



Consolidated Financial Report

For the Year Ended 30 June 2025

ACN 136 685 151

At every age
and every stage

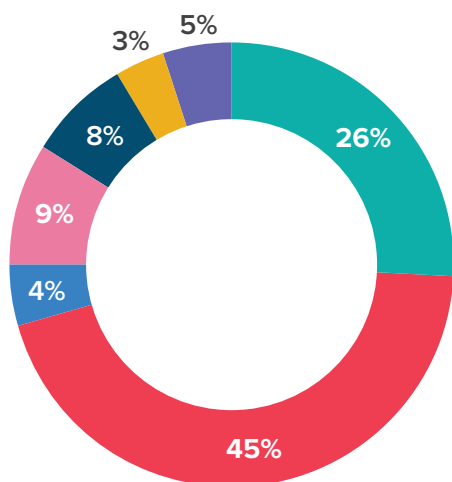
Well

for

Life



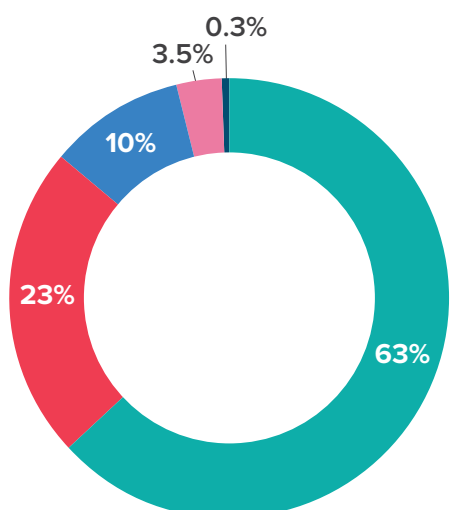
Resources driving impact



Revenue

Consolidated 2025

Commonwealth government recurrent funding (26%)	\$20,376,727
Victorian government recurrent funding (45%)	\$34,985,226
Non-recurrent government funding (4%)	\$3,435,189
Non-government funding (9%)	\$6,949,368
Medicare billing (8%)	\$6,025,995
Fees for service (3%)	\$2,698,579
Other income (5%)	\$3,850,480
Total revenue from contracts with customers	\$74,471,084
Total revenue and other income	\$78,321,564



Expenses

Employee expenses (63%)	\$49,898,884
Supplies and consumables (23%)	\$18,570,329
Other operating and administration expenses (10%)	\$7,793,210
Depreciation and amortisation (3.5%)	\$2,774,078
Lease expenses (0.3%)	\$214,696
Appreciation of financial assets	-\$70,772
Total expenses	\$79,180,425
Net result before income tax benefit	-\$858,861

Our net position of **-\$858,861** is **\$315,139 less than** the budget deficit of **-\$1,174,000**. This is an overall positive financial result compared to the forecast budget.

Total staff:

533

Full-time equivalent (FTE):

432

Volunteers:

49

Services delivered:

489,522

Unique clients:

49,830

Clients using more than one service:

34%

Staff and volunteers, clients and services presented above relate only to IPC Health.

IPC Health Ltd
Contents
30 June 2025

Contents

Directors' Report	3
Auditor's Independence Declaration	9
Consolidated Comprehensive Operating Statement	10
Consolidated Statement of Financial Position	11
Consolidated Statement of Cash Flows	12
Consolidated Statement of Changes in Equity	13
Notes to the Financial Statements	14
Note 1. About this report	14
Note 1.1 Basis of preparation	14
Note 1.2 Income tax	14
Note 1.3 Current and non-current classification	15
Note 1.4 Goods and services tax ('GST') and other similar taxes	15
Note 1.5 Material accounting judgements and estimates	15
Note 1.6 Reporting entity	16
Note 1.7 Economic dependency	16
Note 1.8 Business combination	16
Note 1.9 Change to comparative figures	18
Note 2. Funding delivery of our services	19
Note 2.1 Revenue and income from transactions	19
Note 3. The cost of delivering our services	23
Note 3.1 Operating expenses incurred in the delivery of services	23
Note 4. Key assets to support service delivery	27
Note 4.1 Property, plant and equipment	27
Note 4.2 Intangible assets	30
Note 4.3 Impairment of property, plant and equipment, and intangible assets	31
Note 4.4 Right-of-use leased assets	31
Note 4.5 Depreciation and amortisation	33
Note 5. Other assets and liabilities	34
Note 5.1 Receivables	34
Note 5.2 Contract assets	35
Note 5.3 Other non-financial assets	35
Note 5.4 Payables	36
Note 5.5 Contract liabilities	37
Note 5.6 Income tax	37
Note 6. How we finance our operations	39
Note 6.1 Cash and cash equivalents	39
Note 6.2 Investments and other financial assets	40
Note 6.3 Margin lending facility	42
Note 6.4 Lease liabilities	42
Note 6.5 Commitments for expenditure	44
Note 7. Financial instruments, contingencies and valuation judgements	46
Note 7.1 Financial instruments	46
Note 7.2 Fair value determination	48
Note 7.3 Contingent assets and contingent liabilities	48

IPC Health Ltd
Contents
30 June 2025

Contents (continued)

Note 8. Other disclosures	50
8.1 Key management personnel and related party transactions	50
8.2 Remuneration of auditors	50
8.3 Events after the reporting period	51
8.4 Controlled entities	51
Directors' Declaration	52
Independent Auditor's Report	53

IPC Health Ltd Directors' Report 30 June 2025

The Directors present their report of IPC Health Ltd for the year ended 30 June 2025.

Directors

The following persons were Directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Riwka Hagen	Board Director / Board Chair (from 11 December 2024) / Chair Finance, Audit and Risk Management Committee (to 11 December 2024)
Daryl Whitfort	Board Director / Board Chair (to 11 December 2024)
Ngaire Anderson	Board Director / Deputy Board Chair / Chair Clinical Governance and Clinical Risk Committee
Kylie Maher	Board Director / Chair Finance, Audit and Risk Management Committee (from 11 December 2024)
Peter Gluskie	Board Director / Chair Strategy and Planning Committee (to 11 December 2024) Interim Board Director / Chair - Scribble Paediatric Allied Health Pty Ltd (from 2 May 2025)
Mike Clarke	Board Director / Chair Strategy and Planning Committee (from 11 December 2024)
Chris Arnold	Board Director / Chair Governance, Nominations and Remuneration Committee Interim Board Director / Company Secretary - Scribble Paediatric Allied Health Pty Ltd (from 2 May 2025)
Jenny McMahon	Board Director
Sanela Osmic	Board Director
Peter Turner	Board Director (from 14 May 2025)
Jerril Rechter	Board Director (from 14 May 2025)
Jayne Nelson	Interim Board Director - Scribble Paediatric Allied Health Pty Ltd (from 2 May 2025)

Principal activities

In 2025, IPC Health Ltd continued to provide transformative, integrated, and community-focused care across Melbourne's West, guided by its "Well for Life" vision and strong focus on equity, innovation, and meaningful impact.

As one of Victoria's largest community health providers, IPC Health Ltd offers a broad range of primary health services: medical, dental, allied health, mental health, and social support programs. The organisation's main goal remained the improvement of quality of life by ensuring broad access to health and wellbeing services for everyone.

Services were delivered in a variety of settings—including in-home, telehealth, and on-site across six campuses and satellite sites in Brimbank, Wyndham, Hobsons Bay and Melton. These campuses supported a population of over 800,000 people in Melbourne's West. Clients could reach all services and partner programs through a single point of contact, benefiting from consistent and integrated care.

IPC Health Ltd's role encompassed:

- Primary prevention;
- Quality of life support;
- Service navigation;
- Secondary prevention and harm reduction; and
- Primary health treatment.

IPC Health Ltd Directors' Report 30 June 2025

The organisation addressed a wide array of health concerns, with an emphasis on:

- Heart disease;
- Diabetes;
- Hepatitis;
- Mental health;
- Dental health;
- Chronic obstructive pulmonary disease (COPD); and
- Stroke.

IPC Health Ltd collaborated with partners, including all levels of government, to support their Community Health and Wellbeing Strategies. These efforts targeted social determinants of health and related risk factors like physical inactivity, mental health challenges, and substance use.

Review of operations

In the 2024-25 financial year, the company reported a deficit of \$850k, compared to a budgeted deficit of \$1.174m.

The financial year included a \$1.9 million planned investment in Strategy and Innovation projects, funded from retained earnings. This decision underscored the Board and Executive's commitment to ongoing organisational effectiveness and sustainability. With these investments, IPC Health Ltd progressed its strategic goals—improving health outcomes and service accessibility across Melbourne's West—and advanced the transformation of its service model, digital capabilities, and overall innovation.

Cash and Cash Equivalents and Investments in Other Financial Assets

During the 2024-25 financial year, the company's combined holdings in cash and cash equivalents and investments in other financial assets decreased from \$22.0 million to \$13.9 million, representing a net reduction of \$8.1 million. This reduction aligns with strategic decisions made throughout the year, including capital investments and planned strategy and innovation expenditure.

Over the same period, non-current assets increased by \$8.0 million, primarily due to investments in property, plant and equipment and the recognition of intangible assets (goodwill) associated with the acquisition of a controlled entity. Additionally, \$1.9 million was invested in Strategy and Innovation initiatives, consistent with the company's long-term growth and transformation objectives.

These movements reflect the company's commitment to reinvesting in its operational capacity and strategic priorities, positioning it for sustainable future performance.

Service Model Transformation (SMT)

The SMT strategic project was central to IPC Health Ltd's operational evolution in financial year 2024-25. It aimed to move the organisation towards a holistic, multidisciplinary team care model that delivered equitable, person-centred, and connected care. Key achievements included:

- Development and piloting of holistic screening and assessment tools;
- Expansion of goal-directed care planning and case conferencing;
- Implementation of digital self-check-in kiosks and online referral forms;
- Introduction of universal Patient Reported Outcome Measures (PROM) and Experience Measures (PREM);
- Creation of toolkits for consumer voice and community outreach; and
- Training of over 250 staff, with the establishment of 10 action groups and 3 SME groups.

These initiatives led to measurable improvements in staff engagement, client experience, and operational efficiency.

Digital Health Roadmap

IPC Health Ltd's Digital Health Roadmap offered a strategic and structured approach to enhancing technological capabilities. Divided into three horizons, Strengthen Foundations, Learn by Doing, and Towards Transformation - the roadmap aligned with the strategic goals of Innovation, Transformation, and Growth.

IPC Health Ltd Directors' Report 30 June 2025

Key achievements in financial year 2024-25 included:

- Automation of SMS reminders, reducing daily workload from 5 hours to 18 minutes;
- Deployment of online welcome packs and multilingual support;
- Piloting of self-service booking, referral, and feedback systems;
- Integration with Trakcare and CRM platforms; and
- Co-design of a Digital Health 2030 vision with staff and community input.

The roadmap also emphasised workforce capability, open communication, and collaborative design, with participation in sector-wide initiatives like the Health Department's Trakcare Content Management System Operational Group (COG) and Information and Communication Technology (ICT) Steering Committee.

