PRIMARY CARE CONNECT
A.B.N. 63 136 509 343
DIRECTOR'S REPORT

Your Directors present their report on the Company for the financial year ended 30 June 2025.

DIRECTORS
The names of the Directors in office at any time during, or since the end of, the financial year are:

Information of Directors	Qualifications/Experience	Board Meetings Attended	(eligible in brackets)
Chairperson			
Ms. Wendy Ross	Board member since September 2020	9	(11)
Directors			
Mr Carl Durnin	Board member since September 2020	11	(11)
Ms Lisa Birrell	Resigned November 2024 (AGM)	3	(4)
Mr. Kevin Preece	Board member since November 2021	9	(11)
Mr. Phillip Hoare	Board member since July 2022	9	(11)
Mr. Fraser Kerrins	Board member since July 2022	11	(11)
Ms.Kim Fitzgerald	Board member since August 2022	10	(11)
Mr. Ka Chun Tse	Board member since February 2023	10	(11)
Ms. Davina Pugliese	Board member since June 2023	10	(11)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The Company Secretary as at 30th June 2025 was the CEO, Ms Tricia Quibell.

OPERATING RESULTS
The net result of operations of the Company for the financial year was a surplus of $192,252.
The operating result of the 2024 financial year was a deficit of ($1,909,657).

REVIEW OF OPERATIONS
There were no significant changes to the Company's state of affairs during the financial year.

OBJECTIVES OF THE COMPANY
The principal objectives of the Company are the provision of primary health care, preventative health care and counselling services.

STRATEGIES FOR ACHIEVING THE OBJECTIVES
A 4 year Strategic Plan has been implemented with 4 strategic focus areas that guide the operations of the business.
The goals focus on providing better health outcomes for our community, being a leader in developing means to strengthen and empower our community and building a strong organisation in order to achieve our goals.
The goals are part of the planning and reporting mechanisms of the organisation.
PCC's Strategic Plan 2024-28 was endorsed at the November 2023 AGM.

EVENTS OCCURING AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

FUTURE DEVELOPMENTS

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

ENVIRONMENTAL REGULATIONS

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

DIVIDENDS

The Company is limited by guarantee and is prohibited by its objects from distributing its surplus to the members. Accordingly no dividend has been paid or declared for the year by the Company since the end of the previous financial year and up to the date of this report.

MEMBERS GUARANTEE

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding and obligations of the entity. At 30 June 2025 the number of members was 8 (2024: 9).

INDEMNITY AND INSURANCE OF OFFICERS

No indemnities have been given or insurance premiums paid by the Company, during or since the end of the financial year, for any person who is or has been a Director or officer of the Company.

During the financial year the Victorian Department of Health paid a premuim to insure the Company's directors and officers in respect to liabilities that may arise from their position as directors and officers of the Company.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor 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.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* and in accordance with *Division 60 of the Australian Charities and Not-for-profits Commission Act 2012* set out on page 3.

Signed in accordance with a resolution of the Board of Directors:

DocuSigned by:
Wendy Ross
C63ADBC8C7524EB...
Director

Dated this 10th day of September 2025.

PRIMARY CARE CONNECT
A.B.N. 63 136 509 343

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 $	2024 $
REVENUE AND OTHER INCOME			
Revenue from Contracts with customers	5	13,864,143	12,122,158
Other Income	5	616,422	599,519
TOTAL REVENUE		14,480,565	12,721,677
EXPENSES			
Employee Benefits	6	11,343,771	9,926,818
Motor Vehicle Expenses	6	106,037	78,169
Sub-Contracted Services	6	629,046	1,140,087
Depreciation	6	399,387	317,683
Other Expenses	6	2,027,907	2,357,033
Funding Recoupment	6,11	-	1,177,252
Revaluation of Buildings	6	(217,836)	(365,708)
TOTAL EXPENSES		14,288,312	14,631,334
RESULT FOR THE YEAR		192,252	(1,909,657)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Revaluation of Land	13	-	116,000
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		192,252	(1,793,657)

