

2025

Financial Report



Acknowledgement of Country

Murray PHN acknowledges its catchment crosses over many unceded First Nations Countries following the Dhelkunya Yaluk (Healing River).

We pay our respects and give thanks to the Ancestors, Elders and Young People for their nurturing, protection and caregiving of these sacred lands and waterways, acknowledging their continuation of cultural, spiritual and educational practices.

We are grateful for the sharing of Country and the renewal that Country gives us. We acknowledge and express our sorrow that this sharing has come at a personal, spiritual and cultural cost to the wellbeing of First Nations Peoples.

We commit to addressing the injustices of colonisation across our catchment, and to listening to the wisdom of First Nations communities who hold the knowledge to enable healing.

We extend that respect to all Aboriginal and Torres Strait Islander Peoples.

Our commitment to being an anti-racist company

Murray PHN aspires to be an anti-racist organisation, embedding cultural humility as a daily practice to improve health outcomes and health equity in our communities. We recognise cultural humility as a lifelong commitment to self reflection, personal growth and redressing power imbalances in our society.

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Murray PHN Limited

Directors' Report

Our directors present their report of Murray PHN Limited (referred to herein as Murray PHN) for the year ended 30 June 2025.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Ms L. Burrows OAM (Board Chair)

Mr M. Sharp

Dr A. Green (Deputy Board Chair)

Mr R. Cameron

Dr M. Fernando

Ms J. Turfrey

Ms J. Kinder

Mr A. Baker

Mr S. Tinker

Ms E. Cannon.

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

Short and long-term objectives

Murray PHN strengthens primary healthcare through commissioning, coordination and capacity building for the benefit of our region. We use these levers to promote the prevention and control of illness and disease to achieve health improvement in the community by encouraging a coordinated, accessible and responsive primary healthcare system. Working in partnership is the essence of our approach and contribution to strengthening primary healthcare. A well connected, responsive and integrated health system is dependent on collaboration with many stakeholders and partnerships across health services, health providers, aged care providers and mental health services.

Our long-term vision is for healthy rural and regional communities with timely access to the primary and mental healthcare they need.

Strategy for achieving objectives

Our strategic approach involves understanding the needs of our community and designing interventions that support us to achieve value for the community. Our interventions involve supporting partners, providers and people to improve access to relevant and responsive primary healthcare services to promote the prevention and control of disease in our catchment. We do this through working with partners and capacity building. We also do this by using best practice models of care that are tailored to the regional context, targeted to local needs and importantly, are sustainable.

We also use new approaches and technology, along with respecting cultural diversity and the wisdom of First Nations communities to enable health and healing.

Principal activities

The principal activities of Murray PHN during the financial year were consistent with our charitable purpose as a health promotion charity. We continued our activities on a not-for-profit basis, as a Primary Health Network, to promote the prevention and control of illness and disease and improve primary health outcomes within our defined region.

Murray PHN services an expansive area of northern Victoria from Mildura to Woodend and eastward to Wodonga, including Albury (NSW), with a population of approximately 650,000 people spread over almost 100,000 sq. kms. The work and partnerships of Murray PHN take into account the national health priorities identified by the Australian Government, along with local health priorities identified through our health needs assessment process. These include mental health, alcohol and other drugs, aged care, health workforce, First Nations health and healing, children's health, digital health and chronic diseases, which include diabetes, heart disease, chronic obstructive pulmonary disease and cancer.



Performance measures

In the FY25 year, Murray PHN continued to use the PHN Program Performance and Quality Framework (PPQF) as a performance reporting system to inform the Department of Health, Disability and Ageing. The PPQF is the program-wide performance report for PHNs and monitors 53 indicators across five outcome themes, addressing needs, quality care, improving access, coordinated care and capable organisations. The PHN is transitioning to using the department’s new performance reporting framework, the Performance Monitoring Reporting Framework (PMRF), which outlines a series of 25 performance indicators aligned with commissioning, capacity building, coordination and compliance functions common to PHNs. The PMRF will have a graduated introduction within the PHN beginning FY26, with reporting against PPQF measures continuing to apply across the period of transition.

Company secretary

Mr Matt Jones and Mrs Elizabeth Clear held company secretary responsibilities at the end of the financial year.

Name: Mr M. Jones

Qualifications: BA, Masters of Public Health and Tropical Medicine, GAICD

Experience: Mr Jones is the inaugural CEO of Murray PHN. Previously he was the CEO of Loddon Mallee Murray Medicare Local, the Murray-Plains Division of General Practice and Central Victoria GP Network. Mr Jones has worked in quality management in the Victorian acute health system, as a senior public health policy officer with the Victorian Department of Human Services and in public health management in Western Australia and Aboriginal health management in the Northern Territory and Queensland.



Name: Mrs E. Clear

Qualifications: Bachelor of Commerce, Graduate Diploma in Applied Corporate Governance, CPA, AGIA, ACIS, GAICD

Experience: Mrs Elizabeth Clear has more than 30 years’ experience in governance, organisational development, change management, finance, quality and risk management with leadership roles in the public, private and not-for-profit sectors.



Significant changes

No significant changes in Murray PHN’s state of affairs occurred during the financial year.

Operating results

Murray PHN recorded a surplus of \$245,116 for the year ended 30 June 2025 (2024: \$650,214).

