

MAKING A DIFFERENCE



Palliative care. Living well every day.

FINANCIAL REPORT 2024-2025



Eastern Palliative Care Ltd

ABN 62 982 157 121

Financial Statements - 30 June 2025

Eastern Palliative Care Ltd Contents 30 June 2025

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General information

The financial statements cover Eastern Palliative Care Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Eastern Palliative Care Ltd's functional and presentation currency.

On 16 December 2024, Eastern Palliative Care Association Incorporated restructured to become an Australian Public Company, Limited By Guarantee. The company's entity name became Eastern Palliative Care Ltd.

Eastern Palliative Care Ltd is a not-for-profit company, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Eastern Palliative Care Ltd
Building 2, Level 1
630 Mitcham Road
Mitcham VIC 3132

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

The financial statements were authorised for issue on 25 August 2025.

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2025.

Officers

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

M Stewart (Chair) R Snyder AM (Treasurer until the 23 December 2024)

Directors

The names of the Directors throughout the financial year and at the date of this report are:

Margaret Stewart (Chair) Dr. Raymond Snyder AM
Prof. David Kissane AC Dr. Andrew Barnden
Dr. Margaret O'Donnell OAM Dr. Tamsin Bryan
Dr. Ian Parry Timothy Gorton
Christine Fyffe

Objectives

The company exists so that:

- Our clients live with the best quality of life, before dying in their place of choice.
- Clients, their families and carers are supported according to their needs and choices.
- Our resources are managed wisely and sustainable to provide value for the community.

Strategy for achieving the objectives

The company's strategy for achieving its objectives is guided by our Value Based Health Care Framework — a person-centred, outcomes-driven model structured around eight core components designed to transform care delivery and organisational capability.

- Models of Care
- Data Collection and Evaluation
- Measure Outcomes and Costs
- Infrastructure, Information and Communications Technology
- Culture and Capability
- Integrate Care across Providers and Systems
- Future Funding Models
- Governance

Principal activities

The principal activity of the company during the financial year was the provision of support services to people living with a progressive, life limiting condition. The company also provided external education and consultancy support to other organisations which independently care for this cohort.

Meetings of responsible persons

During the financial year, seven meetings of Directors were held. Attendances were as follows:

Board attendance during the 2024-2025 financial year

Margaret Stewart (Chair) 7
Dr. Raymond Snyder AM 7
Prof. David Kissane AC 6
Dr. Andrew Barnden 6
Dr. Margaret O'Donnell OAM 6
Dr. Tamsin Bryan 7
Dr. Ian Parry 7
Timothy Gorton 7
Christine Fyffe 5
Gaylene Coulton (Company Secretary/Public Officer) 7

On behalf of the directors


T Gorton
Acting Chair

25 August 2025
Melbourne


R Snyder AM
Chair – Finance & Risk

Eastern Palliative Care Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue			
Revenue from government sources	3	15,194,694	14,780,128
Revenue from non-government sources	4	798,823	1,037,066
Interest revenue		206,668	84,962
Total revenue		<u>16,200,185</u>	<u>15,902,156</u>
Expenses			
Employee benefits expense		(14,022,133)	(13,289,745)
Depreciation and amortisation expense		(789,194)	(760,314)
Motor vehicle expenses		(139,100)	(134,239)
Telephone expenses		(125,726)	(115,250)
Finance costs	5	(30,093)	(46,962)
Other expenses		<u>(1,704,068)</u>	<u>(1,495,719)</u>
(Deficit)/surplus before income tax expense		(610,129)	59,927
Income tax expense		<u>-</u>	<u>-</u>
(Deficit)/surplus after income tax expense for the year		(610,129)	59,927
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		<u>307,976</u>	<u>209,986</u>
Other comprehensive income for the year, net of tax		<u>307,976</u>	<u>209,986</u>
Total comprehensive (loss)/income for the year		<u><u>(302,153)</u></u>	<u><u>269,913</u></u>