PRIMARY CARE CONNECT
A.B.N. 63 136 509 343

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 $	2024 $
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	10,420,954	12,106,025
Trade and Other Receivables	8	352,267	170,447
Prepayments	8	51,583	31,354
Total Current Assets		10,824,804	12,307,826
Non-Current Assets			
Property, Plant and Equipment	9	7,473,886	7,395,060
Total Non-Current Assets		7,473,886	7,395,060
TOTAL ASSETS		18,298,690	19,702,886
LIABILITIES			
Current Liabilities			
Trade and Other Payables	11	1,305,716	2,807,546
Trust Liability	11	1,439,837	1,859,922
Employee Provisions	12	1,192,102	1,043,817
Lease Liabilities	10	3,732	13,898
Total Current Liabilities		3,941,387	5,725,183
Non-Current Liabilities			
Lease Liabilities	10	360,631	303,167
Long-Term Provisions	12	337,953	208,069
Total Non-Current Liabilities		698,584	511,236
TOTAL LIABILITIES		4,639,971	6,236,419
NET ASSETS		13,658,719	13,466,467
EQUITY			
Funding Reserves	13a	406,007	732,832
Asset Revaluation Reserves	13a	1,671,000	1,671,000
Retained Earnings	13b	11,581,712	11,062,635
TOTAL EQUITY		13,658,719	13,466,467

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

	Note	Asset Revaluation Reserve $	Specific Purpose Reserve $	Retained Earnings $	Total $
Balance at 30 June 2023		1,555,000	3,528,086	10,177,038	15,260,124
Net Result	13b	-	-	(1,909,657)	(1,909,657)
Transfers to/(from) Reserves	13b	-	(2,795,254)	2,795,254	-
Revaluation of Land and Buildings	9	116,000	-	-	116,000
Balance at 30 June 2024		1,671,000	732,832	11,062,635	13,466,467
Net Result	13b	-	-	192,252	192,252
Transfers to / (from) Reserves	13b	-	(326,825)	326,825	-
Revaluation of Land and Buildings	9	-	-	-	-
Balance at 30 June 2025		1,671,000	406,007	11,581,712	13,658,719

PRIMARY CARE CONNECT
A.B.N. 63 136 509 343

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from Donations, Grants and Rental Income		12,270,473	13,678,806
Interest Received		489,763	477,754
Payments			
Payments to Suppliers and Employees		(14,208,463)	(13,311,161)
Interest Expense		(31,540)	(25,176)
NET CASH FLOWS FROM OPERATING ACTIVITIES	15a	(1,479,767)	820,223
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Property, Plant and Equipment		(78,316)	(185,152)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(78,316)	(185,152)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Lease Liabilities		(126,988)	(143,642)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(126,988)	(143,642)
NET INCREASE/(DECREASE) IN CASH HELD		(1,685,071)	491,429
CASH AT BEGINNING OF FINANCIAL YEAR		12,106,024	11,614,595
CASH AT END OF FINANCIAL YEAR	7	10,420,954	12,106,024

This statement should be read in conjunction with the accompanying notes.

STATEMENT OF ACCOUNTING POLICIES

The financial report covers PCC ("the Company") as an individual entity. Primary Care Connect is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2025 is the provision of primary health care, preventative health care and counselling services.

The functional and presentation currency of Primary Care Connect is Australian Dollars.

The financial report was authorised for issue by those charged with governance on 10th September 2025.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the *Australian Accounting Standards - Simplified Disclosures* and the requirements of *Australian Charities and Not-for-profits Commission Act 2012* .

The financial statements are prepared on a going concern basis.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. Under the accrual basis, items are recognised as assets, liabilities, equity, income or expenses when they satisfy the definitions and recognition criteria for those items, that is, they are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

2 Summary of Material Accounting Policies

(a) Rounding

All amounts shown in the Financial Statements are expressed to the nearest dollar.

(b) Income Tax

The Company is income tax exempt.

(c) Receivables

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition.
Collectability of debts is reviewed on an ongoing basis.