After balance date events

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

Future developments

Murray PHN’s operating budget for 2024/2025 is \$83.0 million. This is a continuation of its health promotion and prevention work across the Australian Government Department of Health, Disability and Ageing and other funders approved in Activity Work Plans.

Environmental regulations

Murray PHN’s operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.



Information on directors



Ms L. Burrows OAM

Special responsibilities: Board Chair, Governance Committee member

Qualifications: Tertiary qualifications in Information Science, Business and Local Government Administration. Completed the Graduate requirements of the Australian Institute of Company Directors. Fellow of Local Government Professionals, Fellow of the Australian Institute of Management and Leaders ANZ, and a Graduate Member of the Australian Institute of Company Directors.

Experience and expertise: Leonie Burrows is a management consultant and company director, with 25 years' experience in Local Government. Ms Burrows also has CEO and Board Chair experience in regional development, agriculture, TAFE education, water and strategic planning.

Ms Burrows was previously Chair of Sunraysia Community Health Services, is currently Chair of the Mallee Regional Innovation Centre, Chair of the Loddon Mallee Regional Development Australia and Chair of the One Basin CRC Victorian Hub Committee. She is also a member of the Mallee Regional Partnership.

Tenure: Appointed 15 July 2015



Dr A. Green

Special responsibilities: Deputy Board Chair, Programs and Quality Committee Chair

Qualifications: BMed (Sci), MBBS, DRANZCOG, FRACGP

Experience and expertise: Dr Alison Green has been a GP associate in Wodonga since 1991. She is a GP Obstetrician and has provided maternity services to Albury Wodonga Health for more than 25 years.

Alison has a long history as a GP supervisor, educating medical students, GP registrars and GP obstetric registrars. She has more than 10 years of experience contributing to a number of boards and committees.

Tenure: Appointed 14 November 2017



Dr M. Fernando

Special responsibilities: Programs and Quality Committee member

Qualifications: MBBS, DRANZCOG, FRACGP, FARGP, MPH, GCCE, FACRRM, GAICD

Experience and expertise: Dr Manisha Fernando is a rural GP (MBBS Monash University) and holds fellowships in General Practice and Rural General Practice, a Masters of Public Health, a Certificate of Clinical Education, a Diploma in Obstetrics and Gynaecology, and is a graduate of the Australian Institute of Company Directors. Living in the Macedon Ranges for more than 20 years, her professional areas of interest include rural and remote health advocacy, public health medicine, mental health, primary healthcare research, child and adolescent health and women's health. She also has extensive experience in educating GP trainees and supervisors and medical students. She also works as a GP Journalist.

Tenure: Appointed 20 November 2019





Ms J. Kinder

Special responsibilities: Programs and Quality Committee member

Qualifications: Diploma of Management, Graduate of the Fairley Leadership Program, GAICD

Experience and expertise: Ms Kinder was the former Operations Manager at the University of Melbourne, Shepparton Medical Centre where she gained extensive experience in the strategic planning, management and governance of a primary health service.

With 13 years' experience in the higher education sector, Ms Kinder has held positions as Executive Officer, La Trobe University, Shepparton Campus and Rural Clinical School Manager, University of Melbourne, Department of Rural Health, contributing to the significant growth and expansion of courses, programs and collaborative partnerships across regional Victoria.

Ms Kinder has represented her community as Member, Community Advisory Committee and Primary Care & Population Health Advisory Committee, GV Health and three years as Chair, Goulburn Valley Community Advisory Council for Murray PHN. Through all of these experiences, she has developed a passion for health, education, community engagement, technology, innovation and impact research.

Tenure: Appointed 18 November 2020



Mr M. Sharp

Special responsibilities: Programs and Quality Committee member

Qualifications: Bachelor of Nursing (Hons), Post Graduate Diploma Critical Care Nursing, Master of Business (Management)

Experience and expertise: Mr Sharp is the Chief Executive at Goulburn Valley (GV) Health, a position he has held since 2018. During his time with GV Health, Mr Sharp has focused on improving health and wellbeing outcomes in the Goulburn Valley region. Prior to starting at GV Health, Mr Sharp held the position of Executive Director of Clinical Operations at Eastern Health in Melbourne, was previously the CEO of Rochester and Elmore District Health Service and also held an executive position at Echuca Regional Health.

Having spent most of his life in regional Victoria, Mr Sharp is passionate about improving the safety, quality and access to health and wellbeing services, particularly in the regions.

Tenure: Appointed 18 March 2020





Mr R. Cameron

Mr R. Cameron

Special responsibilities: Governance Committee Chair

Qualifications: Bachelor of Law, FAICD

Experience and expertise: Mr Cameron is a lawyer by profession and has a long history of active involvement in government and not-for-profit organisations. Mr Cameron is a former Victorian State Minister of 11 years. He is the Chair of Coliban Water and the Victorian WorkCover Authority. He is also a former chair of Bendigo Health during the building of the new Bendigo Hospital and subsequent expansion of services. Mr Cameron was appointed as interim Chair and sole director of Mildura Base Public Hospital 2019-20 to establish the public entity to take the hospital back into public hands.