Eastern Palliative Care Ltd
Statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,459,939	3,409,830
Trade and other receivables	7	210,665	151,551
Other financial assets	8	3,500,000	1,557,751
Other assets	9	200,372	189,907
Total current assets		<u>5,370,976</u>	<u>5,309,039</u>
Non-current assets			
Investments	10	4,098,604	4,760,736
Property, plant and equipment	11	1,138,776	1,351,091
Right-of-use assets	12	1,809,820	2,257,131
Total non-current assets		<u>7,047,200</u>	<u>8,368,958</u>
Total assets		<u>12,418,176</u>	<u>13,677,997</u>
Liabilities			
Current liabilities			
Trade and other payables	13	603,065	536,063
Contract liabilities	14	143,736	834,050
Lease liabilities	15	476,697	442,606
Provisions	16	1,607,357	1,530,852
Total current liabilities		<u>2,830,855</u>	<u>3,343,571</u>
Non-current liabilities			
Lease liabilities	15	81,763	557,914
Provisions	16	620,909	589,710
Total non-current liabilities		<u>702,672</u>	<u>1,147,624</u>
Total liabilities		<u>3,533,527</u>	<u>4,491,195</u>
Net assets		<u><u>8,884,649</u></u>	<u><u>9,186,802</u></u>
Equity			
Contributed equity	17	559,282	559,282
Reserves	18	736,349	546,140
Retained surplus		<u>7,589,018</u>	<u>8,081,380</u>
Total equity		<u><u>8,884,649</u></u>	<u><u>9,186,802</u></u>

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

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

Eastern Palliative Care Ltd
Statement of changes in equity
For the year ended 30 June 2025

	Contributed equity \$	Financial assets revaluation reserve \$	MEPCA/EPC scholarship reserve \$	Capital reserve \$	Retained surplus \$	Total equity \$
Balance at 1 July 2023	559,282	147,007	64,753	181,588	7,964,259	8,916,889
Surplus after income tax expense for the year	-	-	-	-	59,927	59,927
Other comprehensive income for the year, net of tax	-	209,986	-	-	-	209,986
Total comprehensive income for the year	-	209,986	-	-	59,927	269,913
Transfer to MEPCA/EPC scholarship reserve	-	-	6	-	(6)	-
Transfer of realised gains on sale of financial assets	-	(57,200)	-	-	57,200	-
Balance at 30 June 2024	559,282	299,793	64,759	181,588	8,081,380	9,186,802

	Contributed equity \$	Financial assets revaluation reserve \$	MEPCA/EPC scholarship reserve \$	Capital reserve \$	Retained surplus \$	Total equity \$
Balance at 1 July 2024	559,282	299,793	64,759	181,588	8,081,380	9,186,802
Deficit after income tax expense for the year	-	-	-	-	(610,129)	(610,129)
Other comprehensive income for the year, net of tax	-	307,976	-	-	-	307,976
Total comprehensive income/(loss) for the year	-	307,976	-	-	(610,129)	(302,153)
Transfer of realised gains on sale of financial assets	-	(117,767)	-	-	117,767	-
Balance at 30 June 2025	559,282	490,002	64,759	181,588	7,589,018	8,884,649

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

Eastern Palliative Care Ltd
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from Government grants and other operating revenue (inclusive of GST)		16,853,881	17,083,937
Payments to suppliers and employees (inclusive of GST)		(17,946,663)	(16,333,572)
Donations received		305,987	492,821
Interest received		206,668	84,962
Dividends received		204,104	217,171
Interest paid		(30,093)	(46,962)
Net cash (used in)/from operating activities		(406,116)	1,498,357
Cash flows from investing activities			
Payments for investment in term deposit		(1,942,249)	(57,751)
Proceeds from sale of property, plant and equipment		-	88,382
Payments for property, plant and equipment	11	(129,568)	(464,037)
Payments for security bond		(6)	(4)
Proceeds from sale of investments		970,108	470,070
Payments for investments		-	(590,322)
Net cash used in investing activities		(1,101,715)	(553,662)
Cash flows from financing activities			
Repayment of lease liabilities		(442,060)	(409,426)
Net cash used in financing activities		(442,060)	(409,426)
Net (decrease)/increase in cash and cash equivalents		(1,949,891)	535,269
Cash and cash equivalents at the beginning of the financial year		3,409,830	2,874,561
Cash and cash equivalents at the end of the financial year	6	1,459,939	3,409,830

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

Note 1. Significant accounting policies

The accounting policies that are material to the company are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012, the Fundraising Act 1998 and associated regulations, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through other comprehensive income.