(d) Property, Plant and Equipment

Property, plant and equipment are brought to account at cost or at fair value less, where applicable, any accumulated depreciation. The carrying amount of property, plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Assets with a purchase price of less than $1,000 have been expensed on acquisition.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated over their useful lives commencing from the time the asset is held ready for use. A summary of the depreciation method and depreciation rates for each class of attached is as follows:

Class of Asset	**Method**	**Rates**
Plant & Equipment	Prime Cost	10% - 33.3%
Buildings	Prime Cost	2.5%

Revaluation

Land and buildings at 393-399 Wyndham Street was independently valued by Opteon, Registered Valuers on the 23rd April 2024 and adopted as at the 30th June 2024.

Revaluation increases (increments) arise when an asset’s fair value exceeds its carrying amount. In comparison, revaluation decreases (decrements) arise when an asset’s fair value is less than its carrying amount. Revaluation increments and revaluation decrements relating to individual assets within an asset class are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation increments are recognised in ‘Other Comprehensive Income’ and are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that same class of asset previously recognised as an expense in net result, in which case the increment is recognised as income in the net result.

Summary of Material Accounting Policies (continued)

Revaluation decrements are recognised in 'Other Comprehensive Income' to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of property, plant and equipment. Otherwise, the decrement is recognised as an expense in the net result.

The revaluation reserve included in equity in respect of an item of property, plant and equipment may be transferred directly to retained earnings when the asset is derecognised.

(e) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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.

(f) Payables

These amounts represent liabilities for goods and services provided prior to the end of the financial year and which are unpaid. The normal credit terms are net 30 days.

(g) Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except for receivables and payables which are stated with the amount of GST included and except where the amount of GST incurred is not recoverable, in which case GST is recognised as part of the cost of acquisition of an asset or part of an item of expense or revenue. GST receivable from and payable to the Australian Taxation Office (ATO) is included in the statement of financial position. The GST component of a receipt or payment is recognised on a gross basis in the statement of cash flows.

(h) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.

The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.

The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave that will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

Summary of Material Accounting Policies (continued)

(j) Revenue and Other Income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:
1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams
The revenue recognition policies for the principal revenue streams of the Company are:

Government Grants

Where grant funding arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement but may include performance targets such as client outcomes, client meetings/ presentations or department reporting obligations.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Amounts arising from grants that fall within the scope of AASB 1058 include those where no consideration is provided by the Company and the funds are principally awarded to the Company to further its objectives. Such grants are recognised as income when receipted.

Revenue from the following grant funding has been recognised under AASB 15:
Department of Human Services
- Aboriginal Services and Support
- Community Health Services
- CALD Communities
- Dietetics
- Alcohol and Drug Support
- Refugee Health Services
- Counselling Services
- Family Violence Support
- Family Violence Orange Door Hub
- Putting Families First
- Community Connectors Program
- Community Health Nursing
- GP Access
- Youth Outreach and Support Services

Victorian Responsible Gambling Foundation
- Gamblers Help Program

Consumer Affairs Victoria
- Financial Counselling Services

Victorian Foundation House
- Torture and Trauma Services

Murray Primary Health Network
- Chronic Disease Management
- Multidisciplinary Funding
- Health Navigator Program

La Trobe Community Health
- Pharmacotherapy Area Based Network Coordinator

Health and Ageing
- Supported Accommodation Program

Summary of Material Accounting Policies (continued)

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities
Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable (e.g. Accrued Income).

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability (e.g. Income received in Advance).

Contract cost assets
The Company recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

Costs to obtain a contract
Costs to obtain a contract are only capitalised when they are directly related to a contract and it is probable that they will be recovered in the future. Costs incurred that would have been incurred regardless of whether the contract was won are expensed, unless those costs are explicitly chargeable to the customer in any case (whether or not the contract is won).