Tenure: Appointed 17 November 2021



Ms J. Turfrey

Ms J. Turfrey

Special responsibilities: Governance Committee member

Qualifications: LLB (Hons), GDip EOA and GAICD

Experience and expertise:

Jacki Turfrey is a proud Palawa woman who has lived and worked in Victoria for more than 30 years.

Ms Turfrey is qualified in law, graduating with honours from the University of Melbourne in 1999 and has been admitted to practise law for more than 25 years.

She also has a Graduate Diploma in Equal Opportunity Administration.

She is a Barrister and Accredited Mediator at the Victorian Bar and was previously the CEO of Mallee District Aboriginal Services in Mildura.

Ms Turfrey has experience in executive management and leadership roles with a strong commercial and corporate governance background.

Tenure: Appointed 17 November 2021



Mr A. Baker

Mr A. Baker

Special responsibilities: Governance Committee member

Qualifications: Bachelor of Applied Science (Hons), Certification in Production and Inventory Management (APICS), Post Graduate Diploma in Finance (SIA)

Experience and expertise: Andrew Baker is an IT professional with 30 years' experience in leading IT organisations and business change programs. Most recently, he was Chief Information Officer of Australian listed agribusiness GrainCorp.

Mr Baker was previously Chief Information Officer at BlueScope Steel, managing the IT function across their global footprint and led Mars Corporation's supply chain systems projects in Asia Pacific.

Tenure: Appointed 17 November 2021





Ms E. Cannon

Ms E. Cannon

Special responsibilities: Governance Committee member

Qualifications: B.Arts (Hons). B.Laws (Hons)

Experience and expertise: Ella Cannon is a principal of a law firm based in Melbourne and practises commercial and regulatory law, with a specialisation in the health sector. Ms Cannon advises a broad range of clients, from ASX-listed companies and government departments to software start-ups and has experience advising key stakeholders in the health industry.

Having grown up in Shepparton, Ms Cannon returned to the Goulburn Valley region with her young family in 2021. She is a current Trustee of the GV Health Foundation and has a keen interest in promoting regional opportunities and improving local health outcomes.

Tenure: Appointed 22 November 2023



Mr S. Tinker

Mr S. Tinker

Special responsibilities: Governance Committee member

Qualifications: Cert IV in Workplace Training, Qualified Telecommunications Technician

Experience and expertise: Steve Tinker is the Telstra Regional General Manager for Northern and Western Victoria, having started in that role in December 2013. Mr Tinker is responsible for Telstra's brand and reputation, stakeholder engagement and customer advocacy across the region. Mr Tinker brings vast experience and strong strategic focus consolidated during a 35-year career in Telstra across a wide range of business units, roles and locations. These roles include managing some of Telstra's technical workforce, managing sales teams, national retail roles and leading Telstra Country Wide in Northern Tasmania and Central Victoria. Originally from the Wimmera region, Mr Tinker has lived in regional areas for most of his life. He and his wife Kate live on a small hobby farm in Strathfieldsaye, breeding Wiltipoll sheep in their spare time.

Tenure: Appointed 22 November 2023



Meetings of directors

The number of meetings of the company’s Board of Directors (‘the Board’) and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Board of Directors		Governance Committee		Program and Quality Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Ms L. Burrows	9	9	7	7	5	5
Dr A. Green	9	9	-	-	5	4
Dr M. Fernando	9	8	-	-	5	2
Ms J. Kinder	9	9	-	-	5	5
Mr S. Tinker	9	7	7	6	-	-
Mr M. Sharp	9	9	-	-	5	4
Mr R. Cameron	9	9	7	7	5	5
Ms J. Turfrey	9	9	7	5	-	-
Mr A. Baker	9	9	7	7	-	-
Ms E. Cannon	9	8	7	6	-	-

Proceedings on behalf of Murray PHN

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

Murray PHN was not a party to any such proceedings during the year.

Members’ guarantee

Murray PHN is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If Murray PHN is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of Murray PHN. At 30 June 2025 the collective liability of the 10 members was \$100 (2024: 10 members, \$100).

Auditor’s independence declaration

The lead auditor’s independence declaration for the year ended 30 June 2025 has been received and can be found on page 11 of the financial report.

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



Mrs L Burrows OAM
Board Chair
24 September 2025

Auditor's Independence Declaration

for the year ended 30 June 2025



68 Powells Avenue, East Bendigo VIC 3550
P 03 54 444 417 E info@aaasbendigo.com.au
WWW.AASBENDIGO.COM.AU

LEAD AUDITOR'S INDEPENDENCE DECLARATION

Under *Section 60-40 the Australian Charities and Not-for-profits Commission Act 2012*

TO THE DIRECTORS OF MURRAY PHN LIMITED

In accordance with Subdivision 60-C of the *Australian Charities and Not-for-Profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Directors of Murray PHN Limited as the lead auditor for the audit of the financial report of Murray PHN Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (1) the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- (2) any applicable code of professional conduct in relation to the audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'B Dowsey', written over a light grey horizontal line.