Critical accounting estimates

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

Reclassification of comparatives

Comparative figures where appropriate, have been reclassified to be comparable with the figures presented for the current financial year.

Income tax

As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the 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; or 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; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Investments and other financial assets

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

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

Note 1. Significant accounting policies (continued)

Financial assets at amortised cost

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

Investments

Investments are classified as financial assets measured at fair value through other comprehensive income and include equity investments which the company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Goods and Services Tax ('GST') and other similar taxes

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

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

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

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

Note 2. Critical accounting judgements, estimates and assumptions

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

Estimation of useful lives of assets

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

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

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

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

Employee benefits provision
As discussed in note 16, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Recognition of grant revenue
Determining the revenue recognition of grant revenue involved judgement and estimates in order to identify performance obligations, allocate the transaction price and assess whether the revenue is to be recognised at a point in time or overtime as performance obligations are met.

Note 3. Revenue from government sources

	2025 \$	2024 \$
Operating grant	14,295,687	14,338,780
Non-recurrent grant - Initiative and infrastructure	899,007	441,348
	<u>15,194,694</u>	<u>14,780,128</u>

Accounting policy for revenue recognition
The company recognises revenue as follows:

Grant revenue
Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Note 4. Revenue from non-government sources

	2025 \$	2024 \$
Other grants	123,155	190,368
Donations	305,987	492,821
Dividends and franking credits	204,104	217,171
Education sessions	55,210	62,078
Gain on sale of property, plant and equipment	-	3,950
Other revenue	<u>110,367</u>	<u>70,678</u>
	<u>798,823</u>	<u>1,037,066</u>

Accounting policy for revenue recognition
The company recognises revenue as follows:

Donations
Donations are recognised as revenue when received.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

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

Volunteer services
The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Note 5. Expenses

	2025 \$	2024 \$
(Deficit)/surplus before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest paid on lease liabilities	<u>30,093</u>	<u>46,962</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>1,383,132</u>	<u>1,261,171</u>

Finance costs
Finance costs are expensed in the period in which they are incurred.

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

Note 6. Cash and cash equivalents

	2025	2024
	\$	\$
<i>Current assets</i>		
Petty cash	1,200	1,200
Cash at bank	1,458,739	3,408,630
	<u>1,459,939</u>	<u>3,409,830</u>

Accounting policy for cash and cash equivalents

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

Note 7. Trade and other receivables

	2025	2024
	\$	\$
<i>Current assets</i>		
Sundry receivables	<u>210,665</u>	<u>151,551</u>

Accounting policy for trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 8. Other financial assets

	2025	2024
	\$	\$
<i>Current assets</i>		
Bank term deposits	<u>3,500,000</u>	<u>1,557,751</u>

Note 9. Other assets

	2025	2024
	\$	\$
<i>Current assets</i>		
Prepayments	76,268	65,809
Term deposits for bank guarantee	74,030	74,030
Security bond	<u>50,074</u>	<u>50,068</u>
	<u>200,372</u>	<u>189,907</u>

The security bond is on the Mitcham property and is not available to the company until the conclusion of the lease. Refer to note 12 and note 15 for further details on Mitcham property leases.

The term deposit for bank guarantee is used to secure a bank guarantee provided by ANZ bank and thus is not available for use by the company.