The capitalised costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Set-up / mobilisation costs
Costs required to set up the contract, including mobilisation costs, are capitalised provided that it is probable that they will be recovered in the future and that they do not include expenses that would normally have been incurred by the Company if the contract had not been obtained. They are recognised as an expense on the basis of the proportion of actual output to estimated output under each contract. If the above conditions are not met, these costs are taken directly to profit and loss as incurred.

Costs to fulfil a contract
Where costs are incurred to fulfil a contract, they are accounted for under the relevant accounting standard (if appropriate), otherwise if the costs relate directly to a contract, the costs generate or enhance resources of the Company that will be used to satisfy performance obligations in the future and the costs are expected to be recovered then they are capitalised as contract costs assets and released to the profit or loss on an systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.

Gain on disposal of non-current assets
When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Interest Income
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 income
Other income is recognised on an accruals basis when the Company is entitled to it.

(k) Financial Instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised Cost

Assets measured at amortised cost are financial assets where:
- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, gain and losses on derecognition and impairment are recognised in profit or loss.

Impairment of Financial Assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at cost.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade Receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non payment of the receivable and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

In some circumstances, the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flow are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial Liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

(l) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of twelve months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(m) Comparative Information

Where necessary the previous year's figures have been reclassified to facilitate comparisons.

3 Adoption of new and revised accounting standards

The Company has not adopted any other standard, interpretation or amendment that has been issued but not yet effective.

4 Material Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates — Impairment
The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised for the year ended 30 June 2025.

Key Estimates — Incremental Borrowing Rate
Due to the absence of any specified interest rates in the lease contracts that have been brought to account for the first time under AASB 16, the Company has applied its incremental borrowing rate to leases relating to right-to-use assets.
The Company has determined the incremental borrowing rate based on a quoted loan rate obtained from the Company's banker. This rate will be reviewed at the commencement of each future lease to which AASB 16 applies.

Key Estimates - Provisions
The Company believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the undiscounted amounts expected to be paid to employees when the obligations are settled. Long service leave entitlements are separated into short and long term portions for application of the relevant measurement approaches, whereby the short term portion are measured at the undiscounted amounts expected to be paid and the long term portion are measured at the present value of the expected future payments to be made to the employees

Key Estimates - Property Held at Fair Value
The Company carries its land and buildings at fair value. Independent valuations are obtained at least triennially and at the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent valuations and movements in the market.

Note 18 provides information on inputs and techniques to determine fair value.

Key Estimates - Useful Life of Property, Plant and Equipment
The Company review the estimated useful lives and corresponding depreciation rates of property, plant and equipment at the end of each annual reporting period.

Key Judgement - Determination and Timing of Revenue under AASB 15
Primary Care Connect applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation. A performance obligation is either satisfied at a point in time or over time.

NOTE 5: REVENUE	**2025 $**	**2024 $**
Revenue from Operating Activities		
Revenue from Contracts with Customers		
Grant Revenue - State (Operating)	13,231,402	11,615,367
Grant Revenue - Commonwealth (Operating)	632,741	506,791
	13,864,143	12,122,158
Other Income		
Grant Income - State (Operating)	-	-
Grant Income - Commonwealth (Operating)	-	-
Grant Income - State (Capital)	-	12,774
Donations	15,406	18,717
Other Income	111,886	98,799
Rent	-	-
Interest	489,130	469,229
	616,422	599,519
Total Revenue and Other Income	14,480,565	12,721,677

Government Grants
To recognise revenue, Primary Care Connect assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15: Revenue from Contracts with Customers* .

When both these conditions are satisfied, the Company:
- Identifies each performance obligation relating to the revenue
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfied its performance obligations, at the time or over time when services are rendered.

NOTE 5: REVENUE (Continued)

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Company:
- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities from a contract with a customer), and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Performance Obligations

The types of government grants recognised under AASB 15 Revenue from Contracts with Customers includes:
- activity based funding
- other one-off grants if funding conditions contain enforceable and sufficiently specific performance obligations.