Bradley Dowsey
Accounting & Audit Solutions Bendigo
Registered Auditor # 528899

Dated: 24th September 2025

Murray PHN Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue			
Revenue and other income	3	74,013,448	72,981,853
Expenses			
Commissioning expenditure		53,828,239	53,401,905
Employee benefits expense		16,663,042	15,877,743
Depreciation, amortisation and impairment expenses	4	516,710	431,069
Finance costs	4	109,262	67,013
Rental and occupancy expenses	4	273,386	249,769
Motor vehicle expenses		70,260	99,105
Administration		1,971,918	1,585,181
Other expenses		335,515	619,854
Surplus before income tax expense		245,116	650,214
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Murray PHN Limited		245,116	650,214
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(expense)		245,116	650,214

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

Murray PHN Limited

Statement of Financial Position

as at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	5	28,006,295	24,669,065
Trade and other receivables	6	105,691	290,527
Other assets	7	1,486,309	1,136,166
Total current assets		29,598,295	26,095,758
Non-current assets			
Right of use assets	8	1,752,491	1,396,221
Property, plant and equipment	9	191,856	148,291
Total non-current assets		1,944,347	1,544,512
Total assets		31,542,642	27,640,270
Liabilities			
Current liabilities			
Trade and other payables	10	4,039,256	4,568,102
Grant obligations	11	16,609,187	13,010,290
Lease liabilities	12	534,381	457,248
Employee entitlements	13	2,023,977	1,818,216
Interest bearing liabilities	14	16,292	2,298
Total current liabilities		23,223,093	19,856,154
Non-current liabilities			
Lease liabilities	12	1,258,124	927,503
Employee entitlements	13	339,566	378,555
Provisions	15	166,987	168,306
Total non-current liabilities		1,764,677	1,474,364
Total liabilities		24,987,770	21,330,518
Net assets		6,554,872	6,309,752
Members equity			
Retained surplus		6,554,868	6,309,752
Total members equity		6,554,868	6,309,752

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

Murray PHN Limited

Statement of Changes in Equity

for the year ended 30 June 2025

	Retained surplus \$	Total members equity \$
Balance at 30 June 2023	5,659,538	5,659,538
Surplus after income tax expense for the year	650,214	650,214
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	650,214	650,214
Balance at 30 June 2024	6,309,752	6,309,752
Balance at 30 June 2024	6,309,752	6,309,752
Surplus after income tax expense for the year	245,116	245,116
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	245,116	245,116
Balance at 30 June 2025	6,554,868	6,554,868

Murray PHN Limited

Statement of Cash Flows

for the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Grants revenue and other receipts		83,700,579	63,058,300
Interest received		1,373,891	1,803,089
Payments to suppliers, employees and directors		(81,051,318)	(73,723,590)
Interest paid on lease liabilities		(109,262)	(67,013)
Short term and low-value lease payments		(82,854)	(96,805)
Net cash from operating activities	23	3,831,036	(9,026,019)
Cash flows from investing activities			
Proceeds from sale of plant and equipment		991	-
Payments for plant and equipment	9	(77,399)	(112,703)
Net cash used in investing activities		(76,408)	(112,703)
Cash flows from financing activities			
Repayment of borrowings		13,994	(4,763)
Repayment of lease commitments		(431,392)	(399,568)
Net cash used in financing activities		(417,398)	(404,331)
Net increase (decrease) in cash and cash equivalents		3,337,230	(9,543,053)
Cash and cash equivalents at the beginning of the financial year		24,669,065	34,212,118
Cash and cash equivalents at the end of the financial year	5	28,006,295	24,669,065

Murray PHN Limited

Notes to the Financial Statements

for the year ended 30 June 2025

Note 1 - Material accounting policy information

The financial statements are for Murray PHN Limited (referred to herein as Murray PHN) as an individual entity, incorporated and domiciled in Australia. Murray PHN Limited is a not-for-profit company limited by guarantee and is primarily involved in:

- healthcare systems and redeveloping models of care across the Murray PHN catchment through transparent planning, ongoing engagement, collaboration where and whenever possible, and resource allocation based on strong evaluation and evidence, and
- funding organisations, communities and partners through good governance practice, regular and accurate reporting, quality staff expertise and by actively building a highly reputable, respected and valued organisation.

Basis of preparation

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

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

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

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

The financial report was authorised for issue on 24 September 2025 by the directors of Murray PHN.

Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of

normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Functional and presentation currency and rounding

These financial statements are presented in Australian dollars, which is Murray PHN’s functional currency. The amounts have been rounded to the nearest dollar.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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 higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

New and Amended Accounting Policies Adopted by the Entity

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The company adopted AASB 2020-1 which amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It also clarifies the meaning of ‘settlement of a liability’.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

The company adopted AASB 2022-6 Amendments to Australian Accounting Standards – Non-current liabilities with covenants which amends AASB 101 to improve the information an entity provides in its financial statements about liabilities from loan arrangements for which the entity’s right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

The adoption of the amendment did not have a material impact on the financial statements.

The company has adopted all amendments required for the year ended 30 June 2025. The adoption of these amendments did not have a material impact on the financial statements.

Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to the company has been performed. No new or amended Accounting Standards or Interpretations that are not mandatory have been early adopted, nor are they expected to have a material impact on the company in future financial years.

Impairment of assets

At the end of each reporting period, Murray PHN assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out.

Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Economic dependence

Murray PHN is dependent on the Australian Government Department of Health, Disability and Ageing for a material amount of its revenue used to operate the business. At the date of this report, the Directors believe the Department of Health, Disability and Ageing will continue to support Murray PHN.