Innovation

The Innovation team played a key role in supporting Service Model Transformation, business growth, and digital health strategy.

Significant changes

Business growth

IPC Health Ltd acquired controlling interest in an organisation, Scribble Paediatric Allied Health Pty delivering healthcare outcomes, effective 31 March 2025 and its financial results from 1 April 2025 are consolidated into IPC Health Ltd's financial statements. Business Growth Pilots remained a focus for the innovation and growth teams.

Operational changes

In December 2024, IPC Health Ltd began delivering the Single Assessment System (SAS) as part of the North West Melbourne Aged Care Assessment Alliance (NWMACAA). Funded by the Federal Government, the SAS provides older consumers with greater control and choice in accessing home and residential aged care services. The alliance, led by DPV Health Ltd, also included Holstep Community Health, Your Community Health, City of Darebin, and Merri-bek City Council.

Infrastructure investment

Throughout financial year 2024-25, IPC Health Ltd continued investing on its capital works program following the organisation's Built Environment Masterplan. Projects included:

- Purchase of a Facilities Hub for centralised warehousing, workshops, and storage to enhance efficiency and resource coordination;
- Continued rollout of activity-based workplace models across administration and support staff areas;
- Refresh of reception and waiting room spaces to improve staff and client experience; and
- Ongoing kitchen and tearoom refurbishments across sites.

Strategic impact

IPC Health Ltd's 2025–2030 Strategy is designed to deliver operational excellence by aligning strategic priorities with measurable service outcomes. The "Well for Life" approach integrates physical, mental, and social wellbeing with interconnected pillars of Service Impact, Innovation, Digital Health, Workforce, Growth, and Property Master Planning. Investments in technology, workforce agility, and an emphasis on prevention and early intervention ensure IPC Health Ltd remains responsive, sustainable, and impactful in achieving its objectives.

No further significant changes in the company's state of affairs occurred during the financial year.

Members guarantee

IPC Health Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 for all members, subject to the provisions of the company's constitution.

At 30 June 2025 the collective liability of members was \$90 (2024: \$90).

Events after the reporting period

No matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of IPC Health Ltd or the state of affairs of IPC Health Ltd in future financial years.

IPC Health Ltd Directors' Report 30 June 2025

Environmental regulations

The company is not subject to any significant environmental regulation.

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in Note 8.1 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the company's financial statements.

Indemnification and insurance of Directors and Officers

The company has indemnified all Directors and the Chief Executive Officer in respect of liabilities to other persons (other than the company) that may arise from their position as Directors or Chief Executive Officer of the company except where the liability arises out of conduct involving a lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an auditor of the company.

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Information on Directors

Name:	Riwka Hagen
Qualifications:	FAICD; FAAPM; B.App.Sc (Med Sc); Diploma (Leadership Coaching); Diploma (Project Management).
Special responsibilities:	Board Director / Board Chair (from 11 December 2024) / Chair Finance, Audit and Risk Management Committee (to 11 December 2024)
Name:	Daryl Whitfort
Qualifications:	MBA; BBus (Accounting); FCPA; GAICD.
Special responsibilities:	Board Director / Board Chair (to 11 December 2024)
Name:	Ngaire Anderson
Qualifications:	GAICD; MBA; BHSc (Paramedicine); Diploma (Leadership Coaching); Diploma (OHS); Diploma (Project Management).
Special responsibilities:	Board Director / Deputy Board Chair / Chair Clinical Governance and Clinical Risk Committee
Name:	Kylie Maher
Qualifications:	BBus; CPA; GAICD.
Special responsibilities:	Board Director / Chair Finance, Audit and Risk Management Committee (from 11 December 2024)
Name:	Peter Gluskie
Qualifications:	BEng; MBA; CPPD; GAICD; FAIPM.
Special responsibilities:	Board Director / Chair Strategy and Planning Committee (to 11 December 2024) Interim Board Director / Chair - Scribble Paediatric Allied Health Pty Ltd (from 2 May 2025)
Name:	Mike Clarke
Qualifications:	BA (Hons); CMInstD.
Special responsibilities:	Board Director / Chair Strategy and Planning Committee (from 11 December 2024)
Name:	Chris Arnold
Qualifications:	BComm; MBA; FCPA; FAICD; AFACHSM (CHM).

IPC Health Ltd Directors' Report 30 June 2025

Special responsibilities: Board Director / Chair Governance, Nominations and Remuneration Committee
Interim Board Director / Company Secretary - Scribble Paediatric Allied Health Pty Ltd
(from 2 May 2025)

Name: Jenny McMahon
Qualifications: BBus; GAICD; IECL Accredited Coach.
Special responsibilities: Board Director

Name: Sanela Osmic
Qualifications: Masters (International Business); BBus (Economics and International Trade); GAICD;
John Maxwell Certified Coach; Speaker and Trainer.
Special responsibilities: Board Director

Name: Peter Turner
Qualifications: MHA; FAICD; FCPA; FIML; FCHSM; CHE.
Special responsibilities: Board Director (from 14 May 2025)

Name: Jerril Rechter
Qualifications: Bedu; MBL; FAICD.
Special responsibilities: Board Director (from 14 May 2025)

Name: Jayne Nelson
Qualifications: Masters (Marketing); BArts (Design); GAICD
Special responsibilities: Interim Board Director - Scribble Paediatric Allied Health Pty Ltd (from 2 May 2025)

Meetings of Directors

During the financial year, 8 meetings of Directors were held. IPC Health Ltd also has four Board committees, that include the Finance Audit and Risk Management Committee, Clinical Governance and Clinical Risk Committee, Strategy and Planning Committee and, Governance Nominations and Remunerations Committee.

	Board of Directors		Finance, Audit and Risk Management Committee		Clinical Governance and Clinical Risk Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Riwka Hagen	8	8	5	5	4	4
Daryl Whitfort	8	8	7	7	-	-
Ngaire Anderson	8	8	1	1	4	4
Kylie Maher	8	8	7	6	-	-
Peter Gluskie	8	8	-	-	4	4
Mike Clarke	8	8	-	-	-	-
Chris Arnold	8	8	3	1	-	-
Jenny McMahon	8	8	-	-	-	-
Sanela Osmic	8	8	-	-	-	-
Peter Turner	1	1	1	1	-	-
Jerril Rechter	1	1	-	-	1	1

**IPC Health Ltd
Directors' Report
30 June 2025**

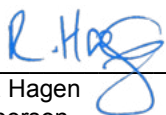
	Strategy and Planning Committee		Governance, Nominations and Remunerations Committee	
	Eligible	Attended	Eligible	Attended
Riwka Hagen	1	-	1	1
Daryl Whitfort	-	-	3	2
Ngaire Anderson	-	-	-	-
Kylie Maher	-	-	-	-
Peter Gluskie	4	4	-	-
Mike Clarke	4	4	-	-
Chris Arnold	4	3	3	3
Jenny McMahon	4	4	-	-
Sanela Osmic	-	-	3	3
Peter Turner	-	-	-	-
Jerril Rechter	-	-	-	-

**IPC Health Ltd
Directors' Report
30 June 2025**

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, has been received and can be found on page 9 of the financial report.

The Directors' report is signed in accordance with a resolution of the Board.



Riwka Hagen
Chairperson



Ngaire Anderson
Deputy Chairperson

8 October 2025

Auditor-General's Independence Declaration

To the Directors, IPC Health Ltd

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for IPC Health Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE
14 October 2025



Sanchu Chummar

as delegate for the Auditor-General of Victoria

IPC Health Ltd
Consolidated Comprehensive Operating Statement
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	Standalone 2024 \$
Revenue and other income			
Revenue from contracts with customers	2	74,471,084	62,897,455
Other income	2	3,850,480	6,047,558
Total revenue and other income		78,321,564	68,945,013
Expenses			
Employee expenses	3	(49,898,884)	(44,528,254)
Supplies and consumables	3	(18,570,329)	(14,804,389)
Other operating and administration expenses	3	(7,793,210)	(7,601,167)
Depreciation and amortisation	4	(2,774,078)	(2,835,541)
Lease expenses	3	(214,696)	(191,451)
Appreciation of financial assets	6	70,772	64,636
Total expenses		(79,180,425)	(69,896,166)
Net result before income tax benefit		(858,861)	(951,153)
Income tax benefit	5	9,040	-
Net result after income tax benefit for the year		(849,821)	(951,153)
Other comprehensive result			
Items that will not be reclassified subsequently to net result			
Gain on the revaluation of financial assets at fair value through other comprehensive income	6	157,711	326,284
Total other comprehensive result for the year		157,711	326,284
Total comprehensive result for the year		(692,110)	(624,869)

The above Consolidated Comprehensive Operating Statement should be read in conjunction with the accompanying notes

IPC Health Ltd
Consolidated Statement of Financial Position
As at 30 June 2025

	Note	Consolidated 2025 \$	Standalone 2024 \$
Assets			
Current assets			
Cash and cash equivalents	6	13,614,662	9,552,438
Investments in other financial assets	6	292,124	12,495,181
Receivables	5	1,791,820	546,682
Contract assets	5	3,122,370	4,559,095
Other assets	5	393,257	407,949
Total current assets		19,214,233	27,561,345
Non-current assets			
Investments in other financial assets	6	10,659,656	9,999,592
Property, plant and equipment	4	45,353,282	42,246,927
Right-of-use leased assets	4	3,267,678	2,692,191
Intangible assets	4	3,745,008	219,054
Contract assets	5	100,913	-
Total non-current assets		63,126,537	55,157,764
Total assets		82,340,770	82,719,109
Liabilities			
Current liabilities			
Payables	5	5,802,587	4,416,732
Contract liabilities	5	6,589,026	8,141,528
Lease liabilities	6	778,588	357,008
Income tax payable	5	51,432	-
Employee benefits provisions	3	9,535,067	9,131,899
Total current liabilities		22,756,700	22,047,167
Non-current liabilities			
Contract liabilities	5	36,271	25,438
Lease liabilities	6	2,710,541	2,499,331
Employee benefits provisions	3	1,099,700	1,717,505
Total non-current liabilities		3,846,512	4,242,274
Total liabilities		26,603,212	26,289,441
Net assets		55,737,558	56,429,668
Equity			
Financial asset revaluation reserve	6	561,989	404,278
Asset revaluation reserve	4	10,348,095	10,348,095
Accumulated surplus		44,827,474	45,677,295
Total equity		55,737,558	56,429,668

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

IPC Health Ltd
Consolidated Statement of Cash Flows
For the year ended 30 June 2025