The performance obligations for Primary Care Connect for Activity Based Funding are the agreed activity levels agreed with the Department of Health and Human services and other government entities. The performance obligations have been selected as they align with funding conditions set out in the policy and funding guidelines issues by the Department of Health and Human Services and other government entities.

NOTE 6: EXPENDITURE	**2025 $**	**2024 $**
Employee Benefits		
Salaries and Wages inc Employee Provisions	10,148,985	8,849,188
Superannuation	1,008,364	899,292
Workcover	186,422	178,337
	11,343,771	9,926,818
Motor Vehicle Expenses	106,037	78,169
Sub-Contracted Services	629,046	1,140,087
Depreciation of Non-Current Assets		
Plant & Equipment	148,362	161,041
Buildings	114,836	18,279
Right of Use Assets - Motor Vehicles	129,334	131,830
Right of Use Assets - Leased Equipment	6,856	6,533
	399,387	317,683
Other Expenses		
Administration Costs	57,722	59,930
Consultancy Expenses	57,544	273,413
Occupancy Costs	304,718	275,370
Audit and Accounting Fees	22,800	21,800
Program Resources	457,807	598,103
ICT Expenses	437,194	450,336
Other Expenses	690,121	678,080
	2,027,907	2,357,033
Funding Recoupment	-	1,177,252
Revaluation on Buildings	(217,836)	(365,708)
Total Expenditure	14,288,312	14,631,334

NOTE 7: CASH AND CASH EQUIVALENTS

	2025	2024
Cash at Bank	2,610,216	2,521,051
Cash on Deposit	7,810,538	9,584,774
Cash on Hand	200	200
Total Cash and Cash Equivalents	10,420,954	12,106,025

For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks, and short-term deposits which are readily convertible to cash on hand, and are subject to insignificant risk of change in value, net of outstanding overdrafts.

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NOTE 8: TRADE AND OTHER RECEIVABLES	2025 $	2024 $
Accrued Interest	29,290	29,922
Trade and Other Receivables	322,978	140,525
Prepayments	51,583	31,354
Total Trade and Other Receivables	403,851	201,801

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

Primary Care Connect is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties 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.

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

Plant and Equipment - at Cost	1,894,966	1,816,650
Less Accumulated Depreciation	(1,377,044)	(1,235,539)
	517,922	581,111
RTU - Leased Equipment	40,237	19,598
Less Accumulated Depreciation	(9,578)	(15,790)
	30,659	3,812
RTU - Motor Vehicles	498,496	432,201
Less Accumulated Depreciation	(182,912)	(128,783)
	315,584	303,417
Buildings - at Valuation	4,799,594	4,581,758
Less Accumulated Depreciation	(339,873)	(225,037)
	4,459,721	4,356,721
Land - at Valuation	2,150,000	2,150,000
Total Property, Plant and Equipment	7,473,886	7,395,060

Reconciliation of the carrying amounts of each class of property, plant & equipment and right of use assets is set out below.

	Land $	Plant & Equipment $	RTU - Leased Equipment $	RTU - Motor Vehicles $	Buildings $	Total $
Balance at 30 June 2023	2,034,000	550,467	10,344	95,965	4,009,292	6,700,068
Additions	-	185,153	-	339,282	-	524,434
Disposals at WDV	-	-	-		-	-
Revaluation Increment/(decrement)	116,000	-	-	-	365,708	481,708
Depreciation Expense (note 6)	-	(154,509)	(6,532)	(131,830)	(18,279)	(311,150)
Balance at 30 June 2024	2,150,000	581,111	3,812	303,417	4,356,721	7,395,060
Additions	-	78,317	33,703	141,501	-	253,521
Disposals at WDV	-	-	-		-	-
Revaluation Increment/(decrement)	-	-	-	-	217,836	217,836
Depreciation Expense (note 6)	-	(141,506)	(6,856)	(129,334)	(114,836)	(392,532)
Balance at 30 June 2025	2,150,000	517,922	30,659	315,584	4,459,721	7,473,886

Land and Buildings and Carried at Valuation

Opteon, Registered Valuers, undertook an independent valuation of all of Primary Care Connect land and buildings to determine their fair value. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation was 23rd April 2024.