Note 2 - Critical accounting judgments, estimates and assumptions

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying Murray PHN's accounting policies. These judgements have the most significant effect on the amounts recognised in the financial statements.

Annual leave

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Murray PHN expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Long service leave calculation

Murray PHN assesses the long service leave liability in accordance with the requirements of AASB 119: Employee Benefits and applies probability factors reducing the balance of the liability on employees' balances that have not reached their vesting period i.e. not entitled to be paid out as at 30 June 2025. The probability factors are increased as the respective employees' years of service increase and are provided for at 100% probability at vesting period (in accordance with employment conditions).

Impairment

Murray PHN assesses impairment at each reporting period by evaluating the conditions and events specific to Murray PHN that may be indicative of impairment triggers. Recoverable amount of the relevant assets are reassessed using the value-in-use calculation which incorporates various key assumptions.

Useful lives of property, plant and equipment

Murray PHN reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Identifying performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/- type, cost/-value, quantity and the period of transfer related to the goods or services promised.

Lease term and option to extend under AASB 16

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 Murray PHN’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.

Borrowing rate under AASB 16

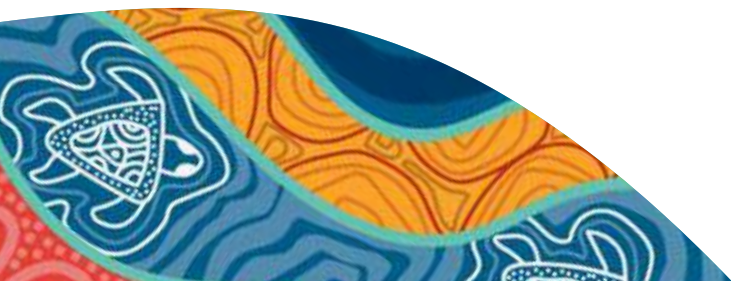
The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for Murray PHN’s leases, Murray PHN’s incremental borrowing rate is used, being the rate Murray PHN would have to pay to borrow the funds necessary to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

To determine the incremental borrowing rate, Murray PHN:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- makes adjustments specific to the lease e.g. term, country, currency and security.

Note 3 - Revenue and other income

	Department of Health, Disability and Ageing	Other Federal	State Government	Other	Total
2025					
Grant revenue	56,776,364	3,191,313	10,542,762	851,304	71,361,743
Other services	-	-	-	758,973	758,973
Interest	-	-	-	1,342,733	1,342,733
Donation revenue	-	-	-	549,999	549,999
Total	56,776,364	3,191,313	10,542,762	3,503,009	74,013,448
2024					
Grant revenue	56,624,940	2,497,621	10,692,479	927,226	70,742,266
Other services	-	-	-	560,408	560,408
Interest	-	-	-	1,679,179	1,679,179
Total	56,624,940	2,497,621	10,692,479	3,166,813	72,981,853



Note 3 - Revenue and other income (continued)

Murray PHN's revenue disaggregated by pattern of revenue recognition is as follows:

	Department of Health, Disability and Ageing	Other Federal	State Government	Other	Total
2025					
Goods transferred at a point in time	-	-	-	2,651,705	2,651,705
Services transferred over time	56,776,364	3,191,313	10,542,762	851,304	71,361,743
Total	56,776,364	3,191,313	10,542,762	3,503,009	74,013,448
2024					
Goods transferred at a point in time	-	-	-	2,239,587	2,239,587
Services transferred over time	56,624,940	2,497,621	10,692,479	927,226	70,742,266
Total	56,624,940	2,497,621	10,692,479	3,166,813	72,981,853

The following aggregated amounts of transaction prices relate to the performance obligations from existing contracts that are unsatisfied or partially unsatisfied as at 30 June 2025.

Accounting policy for revenue and other income**Grant revenue**

Revenue arises mainly from the receipt of grants from the Department of Health, Disability and Ageing, Federal Government and State Government.

Murray PHN enters into transactions involving a number of performance obligations. In these cases, the total transaction price for the contract is allocated among the various performance obligations based on their relative stand-alone selling prices, as detailed in the customer approved Activity Work Plan. The

transaction price for a contract excludes any amounts collected on behalf of a third party.

Revenue is recognised over time, when (or as) Murray PHN satisfies performance obligations by transferring the promised goods or services to its customer, as detailed in the customer approved Activity Work Plan.

Murray PHN recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as liabilities in the Statement of Financial Position. Similarly, if Murray PHN satisfies a performance obligation before it receives the consideration, Murray PHN recognises either a contract asset or a receivable in its Statement of Financial Position, depending on whether something other than the passage of time is required before the consideration is due.