	Consolidated 2025 \$	Standalone 2024 \$
Cash flows from operating activities		
Receipts		
Receipts from clients	10,569,849	7,341,804
Receipts from grants	70,929,662	59,705,291
Interest and dividends received	1,429,095	1,992,846
Total receipts	82,928,606	69,039,941
Payments		
Payments to employees	(49,384,338)	(43,365,819)
Payments to suppliers	(33,443,902)	(28,158,635)
Income tax paid	(10,675)	-
Interest paid on lease liabilities	(111,584)	(91,055)
Short term and low-value lease payments	(14,272)	(45,596)
Total payments	(82,964,771)	(71,661,105)
Net cash used in operating activities	(36,165)	(2,621,164)
Cash flows from investing activities		
Receipts from sale of property, plant and equipment	265,831	97,727
Payments for property, plant and equipment	(4,341,983)	(4,717,860)
Receipts from sale of investments in other financial assets	13,723,350	13,910,172
Payments for investments in other financial assets	(2,090,603)	(3,598,325)
Payments for investments in subsidiary, net of cash acquired	(2,994,221)	-
Net cash generated from investing activities	4,562,374	5,691,714
Cash flows from financing activities		
Repayment of lease liabilities	(463,985)	(353,692)
Net cash used in financing activities	(463,985)	(353,692)
Net increase in cash and cash equivalents	4,062,224	2,716,858
Cash and cash equivalents at the beginning of the financial year (Note 6.1)	9,552,438	6,835,580
Cash and cash equivalents at the end of the financial year (Note 6.1)	13,614,662	9,552,438

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes

IPC Health Ltd
Consolidated Statement of Changes in Equity
For the year ended 30 June 2025

	Financial asset revaluation reserve \$	Asset revaluation reserve \$	Accumulated surplus \$	Total equity \$
Standalone				
Balance at 1 July 2023	77,994	10,348,095	46,628,448	57,054,537
Net result after income tax expense for the year	-	-	(951,153)	(951,153)
Other comprehensive result for the year (Note 6.2)	326,284	-	-	326,284
Total comprehensive result for the year	326,284	-	(951,153)	(624,869)
Balance at 30 June 2024	404,278	10,348,095	45,677,295	56,429,668
	Financial asset revaluation reserve \$	Asset revaluation reserve \$	Accumulated surplus \$	Total equity \$
Consolidated				
Balance at 1 July 2024	404,278	10,348,095	45,677,295	56,429,668
Net result after income tax benefit for the year	-	-	(849,821)	(849,821)
Other comprehensive result for the year (Note 6.2)	157,711	-	-	157,711
Total comprehensive result for the year	157,711	-	(849,821)	(692,110)
Balance at 30 June 2025	561,989	10,348,095	44,827,474	55,737,558

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

IPC Health Ltd

Notes to the Financial Statements

30 June 2025

Note 1. About this report

Structure

- 1.1 Basis of preparation
- 1.2 Income tax
- 1.3 Current and non-current classification
- 1.4 Goods and services tax ('GST') and other similar taxes
- 1.5 Material accounting judgements and estimates
- 1.6 Reporting entity
- 1.7 Economic dependency
- 1.8 Business combination
- 1.9 Change to comparative figures

These financial statements represent the audited general purpose financial statements for IPC Health Ltd and its controlled entities for the year ended 30 June 2025 (refer to Note 1.8 Business combination). IPC Health Ltd is a not-for-profit company limited by guarantee, primarily involved in the provision of health and community services.

This section explains the basis of preparing the financial statements.

Note 1.1 Basis of preparation of the financial statements

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060.

Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

Unless otherwise stated, all accounting policies applied in the preparation of these financial statements are consistent with those of the prior financial year.

The financial statements, except for the cash flow information have been prepared on an accrual basis of accounting whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid, and are based on historical costs, modified where applicable, by the measurement of fair values of non-current financial assets, property, plant and equipment and financial liabilities.

The financial statements have been prepared on a going concern basis that contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business (refer to Note 1.7 Economic dependency).

These financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

The amounts presented in the financial statements have been rounded to the nearest dollar. There could be minor discrepancies in tables between totals and sum of components due to rounding.

These annual financial statements were authorised for issue by the Board of Directors on 8 October 2025.

Note 1.2 Income tax

No provision for income tax has been made for IPC Health Ltd as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. Income tax provision has been made for its wholly owned subsidiary and is included in the current year consolidated balances of income tax expense, income tax paid and income tax payable.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 1. About this report (continued)

Note 1.3 Current and non-current classification

Assets and liabilities are presented in the Consolidated Statement of Financial Position based on current and non-current classification.

An asset is classified as current when:

- it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle;
- it is held primarily for the purpose of trading;
- it is expected to be realised within 12 months after the reporting period; and
- the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is either expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; and
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Note 1.4 Goods and services tax ('GST') and other similar taxes

Revenues, expenses, assets and liabilities are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the Consolidated Statement of Financial Position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 1.5 Material accounting judgements and estimates

Judgements and estimates require assumptions to be made about highly uncertain external factors such as discount rates, probability factors, the effects of inflation, changing technology and, political and social trends. There are many uncertainties in the estimation process and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Management makes judgements and estimates when preparing the financial statements.

These judgements and estimates are based on historical knowledge and the best available current information and assume any reasonable expectation of future events. As such actual results may differ.

Revisions to material estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

The material accounting judgements and estimates used, and any changes thereto, are disclosed within each section where applicable in the recognition of revenue and income, expenses, assets and liabilities.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 1. About this report (continued)

Note 1.6 Reporting entity

The financial statements include all the controlled activities of IPC Health Ltd including its subsidiaries. Refer to Note 8.4 for further details of controlled entities.

IPC Health Ltd's registered office/principal place of business is:

IPC Health Ltd
106 Station Rd
Deer Park VICTORIA 3023

Note 1.7 Economic dependency

IPC Health Ltd is dependent upon the State of Victoria, via the Department of Health, for funding a significant proportion of its operations. At the date of this report the Board of Directors believe the Department will continue to support IPC Health Ltd.

Note 1.8 Business combination

On 31 March 2025, IPC Health Ltd acquired 100% of the issued share capital of Scribble Paediatric Allied Health Pty Ltd, a for-profit entity operating in providing Children's Allied Health, such as Speech Pathology, Occupational Therapy and Physio, mainly for National Disability Insurance Scheme (NDIS) recipients. IPC Health Ltd has consolidated Scribble Paediatric Allied Health Pty Ltd's financial statements since the acquisition into the financial statements of IPC Health Ltd and presented the Consolidated Financial Report.

The business acquisition has been accounted for using the acquisition method under AASB 3: *Business Combinations*.

The net assets acquired from Scribble Paediatric Allied Health Pty Ltd and recognised on 31 March 2025 was \$736,235. Goodwill of \$3,503,159 was recognised in the Consolidated Financial Report from the business acquisition.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 1. About this report (continued)

Assets and liabilities recognised at acquisition date at 31 March 2025:

	31 March 2025 \$
Fair value at acquisition	
Current assets	
Cash and cash equivalents	855,173
Receivables	141,595
Total current assets	996,768
Non-current assets	
Property, plant and equipment	201,779
Right-of-use leased assets	959,335
Contract assets	100,912
Total non-current assets	1,262,026
Total assets	2,258,794
Current liabilities	
Payables	331,776
Current tax liabilities	155,985
Lease liabilities	370,481
Employee benefits provisions	75,342
Total current liabilities	933,584
Non-current liabilities	
Employee benefits provisions	588,854
Lease liabilities	121
Total non-current liabilities	588,975
Total non-current liabilities	1,522,559
Net assets	736,235
Equity	
Accumulated surplus	736,235
Total equity	736,235
Goodwill	
Investment in Scribble	4,239,394
Net Assets acquired	736,235
Goodwill	3,503,159
	4,239,394

Goodwill represents the expected future economic benefits from synergies arising from the acquisition, including assembled workforce and access to new markets, that do not qualify for separate recognition.

No contingent consideration arrangements or non-controlling interests were involved in the acquisition.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 1. About this report (continued)

Note 1.9 Change to comparative figures

Where appropriate, comparative figures have been amended to align with current presentation and disclosure.

Classification of accrued interest income

Accrued interest income that was classified previously under contract assets, has now been classified under trade and other receivables as per AASB 9: *Financial Instruments* (Note 5.1, 5.2 and 7.1).

Classification of other admin expenses

Security and insurance expenses were previously disclosed in Other administrative expenses are now classified under Utilities, security and insurance expenses (Note 3.1(d)).

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 2. Funding delivery of our services

IPC Health Ltd's overall objective is to provide high quality health services that are client centred, collaborative, coordinated and demonstrate value through measured impact. IPC Health Ltd is predominantly funded by grants from the Federal and Victorian State Governments, and other funding bodies for the provision of its community health services.

Structure

- 2.1 Revenue and other income
- 2.1(a) Revenue from contracts with customers
- 2.1(b) Other income

Note 2.1 Revenue and other income

	Note	Consolidated 2025 \$	Standalone 2024 \$
Revenue from contracts with customers	2.1(a)	74,471,084	62,897,455
Other income	2.1(b)	3,850,480	6,047,558
Total revenue and other income		<u>78,321,564</u>	<u>68,945,013</u>

Note 2.1(a) Revenue from contracts with customers

	Consolidated 2025 \$	Standalone 2024 \$
Commonwealth government recurrent funding	20,376,727	18,930,528
Victorian government recurrent funding	34,985,226	30,143,196
Non-recurrent government funding	3,435,189	999,323
Non-government funding	6,949,368	6,724,782
Medicare billing	6,025,995	4,848,804
Fees for service	2,698,579	1,250,822
Total revenue from contracts with customers	<u>74,471,084</u>	<u>62,897,455</u>

How we recognise revenue from contracts with customers

Government grants

Revenue from government operating grants that are enforceable and contain sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15: *Revenue from Contracts with Customers*.

In contracts with customers, the 'customer' is the funding body, who is the party that promises funding in exchange for IPC Health Ltd's goods or services delivery. IPC Health Ltd's funding bodies often direct that goods or services delivery are to be provided to third party beneficiaries, including individuals or the community at large. In such instances, the customer remains the funding body that has funded the program or activity, however the delivery of goods or services to third party beneficiaries is a characteristic of the promised good or service being transferred to the funding body.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 2. Funding delivery of our services (continued)

This policy applies to each of IPC Health Ltd's revenue streams, with information detailed below relating to IPC Health Ltd's material revenue streams:

Government grant	Performance obligation
Federal Department of Health Community and Home Support - Allied Health and Therapy Services	This program funds a comprehensive range of services, including podiatry, occupational therapy, physiotherapy, social work, dietetics and speech pathology. IPC Health Ltd is required to provide a set number of hours of service delivery. Revenue is recognised over time, as and when the services are provided. IPC Health Ltd uses the output method to measure its progress in satisfying its performance obligations.
State Department of Health Community Health	This program funds general counselling, allied health and nursing services and IPC Health Ltd is required to provide a set number of hours of service delivery. Revenue is recognised over time, as and when the services are provided. IPC Health Ltd uses the output method to measure its progress in satisfying its performance obligations.
State Department of Health Individual, Child and Family Support	This program funds a comprehensive range of services for vulnerable children (from pre-birth up to 17 years old) and their families to promote children's safety, stability, and healthy development. IPC Health Ltd is required to provide a set number of hours of service delivery. Revenue is recognised over time, as and when the services are provided. IPC Health Ltd uses the output method to measure its progress in satisfying its performance obligations.
State Department of Health HACC Allied Health	This program funds the provision of allied health services, including clinical assessment, treatment, therapy or professional advice, which may be provided in the client's home or at a centre. IPC Health Ltd are required to provide a set number of hours of service delivery. Revenue is recognised over time, as and when the services are provided. IPC Health Ltd uses the output method to measure its progress in satisfying its performance obligations.
State Department of Health Refugee and Asylum Seekers Health Services	This program responds to the poor health and complex health issues of arriving refugees in Victoria. IPC Health Ltd is required to provide a set number of hours of service delivery. Revenue is recognised over time, as and when the services are delivered. IPC Health Ltd uses the output method to measure its progress in satisfying its performance obligations.
State Department of Health Healthy Mothers and Healthy Babies	This program funds the provision of support, health education and referrals for pregnant women. IPC Health Ltd is required to provide a set number of hours of service delivery. Revenue is recognised over time, as and when the services are delivered. IPC Health Ltd uses the output method to measure its progress in satisfying its performance obligations.
State Department of Health Integrated Chronic Disease Management	This program supports chronic disease management services. IPC Health Ltd is required to provide a set number of hours of service delivery. Revenue is recognised over time, as and when the services are delivered. IPC Health Ltd uses the output method to measure its progress in satisfying its performance obligations.

