,877
Trade and other receivables	5	5,746	7,094
Non-current receivables	8	3,366	3,366
Financial assets at FVTPL	6, 9	87,739	74,054
Total financial assets		121,066	101,391
Financial liabilities			
Trade payables	13	1,636	1,910
Accruals	13	2,103	3,571
Other payables	13	8,170	6,149
Retirement village contributions	16	-	100
Government funding received in advance	13	16,335	3,448
Trust and foundations	13	2,311	3,759
Lease liabilities	11	21,768	25,234
Borrowings	15	-	8
Total financial liabilities		52,323	44,179

A Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as outstanding receivables and committed transactions. The Benevolent Society uses banks and financial institutions with a minimum credit rating of AA. There is no concentration of credit risk with respect to current and non-current receivables, as The Benevolent Society has a large number of clients, dispersed throughout Australian Capital Territory, New South Wales, Queensland and South Australia. The funding provided by government is also spread between Australian Commonwealth and State government funding.

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Benevolent Society manages liquidity risk by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Benevolent Society's funding is provided in advance by government and surplus funds are generally only invested in instruments that are tradeable in highly liquid markets.

32 Financial risk management *continued*

C Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement and for disclosure purposes.

AASB 7 Financial Instruments: Disclosures requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- i. quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- ii. inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- iii. inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table presents The Benevolent Society's financial assets and liabilities measured and recognised at fair value at 30 June 2025 and 30 June 2024:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2024				
Financial assets at fair value through profit and loss				
Investments — managed funds	72,986	-	-	72,986
2025				
Financial assets at fair value through profit and loss				
Investments — managed funds	82,239	-	-	82,239

The Benevolent Society uses fair value estimation for medium to long-term investments in managed funds. The Benevolent Society's managed funds are carried at fair value which approximates current market value. The Benevolent Society enters into a range of managed fund portfolios to manage risk in accordance with our Investment Policy approved by the Board of Directors. This policy has been complied with during the financial year.

D Market Risk

(i) Foreign exchange risk

The Benevolent Society operates within Australia and therefore is not exposed to direct foreign exchange risk. The Benevolent Society is indirectly exposed to foreign exchange risk due to global equities included in funds under management.

(ii) Price risk

The Benevolent Society does not directly invest in equities and therefore is not exposed to direct price risk. The Benevolent Society is exposed to equity securities price risk as it invests indirectly in the equity market through its investment fund managers. The Benevolent Society is not exposed directly to commodity price risk but does have an indirect exposure via its investment in the equity market. Other financial assets at amortised cost are not exposed to price risk as they are carried at amortised cost and will be held to maturity.

32 Financial risk management *continued*

D Market Risk *continued*

(iii) Cash flow and fair value interest rate risk

The Benevolent Society's main interest rate risk arises from short-term investments and Goodstart Early Learning Loan notes. The risk is reduced due to the fixed rates associated with the Goodstart Notes.

The Benevolent Society uses a combination of variable and fixed rate investments to manage its interest rate risk.

The Benevolent Society's overall exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table:

	Average Interest rate %	Variable interest rate \$'000	Fixed interest maturing in:				Total 2025 \$'000	Total 2024 \$'000
			1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Non- interest bearing \$'000		
Financial assets								
Cash	3.11 (2024: 3.38)	19,614	-	-	-	601	20,215	14,142
Short term deposits	4.15 (2024: 5.04)	-	4,000	-	-	-	4,000	2,733
Trade and other receivables	-	-	-	-	-	5,746	5,746	7,094
Other receivables term deposit	4.35 (2024: 4.85)	-	5,500	-	-	-	5,500	1,068
Non-current receivables	15.00 (2024: 15.00)	-	-	-	3,366	-	3,366	3,366
Financial assets at fair value through profit and loss	-	-	-	-	-	82,239	82,239	72,986
Total financial assets		19,614	9,500	-	3,366	88,586	121,066	101,389
Financial liabilities								
Trade payable	-	-	-	-	-	1,636	1,636	1,910
Accruals	-	-	-	-	-	2,103	2,103	3,571
Other payables	-	-	-	-	-	8,170	8,170	6,149
Government funding received in advance	-	-	-	-	-	16,335	16,335	3,448
Trust and foundations	-	-	-	-	-	2,311	2,311	3,759
Retirement village contributions payable	-	-	-	-	-	-	-	100
Lease liabilities	5.52	-	6,233	12,860	2,675	-	21,768	25,234
Borrowings	4.60	-	-	-	-	-	-	8
Total financial liabilities	-	-	6,233	12,860	2,675	30,555	52,323	44,179
Net financial assets	-	19,614	3,267	(12,860)	691	58,031	68,743	57,210

33 Critical accounting estimates and judgements

The Benevolent Society makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Significant estimates and judgements

The areas involving significant estimates or judgements are:

- determining the lease terms — Note 11 and
- estimation of defined benefit pension obligation — Note 19.

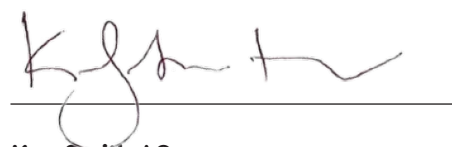
Directors' declaration

For the year ended 30 June 2025

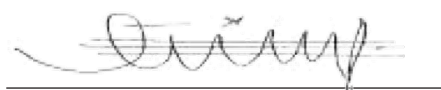
In the Directors' opinion:

- a. there are reasonable grounds to believe that The Benevolent Society is able to pay all of its debts, as and when they become due and payable; and
- b. the consolidated financial statements and Notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulations 2022*.



Ken Smith AO
Chair



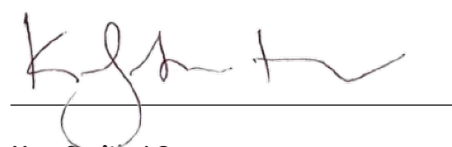
Mahir Momand
*Chair of the Audit, Finance
and Risk Committee*

Sydney, 29 September 2025

Principal Officer Declaration — Charitable Fundraising Act 1991:

I, Ken Smith AO, Chair of The Benevolent Society, declare that in my opinion:

- a. the consolidated financial statements give a true and fair view of all income and expenditure of The Benevolent Society with respect to fundraising appeals; and
- b. the provisions of the Charitable Fundraising Act, 1991, and the regulations and the conditions attached to the authority to fundraise have been complied with; and
- c. the internal controls exercised by The Benevolent Society and its controlled entity are appropriate and effective in accounting for all income received and applied from any fundraising appeals; and
- d. there are reasonable grounds to believe that The Benevolent Society will be able to pay its debts as and when they become due and payable.



Ken Smith AO
Chair

Sydney, 29 September 2025

Independent auditor's report

For the year ended 30 June 2025



Independent Auditor's Report to the Members of The Benevolent Society

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of The Benevolent Society ("the Company") and its controlled entity ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of income and comprehensive income, the consolidated statement of changes in funds and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Charitable Fundraising Act 1991* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022* and the *Charitable Fundraising Regulation 2021*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the directors' report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Simplified Disclosures, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Charitable Fundraising Act 1991* and for such internal control as

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Independent auditor's report

For the year ended 30 June 2025



the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's 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 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in black ink, appearing to read 'HLB Mann Judd'.

HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

Sydney, NSW
29 September 2025

A handwritten signature in black ink, appearing to read 'A G Smith'.

A G Smith
Director

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