Note 4 - Surplus for the year

Surplus for the year has been determined after:

	2025 \$	2024 \$
Depreciation and amortisation expenses		
Property, plant and equipment:		
Leasehold improvements	29,119	17,520
Furniture, fittings and equipment	3,048	12,564
Artwork	1,668	1,668
	33,835	31,752
Right of use assets:		
Leased buildings	361,037	341,520
Leased motor vehicles	113,302	49,238
Leased equipment	8,536	8,559
	482,875	399,317
Total depreciation and amortisation	516,710	431,069
Finance costs		
Lease interest	109,262	67,013
Rental expenses		
Rental outgoings	55,816	33,468
Electricity and gas	57,642	51,116
Office cleaning and maintenance	159,928	165,185
Total rental expenses	273,386	249,769



Note 5 - Cash and cash equivalents

	2025 \$	2024 \$
Current assets		
Cash at bank	15,870,008	15,002,754
Term deposits	12,136,287	9,666,311
Cash and cash equivalents	28,006,295	24,669,065

Note 6 - Trade and other receivables

	2025 \$	2024 \$
Current assets		
Trade receivables	106,363	293,199
Provision for expected credit losses	(672)	(2,672)
Total trade and other receivables	105,691	290,527

Lifetime expected credit loss: credit impaired

The following table shows the movement in lifetime expected credit loss that has been recognised for accounts receivable and other debtors in accordance with the simplified approach set out in AASB 9:

	2025 \$	2024 \$
Balance at beginning of year	(2,672)	(4,795)
Net measurement of loss allowance	2,000	2,123
Balance at end of the year	(672)	(2,672)

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Provision for expected credit losses

Murray PHN recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.



Note 7 - Other assets

	2025 \$	2024 \$
Current assets		
Accrued income	382,419	152,932
Prepaid expenses	1,049,535	685,509
Receivable from ATO	54,355	297,725
Total other assets	1,486,309	1,136,166
Financial assets classified as other assets		
Total other assets	1,486,309	1,136,166
Receivable from ATO	(54,355)	(297,725)
Prepaid expenses	(1,049,535)	(685,509)
Total financial assets classified as other assets	382,419	152,932

Note 8 - Right of use assets

	2025 \$	2024 \$
Non-current assets		
Leased buildings	3,148,854	2,369,842
Less accumulated depreciation	(1,584,133)	(1,223,096)
	1,564,721	1,146,746
Leased motor vehicles	306,645	316,701
Less accumulated depreciation	(125,283)	(82,170)
	181,362	234,531
Leased equipment	43,030	43,030
Less accumulated depreciation	(36,622)	(28,086)
	6,408	14,944
Total right of use assets	1,752,491	1,396,221

Movement in carrying amounts

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



	Leased buildings	Leased motor vehicles	Leased equipment	Total
Balance as at 30 June 2024	1,146,746	234,531	14,944	1,396,221
Additions	-	60,133	-	60,133
Remeasurement	779,012	-	-	779,012
Depreciation expense	(361,037)	(113,302)	(8,536)	(482,875)
Balance as at 30 June 2025	1,564,721	181,362	6,408	1,752,491

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.

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

Note 9 - Property, plant and equipment

	2025 \$	2024 \$
Non-current assets		
Leasehold improvements - at cost	372,809	295,410
Less accumulated depreciation	(184,497)	(155,379)
	188,312	140,031
Furniture, fittings and equipment - at cost	198,959	198,959
Less accumulated depreciation	(196,245)	(193,197)
	2,714	5,762
Artwork - at cost	19,132	19,132
Less accumulated depreciation	(18,302)	(16,634)
	830	2,498
Total property, plant and equipment	191,856	148,291

Movements in carrying amounts

	Leasehold improvements \$	Furniture, fittings and equipment \$	Artwork \$	Total \$
Balance as at 30 June 2024	140,031	5,762	2,498	148,291
Additions at cost	77,399	-	-	77,399
Disposals at written down value	-	-	-	-
Depreciation expense	(29,118)	(3,048)	(1,668)	(33,834)
Balance as at 30 June 2025	188,312	2,714	830	191,856

Note 10 - Trade and other payables

	2025 \$	2024 \$
Current liabilities		
Accounts payables	319,747	208,256
Other accrued expenses	3,719,509	4,359,846
Total trade and other payables	4,039,256	4,568,102

Note 11 - Grant obligations

	2025 \$	2024 \$
Current liabilities		
Contract liabilities	2,034,724	2,943,356
Grants refundable	727,591	-
Unearned grants	13,846,872	10,066,934
Total grant obligations	16,609,187	13,010,290

Disaggregation of contract liability and grants refundable are as follows:

	2025 \$	2024 \$
Contract Liabilities - Department of Health, Disability and Ageing	2,034,724	2,802,246
Contract Liabilities - Victorian State Department of Health	-	141,110
Grants Refundable - Department of Health, Disability and Ageing	727,591	-
Unearned Grants - Department of Health, Disability and Ageing	13,618,191	6,659,509
Unearned Grants - Victorian State Department of Health	43,429	2,425,595
Unearned Grants - Other	185,252	981,830
Total grant obligations	16,609,187	13,010,290

Note 12 - Lease Liability

	2025 \$	2024 \$
(a) Lease liabilities		
Current liabilities		
Lease liability	534,381	457,248
Non-current liabilities		
Lease liability	1,258,124	927,503
Total present value of lease liability	1,792,505	1,384,751

Class of lease

Murray PHN's lease portfolio includes leased properties, motor vehicles and equipment. The lease terms for each type of lease arrangement are:

Leased properties	1 - 5 years
Leased motor vehicles	3 years
Lease equipment	5 years

Note 13 - Employee entitlements

	2025 \$	2024 \$
Current liabilities		
Annual leave	994,515	974,641
Long service leave	1,027,630	838,412
Parental leave	1,832	3,531
Other payroll deductions	-	1,632
	2,023,977	1,818,216
Non-current liabilities		
Long service leave	339,566	378,555
Total non-current	339,566	378,555
Total employee entitlements	2,363,543	2,196,771

Accounting policy for employee entitlements

Provision for annual leave

A provision has been recognised for employee entitlements relating to annual leave. Based on past experience, the company expects the full annual leave balance to be settled within the next 24 months.