Fees for service

Service revenue of Scribble Paediatric Allied Health Pty is included in Fees for service revenue.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 2. Funding delivery of our services (continued)

Note 2.1(b) Other income

	Consolidated 2025 \$	Standalone 2024 \$
Victorian government operating funding	290,909	966,055
Victorian government capital funding	145,340	1,136,474
Non-government funding for minor works	293,362	619,217
Other income from operating activities	1,050,739	929,426
Rental income	668,906	547,003
Interest income	1,158,661	1,660,882
Dividends	204,063	159,345
Donations	38,500	29,156
Total other income	<u>3,850,480</u>	<u>6,047,558</u>

How we recognise other income

Government grants

IPC Health Ltd recognises income immediately under AASB 1058: *Income of Not-for-Profit Entities* where it has been earned under arrangements that are neither enforceable nor linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations or that are not enforceable, is recognised when IPC Health Ltd has an unconditional right to receive cash that usually coincides with receipt of cash.

The company may receive assets from the government and other parties for nil or nominal consideration in order to further its objectives. On initial recognition of the asset, IPC Health Ltd recognises any related contributions by owners, increases in liabilities, decreases in assets or revenue (related amounts) in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004: *Contributions*;
- revenue or contract liability arising from a contract with a customer, in accordance with AASB 15;
- a lease liability in accordance with AASB 16: *Leases*;
- a financial instrument, in accordance with AASB 9: *Financial Instruments*;
- a property, plant and equipment asset, in accordance with AASB 116: *Property, Plant and Equipment*;
- an intangible asset, in accordance with AASB 138: *Intangible Assets*; and
- a provision, in accordance with AASB 137: *Provisions, Contingent Liabilities and Contingent Assets*.

Capital grants

Where IPC Health Ltd receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities arising from a contract with a customer) recognised under other Australian Accounting Standards.

Income is recognised progressively as the asset is being constructed, in accordance with IPC Health Ltd's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion

Other income from operating activities

Other income from operating activities includes income generated from student placements, health records, and tenants' occupancy related cost recoveries. Other income from operating activities is recognised at a point in time, upon provision of the goods or service to the customer.

Rental income

Rental income from professional tenants in IPC Health Ltd's premises is recognised on a straight-line basis over the term of the lease unless another systematic basis is more representative of the pattern of use of the underlying asset.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 2. Funding delivery of our services (continued)

Where a lease incentive is provided to a lessee, this is considered an integral part of the net consideration agreed for the use of the lease asset and therefore the incentive is recognised as a reduction of rental income over the period to which it relates.

Interest income

Interest income is recognised as interest accrues using the effective interest method over the relevant period.

Dividends

Dividend income is recognised at a point in time when the right to receive payment is established. Dividends represent the income arising from IPC Health Ltd's investments in other financial assets.

Non-cash contributions from the Department of Health

The Department of Health purchases professional medical indemnity and other insurance products for IPC Health Ltd that is paid directly to the Victorian Managed Insurance Authority. IPC Health Ltd records this contribution by recognising it as income with a matching expense in the net result for the year in the Consolidated Comprehensive Operating Statement.

Volunteer services

A not-for-profit entity may, as an accounting policy choice, elect to recognise volunteer services, if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. The company receives volunteer services from members of the community. Whilst the provision of such volunteer services is important to the achievement of the entity's objectives, as an accounting policy choice, the company has elected not to recognise such volunteer contributions as revenue and expenditure within the Consolidated Comprehensive Operating Statement. This election has no impact on the company's surplus or net assets.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 3. The cost of delivering our services

This section provides an account of the expenses incurred by the company in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the costs associated with the provision of services are disclosed.

Structure

- 3.1 Operating expenses incurred in the delivery of services
- 3.1(a) Employee expenses
- 3.1(b) Employee benefits provisions in the Consolidated Statement of Financial Position
- 3.1(c) Supplies and consumables
- 3.1(d) Other operating and administration expenses
- 3.1(e) Lease expenses

Note 3.1 Operating expenses incurred in the delivery of services

	Note	Consolidated 2025 \$	Standalone 2024 \$
Employee expenses	3.1(a)	49,898,884	44,528,254
Supplies and consumables	3.1(c)	18,570,329	14,804,389
Other operating and administration expenses	3.1(d)	7,793,210	7,601,167
Lease expenses	3.1(e)	214,696	191,451
Total operating expenses incurred in the delivery of services		76,477,119	67,125,261

Note 3.1(a) Employee expenses

	Consolidated 2025 \$	Standalone 2024 \$
Salaries and wages	43,552,490	39,113,210
Defined contribution superannuation expense	5,025,834	4,217,223
Defined benefit superannuation expense	74	3,376
Agency labour	782,160	788,837
Workcover premium	538,326	405,608
Total employee expenses	49,898,884	44,528,254

How we recognise employee expenses

Employee expenses are recognised when incurred and include amounts that are paid or payable during the reporting period for:

- Salaries and wages (including fringe benefits tax, leave entitlements and termination payments);
- The company's contribution to employees' superannuation funds;
- Agency labour (In the Consolidated Statement of Cash Flows agency labour payments are included under payments to suppliers); and
- WorkCover premium.

How we recognise superannuation

Employees of IPC Health Ltd are entitled to receive superannuation benefits and the company contributes to both defined benefit and defined contribution plans for its employees.

Defined contribution superannuation plans

In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period. Contributions to defined contribution superannuation plans are expensed when incurred.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 3. The cost of delivering our services (continued)

Defined benefit superannuation plans

The defined benefit plan provides benefits based on years of service and final average salary. The amount charged to the Consolidated Comprehensive Operating Statement in respect of defined benefit superannuation plans represents the contributions made by IPC Health Ltd to the superannuation plans in respect of the services of current IPC Health Ltd staff during the reporting period. Superannuation contributions are made to the plans based on the relevant rules of each plan and are based upon actuarial advice.

IPC Health Ltd does not recognise any unfunded defined benefit liability in respect of the plans because the company has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due.

The amounts that have been expensed in relation to the major employee superannuation funds and contributions made by IPC Health Ltd are disclosed above. There were no amount outstanding to defined contribution plans at 30 June 2025 (2024: \$nil) nor to defined benefit plans at 30 June 2025 (2024: \$nil).

Note 3.1(b) Employee benefits provisions in the Consolidated Statement of Financial Position

	Consolidated 2025 \$	Standalone 2024 \$
Current provisions		
Accrued days off	395,832	329,432
Annual leave	4,469,475	4,036,102
Long service leave	4,669,760	4,766,365
Total current employee benefits provisions	9,535,067	9,131,899
Non-current provisions		
Long service leave	1,099,700	1,717,505
Total non-current employee benefits provisions	1,099,700	1,717,505
Total employee benefits provisions	10,634,767	10,849,404

How we recognise employee benefits provisions

Provision is made for employee benefits in respect of accrued days off (ADOs), annual leave (AL) and long service leave (LSL) for services rendered to the reporting date as an expense during the period the services are delivered.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Consolidated Comprehensive Operating Statement as it is taken.

Current employee benefits provisions

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as current liabilities as IPC Health Ltd does not have an unconditional right to defer settlement of these liabilities in the event employees wish to use their leave entitlement. Current liabilities for annual leave and accrued days off are measured at nominal value.

The amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service are included in the current liabilities. Based on past experience, the company does not expect the full amount of long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The company's obligations for current employee benefits are presented as current liabilities in its Consolidated Statement of Financial Position.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 3. The cost of delivering our services (continued)

Non-current employee benefits provisions

The company classifies employees' LSL entitlements as non-current or long-term employee benefits where employees have not completed the required years of service, and they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service.

Provision is made for the company's obligation for long-term employee benefits, that are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality government bonds that have maturity dates that approximate the terms of the obligations. In calculating the present value of future cash flows in respect of long service leave, the probability rates have been determined based on historical employee attrition data. Any remeasurements for changes in assumptions of obligations for long-term employee benefits are recognised in the Consolidated Comprehensive Operating Statement in the periods in which the changes occur.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its Consolidated Statement of Financial Position.

Note 3.1(c) Supplies and consumables

	Consolidated 2025 \$	Standalone 2024 \$
Purchased client services	12,885,930	11,049,227
Client services expense	3,048,098	2,658,514
Dental vouchers	1,779,534	435,409
Medical and paramedical supplies	823,376	611,282
Medical/paramedical aids	33,391	49,957
Total supplies and consumables expenses	<u>18,570,329</u>	<u>14,804,389</u>

Note 3.1(d) Other operating and administration expenses

	Consolidated 2025 \$	Standalone 2024 \$
Consultancy expenses	1,895,495	2,043,038
Information technology - software and licensing	1,450,606	1,234,826
Cleaning	1,011,753	953,216
Utilities, security and insurance*	1,070,972	930,994
Staff and recruitment costs	729,591	707,505
Repairs and maintenance	632,382	670,739
Motor vehicles	134,654	114,465
Audit fee	123,781	94,792
Other administrative expenses	743,976	851,592
Total other operating and administration expenses	<u>7,793,210</u>	<u>7,601,167</u>

*Security and insurance expenses were previously disclosed in Other administrative expenses are now classified under Utilities, security and insurance expenses.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 3. The cost of delivering our services (continued)

Note 3.1(e) Lease expenses

	Consolidated 2025 \$	Standalone 2024 \$
Interest on lease liabilities	111,584	91,055
Property rental - low value	77,140	77,324
Motor vehicle lease charges	25,972	23,072
Total lease expenses	<u>214,696</u>	<u>191,451</u>

How we recognise operating expenses

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Supplies and consumables

Supplies and consumables include the materials and services purchased in servicing the company's clients in the areas of General Practitioners' Clinics, Aged Care, Allied Health, Dental and all other minor programs.