PCC Management undertook an indexation assessment of land and buildings in FY24-25 using Valuer General Victoria (VGV) indices. This assessment resulted in a revaluation of buildings of $217,836 for FY24-25. No adjustment was required for land. Due to a revaluation of buildings in 2013 resulting in a decrement in value being recorded through profit and loss, the FY24-25 increment in value for buildings has been accounted through profit and loss. After accounting for this increment in value, the remaining net decrement for buildings which is available to offset to profit and loss and future increments in value is $406,560 as at 30 June 2025.

NOTE 10: LEASES

Company as a lessee

The Company has leases over a range of assets including vehicles and photocopiers.

Information relating to the leases in place and associated balances and transactions are provided below.

Right-of-use assets	**Motor Vehicles**	**Plant & Equipment**	**Total**
	$	**$**	**$**
Year ended 30 June 2024			
Balance at beginning of year	95,965	10,344	106,309
Additions	339,282	-	339,282
Less Disposal	-	-	-
Depreciation charge	(131,830)	(6,532)	(138,362)
Balance at end of year	303,417	3,812	307,229
Year ended 30 June 2025			
Balance at beginning of year	303,417	3,812	307,229
Additions	141,501	33,703	175,204
Less Disposal	-	-	-
Depreciation charge	(129,334)	(6,856)	(136,190)
Balance at end of year	315,584	30,659	346,243

Lease liabilities

The maturity analysis of lease liabilities for right-of-use assets based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	**1 - 5 years**	**> 5 years**	**Total undiscounted lease liabilities**	**Present value of lease liabilities included in Statement of Financial Position**
	$	**$**	**$**	**$**	**$**
2025					
Lease Liabilities	3,732	337,264	23,367	364,363	364,363
2024					
Lease Liabilities	136,417	229,502		365,919	317,065

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2025	**2024**
	$	**$**
Interest expense on lease liabilities	31,540	25,176
Depreciation of right-of-use assets	136,190	138,362
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets	-	-
	167,731	163,539
Statement of Cash outflows		
Total cash outflows for leases (including interest on lease liabilities)	(126,988)	(143,642)

The Company has applied the practical expedient to all concessions that meet the following conditions:

a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

b) any reduction in lease payments affects only payments originally due on or before 30 June 2025 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before 30 June 2025 and increased lease payments that extend beyond 30 June 2025); and

c) there is no substantive change to other terms and conditions of the lease.

The practical expedient allows changes in lease payments resulting from the rent concession to be treated as a variable lease payment through the statement of profit or loss and other comprehensive income, rather than as a lease modification.

NOTE 11: TRADE AND OTHER PAYABLES

	2025 $	2024 $
Trade Payables	233,264	134,720
Sundry Payables and Accruals	336,632	286,641
GST Payable	192,077	303,943
Trust Liability	1,439,837	1,859,922
Contract Liability	543,734	2,082,242
Total Trade and Other Payables	2,745,544	4,667,468

Trust Liability
Trust liability refers to funding awaiting recoupment from the FY24-25 financial year $996k and the balance being auspice agreements with the Aboriginal Family Violence Services Dhelk Dja with the Department of Families, Fairness and Housing and the Principal Strategic Advisory Program with the Department of Human Services. Primary Care Connect acts as the funding holder receipting income and dispersing expenditure on behalf of the agencies.

Contract Liability
Contract liability refers to contract obligations that have not been completed within the current financial year, these funds are held as a liability ready to be utilised for the completion of the obligation during the course of the FY24-25 financial year.

NOTE 12: PROVISIONS

	2025 $	2024 $
CURRENT		
Annual Leave (i)	616,056	447,690
Long Service Leave (ii)	576,046	596,127
Other Provision	-	-
	1,192,102	1,043,817
NON-CURRENT		
Long Service Leave (ii)	337,953	208,069
Total Provisions	1,530,055	1,251,886

i) The amounts disclosed are nominal amounts.
ii) The amounts disclosed are discounted to present values.