Note 10. Investments

	2025	2024
	\$	\$
<i>Non-current assets</i>		
Cash	460,209	160,549
Fixed interest	832,999	1,329,489
Australian equities	2,230,195	2,669,647
International equities	<u>575,201</u>	<u>601,051</u>
	<u>4,098,604</u>	<u>4,760,736</u>

Note 11. Property, plant and equipment

	2025	2024
	\$	\$
<i>Non-current assets</i>		
Leasehold improvements - at cost	1,289,703	1,289,703
Less: Accumulated amortisation	<u>(1,050,207)</u>	<u>(1,011,375)</u>
	<u>239,496</u>	<u>278,328</u>
Medical equipment - at cost	426,714	376,134
Less: Accumulated depreciation	<u>(355,940)</u>	<u>(327,224)</u>
	<u>70,774</u>	<u>48,910</u>
Motor vehicles - at cost	1,075,368	1,075,368
Less: Accumulated depreciation	<u>(442,466)</u>	<u>(292,159)</u>
	<u>632,902</u>	<u>783,209</u>
Office and IT equipment - at cost	1,417,484	1,338,496
Less: Accumulated depreciation	<u>(1,221,880)</u>	<u>(1,097,852)</u>
	<u>195,604</u>	<u>240,644</u>
	<u>1,138,776</u>	<u>1,351,091</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the the current financial year:

	Leasehold improvements	Medical equipment	Motor vehicles	Office and IT equipment	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2024	278,328	48,910	783,209	240,644	1,351,091
Additions	-	50,580	-	78,988	129,568
Depreciation expense	<u>(38,832)</u>	<u>(28,716)</u>	<u>(150,307)</u>	<u>(124,028)</u>	<u>(341,883)</u>
Balance at 30 June 2025	<u>239,496</u>	<u>70,774</u>	<u>632,902</u>	<u>195,604</u>	<u>1,138,776</u>

Accounting policy for property, plant and equipment

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

Note 11. Property, plant and equipment (continued)

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

Leasehold improvements	11% - 41%
Medical equipment	7% - 33%
Motor vehicles	18% - 27%
Office and IT equipment	20% - 33%

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

Leasehold improvements under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 12. Right-of-use assets

	2025 \$	2024 \$
<i>Non-current assets</i>		
Land and buildings - right-of-use	4,193,212	4,193,212
Less: Accumulated depreciation	(2,383,392)	(1,936,081)
	<u>1,809,820</u>	<u>2,257,131</u>

Land and buildings - right-of-use includes a balance of \$1,625,000 of prepaid rent relating to an office space at Studley Park Road, Kew. Eastern Palliative Care Ltd entered into an agreement with its landlord partner St Vincents Healthcare Limited and St Vincents Hospital (Melbourne) Limited where a 22-year period of prepaid rent commenced from August 2021.

Reconciliations

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

	Land and buildings \$
Balance at 1 July 2024	2,257,131
Depreciation expense	(447,311)
Balance at 30 June 2025	<u>1,809,820</u>

Accounting policy for right-of-use assets

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

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the 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 assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Note 13. Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	42,034	45,157
Sundry payables and accruals	561,031	490,906
	<u>603,065</u>	<u>536,063</u>

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid, whether billed to the company or not. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 14. Contract liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Grants received in advance	143,736	834,050

Accounting policy for contract liabilities

Contract liabilities represent grants that have attached conditions which must be satisfied before the company is eligible to retain the contribution.

Note 15. Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Lease liability	476,697	442,606
<i>Non-current liabilities</i>		
Lease liability	81,763	557,914
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	476,696	472,091
One to five years	81,763	960,705
	<u>558,459</u>	<u>1,432,796</u>

Accounting policy for lease liabilities

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

Note 15. Lease liabilities (continued)

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

Note 16. Provisions

	2025 \$	2024 \$
<i>Current liabilities</i>		
Employee benefits	<u>1,607,357</u>	<u>1,530,852</u>
<i>Non-current liabilities</i>		
Employee benefits	480,909	449,710
Lease make good	<u>140,000</u>	<u>140,000</u>
	<u>620,909</u>	<u>589,710</u>

Accounting policy for provisions

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

Lease make good

The make good provisions are in respect of the leased properties. The amounts provided will be utilised at the conclusion of the leases, between 2023 and 2043.