Other operating and administration expenses

Other operating expenses represent the day to day running costs incurred in normal operations supporting delivery of the company's services. Other admin expenses include expenditure related to the purchase of capital assets that are below the capitalisation threshold of \$3,000, service promotion and advertising, innovation, and other office overhead.

Lease expenses

Lease expenses are recognised over the lease term.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 4. Key assets to support service delivery

IPC Health Ltd controls property, plant and equipment including leased and intangible assets that are utilised in fulfilling its objectives and conducting its activities. They represent key resources that have been entrusted to IPC Health Ltd to be utilised for delivery of services.

Structure

- 4.1 Property, plant and equipment
- 4.2 Intangible assets
- 4.3 Impairment of property, plant and equipment, and intangible assets
- 4.4 Right-of-use leased assets
- 4.5 Depreciation and amortisation

Note 4.1 Property, plant and equipment

Note 4.1(a) Gross carrying amount and accumulated depreciation

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	Consolidated 2025 \$	Standalone 2024 \$	Consolidated 2025 \$	Standalone 2024 \$	Consolidated 2025 \$	Standalone 2024 \$
Freehold land at fair value	11,330,000	10,770,000	-	-	11,330,000	10,770,000
Buildings at fair value	34,225,120	33,213,535	(9,483,071)	(8,298,734)	24,742,049	24,914,801
Leasehold improvements at cost	5,422,169	4,228,957	(713,634)	(346,113)	4,708,535	3,882,844
Plant, equipment and vehicles at cost	5,103,515	3,828,673	(2,009,779)	(1,943,142)	3,093,736	1,885,531
Grounds infrastructure at cost	323,973	156,488	(15,131)	(2,672)	308,842	153,816
Capital works in progress at cost	1,170,120	639,935	-	-	1,170,120	639,935
Total property, plant and equipment	57,574,897	52,837,588	(12,221,615)	(10,590,661)	45,353,282	42,246,927

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 4. Key assets to support service delivery (continued)

Note 4.1(b) Reconciliation of movements in carrying values

Reconciliations of the net carrying values at the beginning and end of the prior and current financial years are set out below:

	Freehold land \$	Buildings \$	Leasehold improvements \$	Plant, equipment and vehicles \$	Grounds infrastructure \$	Capital works in progress \$	Total \$
Standalone							
Balance at 1 July 2023	10,770,000	25,666,894	1,729,092	1,585,557	-	647,052	40,398,595
Additions	-	-	-	273,847	-	3,945,114	4,218,961
Disposals	-	-	-	(25,140)	-	-	(25,140)
Depreciation and amortisation	-	(1,189,295)	(229,556)	(923,966)	(2,672)	-	(2,345,489)
Transfers in/(out)	-	437,202	2,383,308	975,233	156,488	(3,952,231)	-
Net carrying amount at 30 June 2024	10,770,000	24,914,801	3,882,844	1,885,531	153,816	639,935	42,246,927
Consolidated							
Additions	560,000	-	78,448	436,481	-	4,303,074	5,378,003
Disposals	-	-	-	(133,572)	-	-	(133,572)
Depreciation and amortisation	-	(1,220,949)	(346,243)	(558,425)	(12,459)	-	(2,138,076)
Transfers in/(out)	-	1,048,197	1,093,486	1,463,721	167,485	(3,772,889)	-
Net carrying amount at 30 June 2025	11,330,000	24,742,049	4,708,535	3,093,736	308,842	1,170,120	45,353,282

How we recognise property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation, amortisation and impairment losses. The company's property, plant and equipment are tangible items that are held for the use in the supply of services, for rental to others and for administrative purposes that the company expects to use during more than one financial year. Items with a cost or value in excess of \$3,000 (2024: \$3,000) and a useful life of more than one year are recognised as an asset. All other assets acquired are expensed.

Freehold land

Freehold land is initially recognised at cost and subsequently measured at fair value based on periodic valuations either by external independent valuers or management revaluations using the relevant land indices published by the Valuer General Victoria. Scheduled revaluations are undertaken every five years with an annual assessment of fair value to determine if it is materially different to the carrying value. Revaluation increases or decreases arise from differences between freehold land's carrying value and its fair value. If the difference to carrying value is greater than 10 per cent, a management revaluation is undertaken while a movement greater than 40 per cent will normally involve an Approved Valuer to perform a detailed assessment of the fair value. If the movement in fair value since the last revaluation is less than or equal to 10 per cent, then no change is made to carrying amounts.

At 30 June 2023 an independent valuation of freehold land was performed by a certified practicing valuer CIVIC MJD. The valuation resulted in a gross asset value increment of \$3,969,710. Freehold land was valued using a market based direct comparison approach whereby the subject land was compared to recent comparable land and development site sales, making adjustments for points of difference by applying an appropriate value rate per square metre from the sales analysed. The fair value of freehold land recorded at 30 June 2025 are considered materially correct as the movement in fair value since the last revaluation is less than 10 per cent. The amendments to AASB 13 *Fair Value Measurement* will be applied at the next scheduled independent revaluation of freehold land, which is planned to be undertaken in 2028, in accordance with IPC Health Ltd's revaluation cycle or at the next interim revaluation process whichever is earlier.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 4. Key assets to support service delivery (continued)

Increases in the carrying values arising on revaluation of freehold land are recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of asset are recognised in other comprehensive income under the heading of asset revaluation reserve. All other decreases are charged to the profit or loss. Revaluation increases are recognised in the profit or loss to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the profit or loss.

Buildings

Buildings are initially measured at cost less accumulated depreciation and impairment losses and subsequently measure at fair value.

Buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired (deemed cost).

At 30 June 2023 an independent valuation of buildings was performed by a certified practicing valuer CIVIC MJD. The valuation resulted in a gross asset value increment of \$2,686,447. The current replacement cost method is used when valuing the buildings due to the specialised nature of its current use. The fair value of buildings recorded at 30 June 2025 are considered materially correct. The amendments to AASB 13 *Fair Value Measurement* will be applied at the next scheduled independent revaluation of buildings, which is planned to be undertaken in 2028, in accordance with IPC Health Ltd's revaluation cycle or at the next interim revaluation process whichever is earlier.

Increases in the carrying values arising on revaluation of freehold land and buildings are recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of asset are recognised in other comprehensive income under the heading of asset revaluation reserve. All other decreases are charged to the profit or loss. Revaluation increases are recognised in the profit or loss to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the profit or loss.

Plant and Equipment

Plant and equipment (that include motor vehicles, computer equipment, office equipment and clinical equipment) are measured initially on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in the profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 4.1(d) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Leasehold improvements

Leasehold improvements are initially recognised at cost and subsequently measured at fair value and are amortised over the remaining term of the lease or the estimated useful lives, whichever is the shorter.

For all measured at fair value, the current use is considered the highest and best use.

Note 4.1(c) Asset revaluation reserve

	Consolidated 2025 \$	Standalone 2024 \$
Land revaluation reserve	7,661,648	7,661,648
Building revaluation reserve	2,686,447	2,686,447
Total asset revaluation reserve	<u>10,348,095</u>	<u>10,348,095</u>

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 4. Key assets to support service delivery (continued)

	Consolidated 2025 \$	Standalone 2024 \$
Movement of asset revaluation reserve		
Balance at 1 July	10,348,095	10,348,095
Balance at 30 June	<u>10,348,095</u>	<u>10,348,095</u>

How we recognise the asset revaluation reserve

The asset revaluation reserve records the revaluation increments and decrements that relate to non-current land and building assets at valuation.

Note 4.2 Intangible assets

	Goodwill 2025 \$	Corporate Website 2025 \$	Works in progress 2025 \$	Total 2025 \$
Gross carrying amount				
Balance at 1 July 2024	-	246,819	21,620	268,439
Additions	3,503,159	-	79,891	3,583,050
Transfers in/(out)	-	21,620	(21,620)	-
Gross carrying amount at 30 June 2025	<u>3,503,159</u>	<u>268,439</u>	<u>79,891</u>	<u>3,851,489</u>
Accumulated amortisation and impairment				
Balance at 1 July 2024	-	(49,385)	-	(49,385)
Amortisation	-	(57,096)	-	(57,096)
Accumulated amortisation and impairment at 30 June 2025	<u>-</u>	<u>(106,481)</u>	<u>-</u>	<u>(106,481)</u>
Net carrying value at 30 June 2025	<u>3,503,159</u>	<u>161,958</u>	<u>79,891</u>	<u>3,745,008</u>

How we recognise intangible assets

Initial recognition

Purchased intangible assets are initially recognised at cost.

Subsequent measurement and impairment

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

Goodwill arose on the acquisition of Scribble Paediatric Allied Health Pty Ltd. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are expensed to the Consolidated Comprehensive Operating Statement and are not subsequently reversed. Goodwill arose from the acquisition of Scribble Paediatric Allied Health Pty Ltd is tested annually for impairment using the net present value of projected operating cash flow over future 10 years from the balance date.

During the financial year no impairment loss has been identified or recorded in the financial statements (2024: \$Nil).

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 4. Key assets to support service delivery (continued)

Note 4.3 Impairment of property, plant and equipment, and intangible assets

At the end of each reporting period, the company reviews the carrying amounts of its property, plant and equipment, and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the Consolidated Comprehensive Operating Statement.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts of those assets are expected to be materially the same as their fair value determined under AASB 13: *Fair Value Measurement*, with the consequence that AASB 136: *Impairment of Assets* does not apply to such assets that are regularly revalued.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

During the financial year no impairment loss is identified or recorded in the financial statements (2024: \$Nil).

Note 4.4 Right-of-use leased assets

Note 4.4(a) Gross carrying amount and accumulated depreciation

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	Consolidated 2025 \$	Standalone 2024 \$	Consolidated 2025 \$	Standalone 2024 \$	Consolidated 2025 \$	Standalone 2024 \$
Leased buildings	4,766,107	3,711,985	(1,524,274)	(1,020,645)	3,241,833	2,691,340
Leased equipment	110,764	17,015	(84,919)	(16,164)	25,845	851
Total right-of-use leased assets	4,876,871	3,729,000	(1,609,193)	(1,036,809)	3,267,678	2,692,191

Note 4.4(b) Reconciliation of movements in right-of-use leased assets

	Leased buildings \$	Leased equipment \$	Total \$
Standalone			
Balance at 1 July 2023	2,748,592	4,254	2,752,846
Indexation rebasing	380,347	-	380,347
Depreciation expense	(437,599)	(3,403)	(441,002)
Net carrying amount as at 30 June 2024	2,691,340	851	2,692,191

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 4. Key assets to support service delivery (continued)

	Leased buildings \$	Leased equipment \$	Total \$
Consolidated			
Balance at 1 July 2024	2,691,340	851	2,692,191
Additions	959,335	100,272	1,059,607
Indexation rebasing	94,786	-	94,786
Depreciation expense	(503,628)	(75,278)	(578,906)
Net carrying amount at 30 June 2025	<u>3,241,833</u>	<u>25,845</u>	<u>3,267,678</u>

How we recognise right-of-use assets

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

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

The company has elected not to recognise a right-of-use leased asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets (that are new assets where the underlying asset value is \$10,000 or less). Lease payments on these assets are expensed to the Consolidated Comprehensive Operating Statement as incurred.