Employee Benefit Recognition
Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered to the reporting date as an expense during the period the services are delivered.

Provisions
Provisions are recognised when Primary Care Connect has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

Annual Leave
Liabilities for annual leave are recognised in the provision for employee benefits as 'current liabilities' because Primary Care Connect does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for annual leave and accrued days off are measured at:

Nominal value – if Primary Care Connect expects to wholly settle within 12 months; or
Present value – if Primary Care Connect does not expect to wholly settle within 12 months.

Long Service Leave
The liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where Primary Care Connect does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:
Nominal value – if Primary Care Connect expects to wholly settle within 12 months; or
Present value – if Primary Care Connect does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. Any gain or loss followed revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in estimations e.g. bond rate movements, inflation rate movements and changes in probability factors which are then recognised as other economic flows.

NOTE 13: EQUITY AND RESERVES

	2025	2024
(a) Reserves	**$**	**$**
Specific Purpose Reserve		
Balance at Beginning of Reporting Period	732,832	3,528,086
Transfers to Retained Earnings	(326,825)	(2,795,254)
Balance at the end of the reporting period	406,007	732,832
Asset Revaluation Reserve		
Balance at Beginning of Reporting Period	1,671,000	1,555,000
Revaluation of Land	-	116,000
Revaluation of Buildings	-	-
Balance at the end of the reporting period	1,671,000	1,671,000
Total Reserves	2,077,007	2,403,832

Specific Purpose Reserve
Funds received for a specific purpose which are yet to be expended are recorded in the Specific Purpose Reserve.

Asset Revaluation Reserve
PCC Management undertook an indexation assessment of land and buildings in FY24-25 using Valuer General Victoria (VGV) indices. This assessment resulted in a revaluation of buildings of $217,836 for FY24-25. No adjustment was required for land. Due to a revaluation of buildings in 2013 resulting in a decrement in value being recorded through profit and loss, the FY24-25 increment in value for buildings has been accounted through profit and loss. After accounting for this increment in value, the remaining net decrement for buildings which is available to offset to profit and loss and future increments in value is $406,560 as at 30 June 2025. There were no movements in the Asset Revaluation Reserve in FY24-25.

	2025	2024
(b) Retained Earnings		
Retained Earnings at the beginning of the reporting period	11,062,635	10,177,036
Net Result for the Year	192,252	(1,909,657)
Net Transfers from Reserves	326,825	2,795,254
Retained Earnings at the end of the reporting period	11,581,712	11,062,635

NOTE 14: FINANCIAL RISK MANAGEMENT
The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Trade and other payables

	2025	2024
Financial Assets		
Cash and Cash Equivalents - At Amortised Cost	10,420,954	12,106,025
Trade and Other Receivables - At Amortised Cost	403,850	201,801
Total Financial Assets	10,824,804	12,307,826
Financial Liabilities		
Trade and Other Payables - At Amortised Cost	569,896	421,362
Total Financial Liabilities	569,896	421,362

NOTE 15: RECONCILIATION OF NET RESULT FOR THE YEAR TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2025	2024
a) Reconciliation of Net Cash used in Net Result		
Net Result	192,252	(1,909,657)
Non-Cash Movements		
Depreciation and Amortisation	391,621	310,318
Revaluation of Buildings	(217,836)	(365,708)
Movements in assets and liabilities		
Increase/(Decrease) in Trade and Other Payables	(1,921,924)	2,817,765
Increase/(Decrease) in Provisions	278,169	4,521
Decrease/(Increase) in Trade and Other Receivables	(181,820)	(65,024)
Decrease/(Increase) in Prepayments	(20,229)	28,007
Net Cash From/(Used in) Operating Activities	(1,479,767)	820,222

b) Reconciliation of cash
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	2025	2024
Cash at Bank	10,420,954	12,106,025
	10,420,954	12,106,025

NOTE 16: CONTRACTED COMMITMENTS

The Company has no significant contracted commitments outstanding at 30 June 2025 not provided for in the financial statements (2024: Nil).