Accounting policy for employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Note 17. Contributed equity

	2025 \$	2024 \$
St. Vincent's Hospital (Melbourne)	131,936	131,936
Order of Malta	131,936	131,936
Outer East Palliative Care Service Association Inc.	<u>295,410</u>	<u>295,410</u>
Total members' contributions at the reporting date	<u>559,282</u>	<u>559,282</u>

Note 18. Reserves

	2025 \$	2024 \$
Financial assets at fair value through other comprehensive income reserve	490,002	299,793
Capital reserve	181,588	181,588
MEPCA/EPC scholarship reserve	<u>64,759</u>	<u>64,759</u>
	<u>736,349</u>	<u>546,140</u>

Refer to statement of changes in equity for reconciliation of movements.

Financial assets at fair value through other comprehensive income reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Capital reserve

Due to the withdrawal of Melbourne Eastern Palliative Care Association Inc. ("MEPCA") as a member of EPC, the members' contribution provided by MEPCA has been transferred to a capital reserve. Under the constitution the founding members do not have right to a refund in the event of their withdrawal.

MEPCA/EPC scholarship reserve

Upon the liquidation of Melbourne Eastern Palliative Care Association Inc. ("MEPCA"), the surplus of MEPCA's funds was donated to EPC. This contribution and interest earned on it have been set aside for MEPCA/EPC scholarship fund.

Note 19. Eastern Metropolitan Region Palliative Care Consortium

During the financial year 2006 Eastern Palliative Care was appointed custodian for palliative care initiative funding provided by the Department of Health and Human Services (DHHS) to the Eastern Metropolitan Region Palliative Care Consortium. These funds are under the control of the Consortium and are therefore excluded from Eastern Palliative Care reports. The beneficiaries of these funds are determined by the Consortium members which includes Eastern Palliative Care.

Note 20. Key management personnel disclosures

Compensation

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

	2025 \$	2024 \$
Aggregate compensation	<u>929,671</u>	<u>877,193</u>

Note 21. Remuneration of auditors

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

	2025 \$	2024 \$
<i>Audit services</i>		
Audit of the financial statements	<u>32,000</u>	<u>29,000</u>
<i>Other services - BDO Services Pty Ltd</i>		
Preparation of the financial statements	<u>6,100</u>	<u>-</u>

Note 22. Volunteer services

During the year, 208 volunteers have provided a total of 20,334 (2024: 21,099) hours of unpaid assistance to the company covering various capacities including as Home based and Biography Volunteers supporting the company's client base and in providing administrative support.

This excludes the significant number of hours our directors contribute to the governance of the company and other committees.

Note 23. Contingent liabilities

The company had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Note 24. Commitments

The company had no commitments for expenditure as at 30 June 2025 and 30 June 2024.

Note 25. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 20.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 26. Economic dependency

The entity is economically dependent on Victorian State Government Funding for the majority of its revenue used to operate the business. If funds are not spent in accordance with grant conditions, the department can suspend future grants or reclaim all or part of the grants. At the date of this report, the directors have no reason to believe the Department of Health will not continue to support the entity.

Note 27. Events after the reporting period


No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

In the directors' opinion:

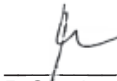
- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and 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.

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

On behalf of the directors


T Gorton
Acting Chair

25 August 2025
Melbourne


R Shyder AM
Chair – Finance & Risk



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INDEPENDENT AUDITOR'S REPORT

To the members of Eastern Palliative Care Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Eastern Palliative Care Ltd (the registered entity), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the directors' declaration.

In our opinion the accompanying financial report of Eastern Palliative Care Ltd, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial report and our auditor's report thereon.

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

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

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

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Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered 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 the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

Elizabeth Blunt
Director

Melbourne, 25 August 2025



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DECLARATION OF INDEPENDENCE BY ELIZABETH BLUNT TO THE DIRECTORS OF EASTERN PALLIATIVE CARE LTD

I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of Eastern Palliative Care Ltd for the year ended 30 June 2025.

A handwritten signature in black ink, appearing to be 'EB' followed by a stylized flourish.

Elizabeth Blunt
Director

BDO Audit Pty Ltd

Melbourne, 25 August 2025





Palliative care. Living well every day.

ABN 62 982 157 121

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Eastern Palliative Care Ltd
acknowledges the support
of the Victorian Government.