For leases that have significantly below-market terms and conditions principally to enable the company to further its objectives (that are commonly known as peppercorn/concessionary leases), the company has adopted the temporary relief under AASB 2018-8: *Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities* and measures the right-of-use leased assets at cost on initial recognition. Refer to Note 6.4 for further information regarding the company's leases with below market terms.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 4. Key assets to support service delivery (continued)

Note 4.5 Depreciation and amortisation

	Consolidated 2025 \$	Standalone 2024 \$
Depreciation		
Property, plant and equipment		
Buildings	1,220,949	1,189,295
Plant, equipment and vehicles	558,425	923,966
Grounds Infrastructure	12,459	2,672
	<u>1,791,833</u>	<u>2,115,933</u>
Right-of-use leased assets		
Leased buildings	503,628	437,599
Leased equipment	75,278	3,403
	<u>578,906</u>	<u>441,002</u>
Total depreciation	<u>2,370,739</u>	<u>2,556,935</u>
Amortisation		
Leasehold improvements	346,243	229,556
Intangible assets	57,096	49,050
Total amortisation	<u>403,339</u>	<u>278,606</u>
Total depreciation and amortisation	<u><u>2,774,078</u></u>	<u><u>2,835,541</u></u>

How we recognise depreciation and amortisation

All property, plant and equipment that have finite useful lives including right-of-use assets, but excluding freehold land are depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

Amortisation is the systematic allocation of the depreciable amount of an asset over its useful life.

Useful lives of property, plant and equipment, and intangible assets

The depreciation rates applicable to each class of asset, that are consistent with the previous reporting period, are:

Class of property, plant and equipment	Depreciation / amortisation rates
Buildings	2.5% to 10%
Leasehold improvements	4.0% to 12.50%
Plant, equipment and vehicles	10% to 33.33%
Ground infrastructure	3.45% to 12.50%
Intangible assets	20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Consolidated Comprehensive Operating Statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 5. Other assets and liabilities

This section sets out those assets and liabilities that arose from IPC Health Ltd's operations.

Structure

- 5.1 Receivables
- 5.2 Contract assets
- 5.3 Other non-financial assets
- 5.4 Payables
- 5.5 Contract liabilities
- 5.6 Income tax

Note 5.1 Receivables

	Consolidated 2025 \$	Standalone 2024 \$
Current receivables		
Contractual		
Trade receivables	1,703,480	378,183
Accrued interest income (Note 1.9 & 5.2)	88,340	132,799
Total current contractual receivables	<u>1,791,820</u>	<u>510,982</u>
Statutory		
GST receivable	-	35,700
Total current statutory receivables	<u>-</u>	<u>35,700</u>
Total current receivables	<u>1,791,820</u>	<u>546,682</u>

(i) Financial assets at amortised cost classified as receivables

	Consolidated 2025 \$	Standalone 2024 \$
Total current trade receivables	1,791,820	546,682
Less GST receivable	<u>-</u>	<u>(35,700)</u>
Total financial assets at amortised cost classified as current receivables	<u>1,791,820</u>	<u>510,982</u>

How we recognise receivables

Receivables consist of:

Contractual receivables, which mostly includes amounts due from customers for services performed in the ordinary course of business. These receivables are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. IPC Health Ltd holds the contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 5. Other assets and liabilities (continued)

Statutory receivables, includes Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. IPC Health Ltd applies AASB 9: *Financial Instruments* for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Trade receivables are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Impairment losses

Contractual receivables

IPC Health Ltd is not exposed to any significant credit risk exposure to any single counter-party or any group of counter-parties having similar characteristics. Based on historical information about customer default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good. The company recognises a loss allowance for expected credit losses on trade receivables using the simplified approach, as applicable under AASB 9 where material. The expected credit losses were not considered material and therefore not brought to account.

Statutory receivables

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136: *Impairment of Assets*.

Note 5.2 Contract assets

	Consolidated 2025 \$	Standalone 2024 \$
Current		
Contract assets (Note 1.9 & 5.1)	3,122,370	4,559,095
Non-current		
Contract assets	100,913	-
Total contract assets	3,223,283	4,559,095

How we recognise contract assets

Contract assets relate to IPC Health Ltd's right to consideration in exchange for goods or services transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional and at this time an invoice is issued. Contract assets are expected to be recovered within 12 months of the end of the reporting period. Contract assets are treated as financial assets for impairment purposes.

Note 5.3 Other non-financial assets

	Consolidated 2025 \$	Standalone 2024 \$
Current		
Contractual		
Prepayments	393,257	407,949

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 5. Other assets and liabilities (continued)

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Note 5.4 Payables

	Consolidated 2025 \$	Standalone 2024 \$
Current payables		
Contractual		
Trade payables	872,962	1,216,817
Accrued salaries and wages	1,277,451	1,050,530
Accrued expenses	2,779,181	1,680,053
Other payables	546,996	469,332
Total current contractual payables	<u>5,476,590</u>	<u>4,416,732</u>
Statutory		
GST payable	325,997	-
Total current statutory payables	<u>325,997</u>	<u>-</u>
Total current payables	<u>5,802,587</u>	<u>4,416,732</u>

(i) Financial liabilities at amortised cost classified as payables

	Consolidated 2025 \$	Standalone 2024 \$
Total current payables	5,802,587	4,416,732
Less GST payable	<u>(325,997)</u>	<u>-</u>
Total financial liabilities at amortised cost classified as payables	<u>5,476,590</u>	<u>4,416,732</u>

How we recognise payables

Payables consist of:

Contractual payables relate to the purchase of goods and services by IPC Health Ltd prior to the end of the financial year that are unpaid. These payables are classified as financial instruments and measured at amortised cost. The normal credit terms for trade payable are usually Net 30 days.

Statutory payables, that includes Goods and Services Tax (GST) payable are recognised and measured similarly to contractual payables but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, as they do not arise from contracts.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 5. Other assets and liabilities (continued)

Note 5.5 Contract liabilities

	Consolidated 2025 \$	Standalone 2024 \$
Current		
Contract liabilities - Federal Department of Health	591,676	79,566
Contract liabilities - Other funding bodies	5,997,350	8,061,962
Total current contract liabilities	<u>6,589,026</u>	<u>8,141,528</u>
Non-current		
Contract liabilities	<u>36,271</u>	<u>25,438</u>
Total current and non-current contract liabilities	<u>6,625,297</u>	<u>8,166,966</u>

How we recognise contract liabilities

Contract liabilities represent IPC Health Ltd's obligation to transfer goods or services to customers and are recognised as a contract liability when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Note 5.6 Income tax

Note 5.6(a) Income tax benefit

	Consolidated 2025 \$	Standalone 2024 \$
Current tax benefit	<u>(9,040)</u>	-
Total income tax benefit	<u>(9,040)</u>	<u>-</u>

Income tax expense attributable to:

Profit from continuing operations tax at the statutory rate of 25%	(9,040)	-
Total income tax benefit	<u>(9,040)</u>	<u>-</u>

Reconciliation of income tax expense to prima facie income tax expense

Profit before income tax expense	40,684	-
Tax at the Australian tax rate of 25% (2024: 25%)	<u>10,171</u>	<u>-</u>

Tax effect of amounts that are not deductible/(taxable) in calculating taxable income:

Non-deductible expenses	560	-
Non-deductible depreciation	26,937	-
Additional deductible expenses/non-assessable income	<u>(46,708)</u>	<u>-</u>

Total income tax benefit	<u>(9,040)</u>	<u>-</u>
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IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 5. Other assets and liabilities (continued)

Note 5.6(b) Current income tax payable

	Consolidated 2025 \$	Standalone 2024 \$
Income tax payable at 1 July	-	-
Current year income tax expense / (refund)	(9,040)	-
Prior period income tax liability acquired	155,985	-
Income tax instalments paid	(95,513)	-
Current income tax payable at 30 June	51,432	-

How we recognise income tax

Income tax benefit

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

Current tax assets and liabilities

Current tax assets and liabilities are measured at amounts expected to be recovered from or paid to the taxation authority, the Australian Taxation Office (ATO). It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the ATO at the reporting date.

Deferred tax assets and liabilities

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 6. How we finance our operations

This section provides information on the sources of finance utilised by IPC Health Ltd during its operations, along with interest expenses and other information related to financing activities of IPC Health Ltd.

This section includes disclosures of balances that are financial instruments. Note 7.1 provides additional, specific financial instrument disclosures.

Structure

- 6.1 Cash and cash equivalents
- 6.2 Investments in other financial assets
- 6.3 Margin lending facility
- 6.4 Lease liabilities
- 6.5 Commitments for expenditure

Note 6.1 Cash and cash equivalents

	Consolidated 2025 \$	Standalone 2024 \$
Current assets		
Cash on hand	1,670	1,360
Cash at bank	2,242,983	3,073,861
Short term bank deposits with maturity up to 90 days	11,370,009	6,477,217
Total cash and cash equivalents*	<u>13,614,662</u>	<u>9,552,438</u>

How we recognise cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank, other short-term, highly liquid investments with original maturities of three months or less, and they are held for the purpose of meeting short term cash commitments rather than for investment, purposes, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 6. How we finance our operations (continued)

Note 6.2 Investments and other financial assets

	Note	Consolidated 2025 \$	Standalone 2024 \$
Current assets			
Financial assets at amortised cost			
Bank deposits with maturity more than 90 days		292,124	12,495,181
Total current investments in other financial assets*		292,124	12,495,181
Non-current assets			
Financial assets at amortised cost			
Subordinated debt floating rate notes		1,421,940	1,913,052
Subordinated debt fixed rate notes		2,802,023	1,793,548
Cash managed and held by the fund		455,889	560,719
		4,679,852	4,267,319
Financial assets at fair value through net result			
Equity instruments - units	6.2(a)	1,326,238	1,137,507
Debt instruments - capital notes	6.2(a)	1,822,973	1,831,035
		3,149,211	2,968,542
Financial assets at fair value through other comprehensive income			
Equity instruments - shares	6.2(a)	2,830,593	2,763,731
Total non-current investments in other financial assets		10,659,656	9,999,592
Total current and non-current investments and other financial assets		10,951,780	22,494,773

* \$12.2m prior year's balance of bank deposits with a maturity more than 90 days have been transferred to short term deposits with maturity less than 90 days during the 2024-25 financial year. The company's combined holdings in cash and cash equivalents (note 6.1) and current investments in other financial assets (note 6.2) decreased from \$22.0 million to \$13.9 million, representing a net reduction of \$8.1 million. Over the same period, total non-current assets increased by \$8.0 million, primarily due to investments in property, plant and equipment (note 4.1) and an investment in a subsidiary (note 1.8).