Provision for long service leave

A provision has been recognised for employee entitlements relating to long service leave.

Long service leave is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations.

Note 14 - Interest bearing liabilities

	2025 \$	2024 \$
Current liabilities		
Credit cards	16,292	2,298

Note 15 Provisions

	2025 \$	2024 \$
Non-current liabilities		
Provision for 'make good' lease	166,987	168,306

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	2025 \$	2024 \$
Opening balance	168,306	170,000
Additional provisions recognised	-	18,620
Remeasurement adjustments	(1,319)	(27,683)
Unwinding of discount	-	7,369
Closing balance	166,987	168,306

Note 16 - Financial risk management

Murray PHN's financial instruments consist mainly of deposits with banks, term deposits, accounts receivable and payables, grants refundable and lease liabilities. Murray PHN does not have any derivative instruments at 30 June 2025.

The totals for each category of financial instruments are as follows:

	Note	2025 \$	2024 \$
Financial assets			
Cash and cash equivalents	5	28,006,295	24,669,065
Trade and other receivables	6	105,691	290,527
Other assets	7	382,419	152,932
Total financial assets at amortised cost		28,494,405	25,112,524
Financial liabilities			
Trade and other payables	10	4,039,256	4,568,102
Grants refundable	11	727,591	-
Lease liabilities	12	1,792,505	1,384,751
Interest bearing liabilities	14	16,292	2,298
Total financial liabilities at amortised cost		6,575,644	5,955,151

Accounting policy for financial assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Note 16 - Financial risk management (continued)

Financial assets

Subsequent measurement

Financial assets of Murray PHN are classified at amortised cost.

Murray PHN's financial assets at amortised cost includes cash and cash equivalents, trade and other receivables, and other assets.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from Murray PHN's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- Murray PHN has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) Murray PHN has transferred substantially all the risks and rewards of the asset, or (b) Murray PHN has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Subsequent measurement

Trade and other payables are subsequently measured at amortised cost.

Murray PHN's financial liabilities include trade and other payables, grants refundable, lease liabilities and interest bearing liabilities.

Note 17 Key management personnel compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of Murray PHN, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

Jones, Matthew	Chief Executive Officer	Escall, Aida	Director Planning, Engagement and Insights
Phillips, Jacque	Chief Operations Officer	Radrekusa, Janice	Director of Operations
Shaw, Nicholas	Chief Strategy and Performance	Lees, Christopher	Director Information Systems
Bolam, Bruce	Chief Strategy and Performance	Hyett, Nerida	Acting Director Integrated Projects and Partnerships
Clear, Elizabeth	Chief Corporate Officer	Burrows, Leonie	Chair of the Board
Berry, Aileen	Executive Director Communications	Fernando, Manisha	Board Member
[Redacted]	Executive Director People and Culture	Sharp, Matthew	Board Member
Johansen, Ian	Director of Mental Health and Wellbeing	Kinder, Joanne	Board Member
Allan, Michelle	Director General Counsel, Procurement and Contracts	Baker, Andrew	Board Member
Robertson, Rebecca	Director Corporate Projects	Cameron, Robert	Board Member
Andrews, Frances	Director Finance and Reporting	Turfrey, Jacquelyn	Board Member
		Green, Alison	Board Member
		Cannon, Ella	Board Member
		Tinker, Steven	Board Member
		Woods, Adam	Independent

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. The totals of remuneration paid to key management personnel of the company during the year are as follows:

	2025 \$	2024 \$
Compensation paid or payable	3,351,585	3,305,272

Note 18 - Auditor's remuneration

During the financial year the following fees were paid or payable for services provided by Accounting and Audit Solutions Bendigo (AASB), the auditor of the company:

	2025 \$	2024 \$
Audit services	23,445	22,530
Audit services of acquittals	18,750	27,950
Other services	-	8,225
Total auditor's remuneration	42,195	58,705

Note 19 - Contingent assets and contingent liabilities

Contingent Assets

The company is not aware of any other contingent assets as at 30 June 2025. (2024: Nil)

Contingent Liabilities

The company is not aware of any other contingent liabilities at 30 June 2025. (2024: Nil)

Note 20 - Capital and leasing commitments

Murray PHN's lease commitments which relate to lease arrangements which meet the low value lease exemption criteria of AASB 16 include:

	2025 \$	2024 \$
Low value leases contracted for but not capitalised in the financial statements:		
Not later than 12 months	101,049	70,219
Between 12 months and 5 years	130,597	29,771
Total commitment	231,646	99,990
Less: Future finance charges	-	-
Net commitment recognised as liabilities	231,646	99,990

Low value operating lease commitments

As at 30 June 2025, the company was committed to the following operating leases that meet the criteria low value lease exemption for AASB 16.

a) A non-cancellable operating lease contracts with BOQ Finance, Dell and Navman Wireless for lease of computers that meet the criteria for low value lease exemption under AASB 16. Each lease has different end dates with the last expiry date being May 2028.