NOTE 17: KEY MANAGEMENT PERSONNEL REMUNERATION

The total remuneration paid to key management personnel (KMP) of the Company was:	2025	2024
	$	$
Short term employee benefits	1,046,259	925,309
Long term employee benefits	45,852	37,822
Post-employment benefits	93,673	85,861
Termination Benefits	-	8,962
	1,185,784	1,057,954

NOTE 18: FAIR VALUE MEASUREMENT

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Land
- Buildings

Asset/Liability	Basis of determining value
Buildings	The fair value of the Company's land and buildings is determined by an independent, qualified valuer on a triennial basis who have experience in the valuation of properties in a similar location and of a similar nature. The Directors review the valuation reports and discuss significant movements with the valuer. The Company's buildings were revalued with effect to 30 June 2024 by Henry Coghlan, Certified Practising Valuer, of Opteon. The valuation was conducted on a fair value basis to reflect the highest and best use of the property. **Assumptions** Estimated Rental Value: $512,160 Capitalisation rate: 7.85%
Land	The Company's land were revalued with effect to 30 June 2024 by Henry Coghlan, Certified Practising Valuer, of Opteon. The valuation was conducted on a fair value basis to reflect the highest and best use of the property.

NOTE 19: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2025 (30 June 2024: None).

NOTE 20: RELATED PARTIES

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the Primary Care Connect.

The Board of Directors, Chief Executive Officers and senior management of Primary Care Connect are deemed to be KMPs.

Key management personnel of Primary Care Connect

KMP	Position Title
Ms. Wendy Ross	Chair of the Board
Mr Carl Durnin	Deputy Chair
Ms Lisa Birrell	Resigned November 2024
Mr. Kevin Preece	Board Member
Mr. Phillip Hoare	Board Member
Mr. Fraser Kerrins	Board Member
Ms.Kim Fitzgerald	Board Member
Mr. Ka Chun Tse	Board Member
Ms. Davina Pugliese	Board Member
Tricia Quibell	Chief Executive Officer
Simone Wilson	Executive Manager of Business and Infrastructure
Andrea Caia	Executive Manager of People and Quality
Broni Paine	Executive Manager of Community Services
Kim Scott	Executive Manager of Family Violence
Leigh Stanbrook	Executive Manager of Health Services

Related parties of the health service include:

- All key management personnel (KMP) and their close family members;

Transactions with KMPs and Other Related Parties

Outside of normal citizen type transactions with the Primary Care Connect, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

There were no related party transactions required to be disclosed for Primary Care Connect Board of Directors, Chief Executive Officer or senior management.

Key Management Personnel remuneration - refer to Note 17

NOTE 21: EVENTS OCCURRING AFTER REPORTING DATE

The financial report was authorised for issue on 10th September 2025 by those charged with governance.

No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

NOTE 22: ECONOMIC DEPENDENCY

Primary Care Connect is dependent on the Department of Health for the majority of its revenue used to fund operations. At the date of this report, the Board of Directors has no reason to believe the Department of Health will not continue to support Primary Care Connect.

NOTE 23: AUDITORS REMUNERATION

	2025 $	2024 $
Remuneration of the auditor, VAGO, for:		
- auditing and reviewing the financial statements	22,800	21,800
Total Auditor's Remuneration	22,800	21,800

NOTE 24: ENTITY DETAILS

The Principal Place of Business and registered office of the Company is:
399 Wyndham Street, Shepparton
Victoria 3630

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DIRECTORS' DECLARATION

The directors of the company delcare that:

1. In the directors' opinion, the financial statements and notes thereto, as set out on pages 4 - 20, satisfy the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012,* including:

   (a) complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2022;* and

   (b) giving a true and fair view of the financial position as at 30 June 2025 and performance for the year ended on that date of the company.

2. In the directors' opinion 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 subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2022.*

DocuSigned by:

Wendy Ross

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Director

Dated this 10th day of September 2025.