Assets pledged as security

During 2023-24 financial year IPC Health Ltd established a Margin lending facility of \$2m with National Australia Bank Ltd secured against the assets listed in the above table. The lending facility has not been drawn down at 30 June 2025 (Note 6.3).

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 6. How we finance our operations (continued)

How we recognise investments and other financial assets

The valuation techniques and material assumptions in measuring the fair value of investments of other financial assets are as follows:

- Subordinated debt floating rate notes are initially measured at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method.
- Cash is initially measured at fair value plus transaction costs and is subsequently measured at amortised cost using the effective interest rate method.
- Equity instruments (units) are initially measured at fair value and are subsequently measured at fair value through profit or loss based on the market value at 30 June each year.
- Debt instruments (capital notes) are initially measured at fair value plus transaction costs and are subsequently measured at fair value through net result based on the market value at 30 June each year.
- Equity instruments (shares) are initially measured at fair value plus transactions costs. Subsequent to this the fair value is measured through other comprehensive income, based on the market value (closing price) of the investment at 30 June each year.

The market value of these financial assets at 30 June is determined by the closing price of the investment at 30 June based on the relevant stock market. As the company's investments in other financial assets are invested for medium and long-term periods (3 to 10 years), they are classified as non-current.

All financial assets, except for those measured at fair value through the Consolidated Comprehensive Operating Statement, are subject to annual review for impairment, in accordance with Note 6.2(a).

Note 6.2(a) (Impairment) / appreciation of other financial assets

	Consolidated 2025 \$	Standalone 2024 \$
Financial assets at fair value through net result		
Equity instruments – units at 1 July	1,237,507	1,097,084
Appreciation of equity instruments - units	88,731	40,423
	<u>1,326,238</u>	<u>1,137,507</u>
Debt instruments - capital notes at 1 July	1,840,932	1,806,822
(Impairment) / appreciation of debt instruments - capital notes	(17,959)	24,213
	<u>1,822,973</u>	<u>1,831,035</u>
Total financial assets at fair value through net result	<u>3,149,211</u>	<u>2,968,542</u>
Financial assets at fair value through other comprehensive income		
Equity instruments - shares at 1 July	2,763,731	2,417,240
Purchases	200,163	53,313
Disposals	(291,012)	(33,106)
Appreciation of equity instruments - shares	157,711	326,284
Total financial assets at fair value through other comprehensive income	<u>2,830,593</u>	<u>2,763,731</u>
	<u>5,979,804</u>	<u>5,732,273</u>

Fair value increases and decreases at 30 June are included under appreciation / (impairment) of financial assets.

How we recognise impairment of financial assets

Impairment of financial assets records the fair value increments and decrements that relate to non-current financial assets recognised at fair value through profit or loss and, fair value through other comprehensive income.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 6. How we finance our operations (continued)

Note 6.2(b) Financial assets revaluation reserve

	Consolidated 2025 \$	Standalone 2024 \$
Financial asset revaluation reserve	561,989	404,278
Movement of financial asset revaluation reserve		
Balance at 1 July	404,278	77,994
Revaluation increment	157,711	326,284
Balance at 30 June	561,989	404,278

How we recognise financial asset revaluation reserves

The financial asset revaluation reserve records the revaluation increments and decrements that relate to non-current investments in other financial assets recognised at fair value through other comprehensive income.

Note 6.3 Margin Lending Facility

	Consolidated 2025 \$	Standalone 2024 \$
Margin Lending Facility		
Used at year end	-	-
Not used at year end	2,000,000	2,000,000

The Margin Lending facility was established on 29 May 2024 to meet any short term funding requirements, and it is held with National Australia Bank Ltd secured against other financial assets (Note 6.2).

Note 6.4 Lease liabilities

	Consolidated 2025 \$	Standalone 2024 \$
Current		
Lease liability	778,588	357,008
Non-current		
Lease liability	2,710,541	2,499,331
Total lease liabilities	3,489,129	2,856,339

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 6. How we finance our operations (continued)

The following table provides the maturity analysis of lease liabilities, showing the undiscounted lease payments to be made after the reporting date.

	Consolidated 2025 \$	Standalone 2024 \$
Due within one year	881,281	437,396
Due within one to five years	2,772,768	2,182,106
Due after five years	133,636	561,114
Minimum future lease liabilities	<u>3,787,685</u>	<u>3,180,616</u>
Less: Unexpired finance expenses	<u>(298,556)</u>	<u>(324,277)</u>
Present value of lease liabilities	<u>3,489,129</u>	<u>2,856,339</u>

How we recognise lease liabilities

A lease is defined as a contract, or part of a contract, that conveys the right for IPC Health Ltd to use and control an asset for a period of time in exchange for a lease rental payment.

The company's lease portfolio includes land, buildings and equipment. The lease terms for each type of lease arrangement are:

Type of asset leased	Lease term
Land	12 - 25 years
Buildings	2 - 25 years
Equipment	5 years

All leases are recognised on the Consolidated Statement of Financial Position, with the exception of low value leases (that are less than \$10,000 in total lease commitment) and short-term leases of less than 12 months in lease term. IPC Health Ltd has elected to apply the practical expedients for short-term leases and leases of low-value assets. As a result, no right-of-use asset or lease liability is recognised for short-term and low-value leases. These short-term and low-value lease expenses are recognised on a straight-line basis over the lease term in the Consolidated Comprehensive Operating Statement (refer to Note 3.1(e)).

Initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or IPC Health Ltd incremental borrowing rate. The company's lease liabilities have been discounted by rates of between 3.00% to 4.35%.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in the substance of fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Consolidated Comprehensive Operating Statement if the right of use asset is already reduced to zero.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 6. How we finance our operations (continued)

Leases with significantly below market terms and conditions

IPC Health Ltd holds lease arrangements that contain significantly below-market terms and conditions, that are principally to enable the health service to further its objectives. These are commonly referred to as concessionary lease arrangements. Without these concessionary leases, the company's service delivery to the community would be impacted.

IPC Health Ltd measures its concessionary lease arrangements at cost, both initially and subsequently.

The nature and terms of concessionary lease arrangements the company holds and its dependency on its service delivery to the community are provided below:

Leased asset	Nature, terms and our dependence on lease
Deer Park	The company holds a 20 year concessionary lease (expiring in 2032) with the Department of Health (DOH) for the exclusive use of the property located at 106 Station Road, Deer Park, from which IPC Health Ltd conducts services in accordance with the company's Service Agreement with the DOH. The company may not use this space for any other purpose during the lease term without prior consent of the DOH. The lease payments are \$104 (ex GST) per annum, payable yearly in advance.
St Albans	The company holds a 25 year concessionary lease (expiring in 2048) with the Department of Human Services (DHS) for the exclusive use of the property located at 1 Andrea Street, St Albans, from which IPC Health Ltd conducts services in accordance with the company's Service Agreement with the DHS. The company may not use this space for any other purpose during the lease term without prior consent of the DHS. The lease payments are \$104 (ex GST) per annum, payable yearly in advance.
Hoppers Crossing	The company holds a 20 year concessionary lease (expiring in 2032) with the Department of Health (DOH) for the exclusive use of the property located at 117-129 Warringa Crescent, Hoppers Crossing, from which IPC Health Ltd conducts services in accordance with the company's Service Agreement with the Department of Health. The company may not use this space for any other purpose during the lease term without prior consent of the DOH. The lease payments are \$104 (ex GST) per annum, payable yearly in advance.

6.4(a) Interest expense on lease liabilities

	Consolidated 2025 \$	Standalone 2024 \$
Interest on lease liabilities	<u>111,584</u>	<u>91,055</u>

Interest expense includes costs incurred in connection with the borrowing of funds and includes interest component of lease repayments due to the unwinding of discounts to reflect the passage of time.

Interest expense is recognised in the period in which it is incurred.

Note 6.5 Commitments for expenditure

6.5(a) Short-term operating lease commitments

The company's lease commitments (GST exclusive) relating to lease arrangements that meet the short-term lease exemption criteria of AASB 16 include:

	Consolidated 2025 \$	Standalone 2024 \$
Within one year	<u>-</u>	<u>2,868</u>

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 6. How we finance our operations (continued)

(Refer to Note 6.4 for further information)

6.5(b) Capital expenditure commitments

Capital commitments are commitments for future expenditure arising from contracts. These commitments are disclosed at their nominal value and are inclusive of the GST payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the Consolidated Statement of Financial Position.

Total capital commitments at 30 June 2025 due within one year inclusive of GST are \$139,351 (2024: \$484,881).

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 7. Financial instruments, contingencies and valuation judgements

IPC Health Ltd is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out the company's exposure in relation to financial instrument specific information including its exposures to financial risks, fair value determination and those items that are contingent in nature or require a higher level of judgement to be applied.

Structure

- 7.1 Financial instruments
- 7.2 Fair value determination
- 7.3 Contingent assets and liabilities

Note 7.1 Financial instruments

The company's financial instruments consist mainly of cash and deposits with banks, investments in other financial assets, current contract assets, current contractual receivables and payables, and lease liabilities. Certain financial assets and financial liabilities that arise under statute rather than a contract (for example, taxes, fines and penalties) do not meet the definition of financial instruments as per AASB 132 *Financial Instruments: Presentation*.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements on the Consolidated Statement of Financial Position, are as follows:

	Note	Consolidated 2025 \$	Standalone 2024 \$
Current			
Cash and cash equivalents	6	13,614,662	9,552,438
Investments in other financial assets	6	292,124	12,495,181
Contractual receivables	5	1,791,820	510,982
Contract assets	5	3,122,370	4,559,095
Total current contractual financial assets at amortised cost		18,820,976	27,117,696
Contractual payables	5	5,476,590	4,416,732
Lease liabilities	6	778,588	357,008
Total current contractual financial liabilities at amortised cost		6,255,178	4,773,740
Net current contractual financial instruments		12,565,798	22,343,956
	Note	Consolidated 2025 \$	Standalone 2024 \$
Non-current			
Investments in other financial assets			
Investments in other financial assets at amortised cost	6	4,679,852	4,267,319
Investments in other financial assets at fair value through profit or loss	6	3,149,211	2,968,542
Investments in other financial assets at fair value through other comprehensive income	6	2,830,593	2,763,731
Total non-current contractual financial assets		10,659,656	9,999,592
Lease liabilities	6	2,710,541	2,499,331
Total non-current contractual financial liabilities at amortised cost		2,710,541	2,499,331
Net non-current contractual financial instruments		7,949,115	7,500,261
Net current and non-current contractual financial instrument		20,514,913	29,844,217

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 7. Financial instruments, contingencies and valuation judgements (continued)

How we recognise financial instruments

Financial assets

Financial assets at amortised cost

Financial assets are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less any impairment.

IPC Health Ltd recognises the following assets in this category:

- cash and term deposits; and
- receivables (excluding statutory receivables).

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are subsequently measured at fair value through other comprehensive income.