Capital expenditure commitments

No capital expenditure commitments were contracted for at year end (2024: Nil).

Note 21 - Related party transactions

Contracts with director associated organisations

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons. The details of each related party transaction during the financial year is as follows:

- Member, Matt Sharp is the Chief Executive Officer of Goulburn Valley Health. Goulburn Valley Health received payments from the company for contractual relationships involving the provision of Aged Care, headspace and Mental Health Services during FY25. The total value of these transactions is \$1,528,488.
- Board Member, Dr Alison Green is associated with Albury Wodonga Health and Central Medical Group. Albury Wodonga Health received payments from the company relating to the provision of services for the Health Prevention & Navigation Program during FY25. The total value of these transactions is \$53,450. Central Medical Group received payments from the company for the provision of Care Coordination and Dual Diagnosis Incentives. The total value of these transactions is \$107,500.
- Board Member, Bob Cameron is a Board Member (Chair) of Coliban Water, who received \$2,549 during FY25 for water rates at CV Office, and the Chair of Victorian Workcover Authority (Worksafe) who received \$228,218 in insurance premiums during FY25 for Victorian Workers Compensation.
- Board Member, Jacquelyn Turfrey is an Executive of Haven Home Safe. Haven Home Safe received payments from the company for contractual relationships involving the provision of Care Finders Program during FY25. The total value of these transactions is \$64,709.
- Board Member, Ella Cannon is associated with Murchison Medical Clinic and Goulburn Valley Health. Goulburn Valley Health received payments from the company for contractual relationships involving the provision of Aged Care, headspace and Mental Health Services during FY25. The total value of these transactions is \$1,528,488. Murchison Medical Clinic received payments from the company for contractual relationships involving General Practice Investment and Home Palliative Care. The total value of these transactions is \$82,250.
- Board Member, Stephen Tinker is an employee and shareholder of Telstra Corporation Limited who received payments from the company for communication and technology services during FY25. The total value of these transactions is \$76,012.

All Board Meeting minutes have been reviewed for conflict-of-interest declarations.

Note 22 - 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 operation, the results of those operations, or the company's state of affairs in future financial years.



Note 23 - Cash flow information

Reconciliation of surplus to net cash provided by operating activities.

	2025 \$	2024 \$
Surplus after income tax expense for the year	245,116	650,214
Adjustments for:		
Depreciation, amortisation and impairment expenses	516,710	431,069
Profit on sale of assets	(991)	-
Changes in assets and liabilities:		
Decrease in trade and other receivables	184,836	274,831
Increase/(decrease) in other assets	(350,143)	1,562,002
Decrease in trade and other payables	(528,846)	(2,487,068)
Increase/(decrease) in unearned grants	3,598,901	(9,602,116)
Increase/(decrease) in employee benefits	166,772	146,743
Decrease in other provisions	(1,319)	(1,694)
Net cash from operating activities	3,831,036	(9,026,019)

Note 24 - Registered office/principal place of business

The registered office of the company and principal place of business is 3-5 View Point, Bendigo, Victoria, 3550.

Directors' Declaration**for the year ended 30 June 2025**

The directors of Murray PHN declare that the financial statements on pages 9 to 24 are in accordance with the Australian Charities and Not-for-profit Commission Act 2012 and:

- comply with Australian Accounting Standards - Simplified Disclosures, and
- give a true and fair view of the financial position as at 30 June 2025 and the financial performance for the year ended on that date.

In the directors' opinion, there are reasonable grounds to believe that Murray PHN will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2022*.



Mrs L Burrows OAM
Board Chair
24 September 2025

Independent Auditor's Report

for the year ended 30 June 2025



68 Powells Avenue, East Bendigo VIC 3550
P 03 54 444 417 E info@aabendigo.com.au

WWW.AASBENDIGO.COM.AU

Independent Audit Report to the Members of MURRAY PHN LIMITED

Unqualified Opinion

We have audited the accompanying financial report, being a general purpose financial report, of the Murray PHN Limited., which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended and notes including material accounting policy information and the directors' declaration.

In our opinion, the financial report of the Murray PHN Limited. has been prepared in accordance with the Div. 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- i. Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- ii. Complying with Australian Accounting Standards – AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 entities* and Div. 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 responsibility under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and, the ethical requirements of the Accounting Professional 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 basis for the opinion.

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

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

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 entities* and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

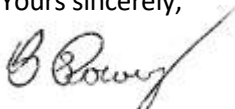
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion, reasonable assurance is a high level of assurance, but is not a guarantee that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

We also:

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

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

Yours sincerely,



Bradley Dowsey

Accounting & Audit Solutions Bendigo

Registered Auditor # 528899

Dated: 24th September 2025

info@murrayphn.org.au
murrayphn.org.au

Central Victoria
3-5 View Point, Bendigo VIC 3550
p: 03 4408 5600

Goulburn Valley
148-150 Welsford Street,
Shepparton VIC 3632
p: 03 5831 5399

North East Victoria
Unit 1, 594 Hovell Street, South Albury NSW 2640
p: 02 6041 0000

North West Victoria
Suite 1, 125 Pine Avenue, Mildura VIC 3500
p: 03 4040 4300

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