Equity investments are measured at fair value through other comprehensive income if the assets are not held for trading and IPC Health Ltd has irrevocably elected at initial recognition to recognise in this category.

IPC Health Ltd recognises investments in equity instruments in this category.

Financial assets at fair value through net result

IPC Health Ltd recognises debt and listed equity instruments as mandatorily measured at fair value through net result and has designated all managed investment schemes as fair value through net result.

Financial liabilities

Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, when they are not held at fair value through net result.

IPC Health Ltd recognises the following liabilities in this category:

- payables (excluding statutory payables and contract liabilities); and
- lease liabilities.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- IPC Health Ltd retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- IPC Health Ltd has transferred its rights to receive cash flows from the asset and either transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where IPC Health Ltd has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised in its Consolidated Statement of Financial Position to the extent of IPC Health Ltd's continuing involvement in the asset.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 7. Financial instruments, contingencies and valuation judgements (continued)

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the Consolidated Comprehensive Operating Statement.

Reclassification of financial instruments

A financial asset is required to be reclassified between amortised cost, fair value through net result and fair value through other comprehensive income when, and only when, IPC Health Ltd's business model for managing its financial assets has changed such that its previous model would no longer apply.

A financial liability reclassification is not permitted as per AASB 9: *Financial Instruments*.

Note 7.2 Fair value determination

The company measures some of its assets and liabilities at fair value either on a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standards.

"Fair value" is the price the company would sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market information.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the company at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset and minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

Note 7.3 Contingent assets and liabilities

Financial estimates for contingent liabilities are included in the following table:

	Consolidated	Standalone
	2025	2024
	\$	\$
Contingent liabilities		
Quantifiable		
Guarantees and indemnities	<u>265,000</u>	<u>265,000</u>

The company holds a \$265k bank guarantee with the National Australia Bank Limited in relation to the ten-year operating lease of land and buildings at 499 Ballarat Road, Sunshine that commenced in July 2021 (expiring in 2031).

There are no other known contingent assets or contingent liabilities for IPC Health Ltd as at 30 June 2025 (30 June 2024: nil).

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 7. Financial instruments, contingencies and valuation judgements (continued)

How we measure and disclose contingent assets and contingent liabilities

Contingent assets and liabilities are not recognised in the Consolidated Statement of Financial Position but are disclosed by way of note and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service. These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the health service; or
- present obligations that arise from past events but are not recognised as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations or the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 8. Other disclosures

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Key management personnel and related party transactions
- 8.2 Remuneration of auditors
- 8.3 Events after the reporting period
- 8.4 Controlled entities

Note 8.1 Key management personnel and related party transactions

Key Management Personnel (KMP) are those people with the authority and responsibility for planning, directing, and controlling the activities of IPC Health Ltd and its subsidiary, Scribble Paediatric Allied Health Pty Ltd, directly or indirectly.

The KMP of IPC Health Ltd are deemed to be the:

- Board of Directors
- Chief Executive Officer
- General Manager Operations and Clinical Care
- General Manager Strategy and Growth
- General Manager Financial and Corporate Services
- General Manager People, Governance and Community
- General Manager Operations Scribble Paediatric Allied Health Pty Ltd

The total remuneration of the key management personnel (including Board Directors) of IPC Health Ltd and its subsidiary during the reporting period is as follows:

	Consolidated 2025 \$	Standalone 2024 \$
Salary and fees	1,359,135	1,243,568
Superannuation	147,573	132,428
Leave entitlements	136,998	126,997
	<u>1,643,706</u>	<u>1,502,993</u>

KMP remuneration is disclosed on an accrual basis (that is the earned remuneration regardless of when the payment is made).

Total KMP remuneration above comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered. Leave entitlements include annual and long service leave.

Outside of ordinary business operation transactions with IPC Health Ltd, there were no related parties' transactions that involved key management personnel, their close family members and their personal business interest. No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2024: None noted).

Note 8.2 Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Victorian Auditor-General's Office, the auditor of the company:

	Consolidated 2025 \$	Standalone 2024 \$
<i>Audit services - Victorian Auditor-General's Office</i>		
Audit of the financial statements	<u>74,400</u>	<u>52,500</u>

IPC Health Ltd
Notes to the Financial Statements
30 June 2025

Note 8. Other disclosures (continued)

Note 8.3 Events after the reporting period

No matters or circumstances have arisen since the end of the financial year that significantly affected or may affect the operations of the IPC Health Ltd, the results of the operations or the state of affairs of IPC Health Ltd in future financial years.

Note 8.4 Controlled entities

IPC Health Ltd's interest in controlled entities are provided below. The current year financial balances are included in the consolidated financial statements under their respective reporting categories.

	Country of Incorporation	Ownership acquired date	Ownership interest %
Scribble Paediatric Allied Health Pty Ltd	Australia	31 March 2025	100%

IPC Health Ltd controls Scribble Paediatric Allied Health Pty Ltd as it has power over the entity, is exposed to or has the right to variable returns from its involvement with the entity and has the ability to use its power to affect those returns.

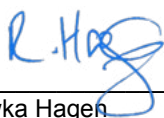
IPC Health Ltd
Directors' declaration
30 June 2025

In accordance with a resolution of the Directors of IPC Health Ltd, the Directors of the entity declare that:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

On behalf of the Directors:



Riwka Hagen
Chairperson



Ngaire Anderson
Deputy Chairperson

8 October 2025

Independent Auditor's Report

To the Directors of IPC Health Ltd

Opinion	I have audited the consolidated financial report of IPC Health Ltd (the company) and its controlled entity (together the consolidated entity) which comprises the: • consolidated statement of financial position as at 30 June 2025 • consolidated statement of profit or loss and other comprehensive income for the year then ended • consolidated statement of changes in equity for the year then ended • consolidated statement of cash flows for the year then ended • notes to the financial statements, including material accounting policy information • directors' declaration. In my opinion the consolidated financial report is in accordance with Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including: • giving a true and fair value view of the consolidated financial position of the company as at 30 June 2025 and its financial performance and cash flows for the year then ended • complying with Australian Accounting Standards— <i>Simplified Disclosures</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2022</i>.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the company in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the consolidated financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Directors' responsibilities for the consolidated financial report	The directors of the company are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standards— <i>Simplified Disclosures</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of a consolidated financial report that is free from material misstatement, whether due to fraud or error. In preparing the consolidated financial report, the directors are responsible for assessing the company's and the consolidated entity'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 it is inappropriate to do so.

Auditor's responsibilities for the audit of the consolidated financial report	As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the consolidated financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the consolidated 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated financial report. As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the consolidated 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 my 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 company's and the consolidated entity'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 directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company and the consolidated entity to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the consolidated financial report, including the disclosures, and whether the consolidated financial report represents the underlying transactions and events in a manner that achieves fair presentation. • obtain sufficient appropriate audit evidence regarding the financial information of the entity and business activities within the company and the consolidated entity to express an opinion on the consolidated financial report. I am responsible for the direction, supervision and performance of the audit of the company and the consolidated entity. I remain solely responsible for my audit opinion.
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**Auditor's
responsibilities
for the audit of
the consolidated
financial report
(continued)**

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Directors with a statement that I 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 my independence, and where applicable, related safeguards.

MELBOURNE
14 October 2025



Sanchu Chummar
as delegate for the Auditor-General of Victoria



IPC Health's impact in numbers 2025

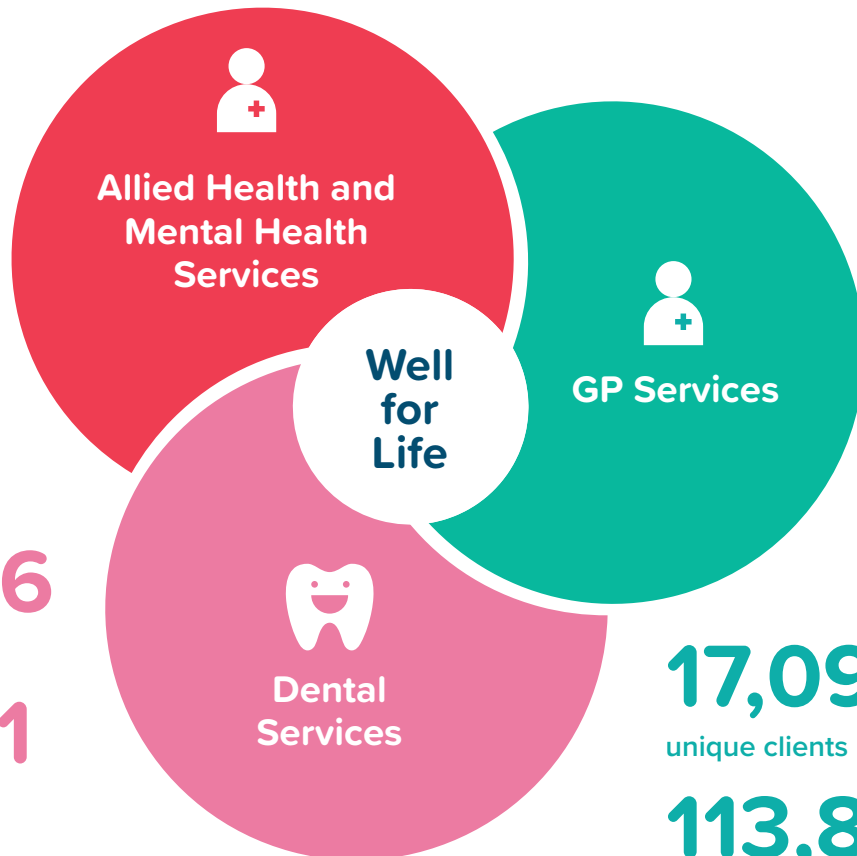
Numbers of clients and services

19,630

unique clients

341,306

total services



13,846

unique clients

34,411

total services

17,098

unique clients

113,805

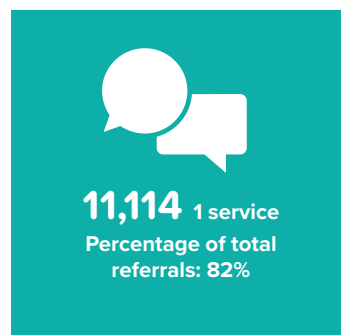
total services

Integrated, coordinated care

Referrals:



New service referrals per client:



Note: IPC Health's total services, including both appointments and contacts, such as telephone calls, SMS reminders and other remote interactions as recorded in Trak Care, Titanium and Best Practice.

Staff and volunteers, clients and services presented above relate only to IPC Health.



IPC Health

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Deer Park VIC 3023

ACN 136 685 151

ABN 68 846 923 225

Altona Meadows

330 Queen Street
Altona Meadows 3028

Deer Park

106 Station Road
Deer Park 3023

Hoppers Crossing

117–129 Warringa Cres
Hoppers Crossing 3029

St Albans

1 Andrea Street
St Albans 3021

Sunshine

L1, 499 Ballarat Road
Sunshine 3020

Wyndham Vale

510 Ballan Road
Wyndham Vale 3024

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**At every age
and every stage**

Well

for

Life