



Financial Statements for the year ended 30 June 2025

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Directors' Report

All the Directors of Neami Limited and its subsidiary Mental Health and Wellbeing Australia Limited (the Neami Group) hereby present their report to all members, partners, staff, funders and consumers for the financial year ended 30 June 2025.

The Mental Health and Wellbeing Australia Limited (MHWA Ltd) Board of Directors is comprised of Ruth Faulkner, Fiona Bennett and Executive Director Tom Dalton (CEO of Neami).

1. Directors

Directors were in office for the entire year unless otherwise stated. Directors have no material interests in contracts or proposed contracts with the Company.

The *Australian Charities and Not-for-profits Commission Act 2012* uses the terms 'responsible person' and 'responsible entity'. Neami has determined that the directors of an entity that is limited by guarantee are the responsible persons for that responsible entity.

The names and details of the Directors who held office during or since the end of the financial year are:

Ruth Faulkner (Chair)

BSc (Hons), CA, CA Risk Specialist, FAICD

Ruth was appointed to the Neami Board in March 2017 and elected Chair of the Neami Board in 2023. She is a Chartered Accountant (CA) and a CA Risk Specialist. Ruth has more than 25 years of experience working in governance, finance, audit and risk across the not-for-profit, government and commercial sectors. Ruth is a Principal of Conus Business Consultancy Services.

Dr Shaymaa Elkadi (Vice Chair)

EMPA, PhD (Psychology), MAICD

Dr Elkadi was appointed to the Neami Board in July 2022. Dr Elkadi is a skilled strategist with more than 15 years of experience leading transformation and reform of organisations and services. Dr Elkadi is Managing Director of Ruqi Consulting. Dr Elkadi is the Chair of the Strategy and Futures Committee.

Leesa Chesser

MAICD

Leesa was appointed to the Board of Neami in July 2022. Leesa is a skilled senior leader who has worked across state and federal government, advocacy, public policy and governance for more than 25 years. Leesa is the Chair of the Nominations and Remuneration Committee. Leesa is Director at Blue Sky Consulting Australia Pty Ltd.

Silvio Pontonio

BA (Hons), BSW, MASc, MAASW, AFCHSM

Silvio was appointed to the Neami Board in February 2019. Silvio has extensive experience as a health service program lead and executive director, both in Australia and the National Health Service in the UK. Silvio is the Chair of the Quality, Safety and Clinical Governance Committee. Silvio is Director of Health Nexus Consulting Pty Ltd and Director of Parkville Precinct Medical.

Ryan D'Lima

BCom, MBA

Ryan was appointed to the Neami Board in January 2024. Ryan has a decade of dedicated service in the consumer and lived experience sector, across private mental health hospitals, frontline peer roles and public mental health. This experience is at both state and national levels. Ryan is Program Manager Consumer Experience, Justice Health and Forensic Mental Health Network NSW Health.

Fiona Bennett

BBus, GAICD, CPA

Fiona was appointed to the Neami Board in January 2024. Fiona is a Certified Practising Accountant. She has extensive experience in financial management, governance, audit, and risk management across listed companies, NSW government and banking. Fiona is currently Chair of Australian Mutual Bank Ltd. Fiona is Chair of the Finance and Performance Committee.

Jane Stanton

BEc.Acc, FCA, GAICD

Jane was appointed to the Neami Board in January 2024. Jane is a Chartered Accountant. Jane has 20 years of experience in senior risk management, internal audit and finance across the financial services sector. Jane is a Partner in Grant Thornton's risk consulting practice. Jane is Chair of the Audit and Risk Committee.

Ashley de Silva

BBus, MBA (Executive), MSPOD, GAICD

Ashley was appointed to the Neami Board in March 2025. Ashley has a background in leading purpose-driven organisations, with a focus on digital innovation, advocacy, and organisational transformation. Ashley is Chief Executive Officer at Choice (Australian Consumers' Association).

Dr Jonathan Newchurch

FRACGP, MMED, MBBS, GAICD

Dr Newchurch was appointed to the Neami Board in March 2025. Dr Newchurch is a Kurna and Narungga man and a General Practitioner with extensive experience in rural and remote healthcare, particularly in Aboriginal and Torres Strait Islander health. Dr Newchurch is President of the Australian Indigenous Doctors' Association.

Felicite Black

BA, MBA, GAICD, RN, GCCM

Felicite was appointed to the Neami Board in March 2025. With more than 40 years of experience as a Registered Nurse and executive leader in health and community services Felicite is an expert in clinical governance. Felicite is also a Non-Executive Director at Palmerston Association and Ocean Gardens Inc.

Anthony (Tony) Nippard

BCom (Hons), BA, MA, FGIA, FCIS, FCHSM, FAICD

Tony was appointed to the Neami Board in February 2014. Tony retired from the Neami Board on 24 October 2024.

Fiona Nicholls

BA Welfare Studies, MHSS, GAICD

Fiona was appointed to the Neami Board in April 2016. Fiona retired from the Neami Board on 31 December 2024.

2. CEO

Tom Dalton

BA, LLB, EMPA

Tom commenced as CEO of Neami National in June 2019 after 10 years as CEO of Forensicare, Victoria's statutory provider of forensic mental health care. Originally a lawyer, he has worked in senior government roles in the (then) Victorian Department of Human Services from 1994-1999 before moving to Forensicare. He also sits on the Boards of Mental Health Victoria and the Australian Alliance to End Homelessness. His leadership is informed by the experience of being a carer for family members with mental health issues.

3. Company secretary

Lauren Peta King, an Australian Legal Practitioner.

4. Our Vision

For all people in Australia living with mental health and wellbeing challenges to live a life that is meaningful to them.

5. Our Purpose

To support people to achieve mental health and wellbeing outcomes that matter to them, through access to the resources and opportunities they need.

6. Principal activities

The principal activities of the Neami Group over the last financial year have been to provide community based mental health support, recovery-orientated clinical mental health services, specialist community supports, housing/homelessness and suicide prevention services.

7. Changes in Operations

There have not been any significant changes in Neami's operations or state of affairs during the financial year ended 30 June 2025.

8. Strategic Themes and Priority areas

The Neami Group's strategic themes and priority areas are:

Great consumer experiences

- Putting people at the heart of what we do
- Listening and acting on what is important

Building collective knowledge and partnerships

- A connected service sector
- Services by and for communities
- Advocating for change

Sustainable and resilient organisation

- Improving how we support service delivery
- Respecting the environment and minimising our impact
- Strong governance and decision making

Capable and diverse workforce

- Diverse and well-supported teams
- Drawing on our collective skills and working together
- Embedding our values and practice through leadership

9. Directors' meetings

The number of Directors' meetings (including meetings of committees of Directors) attended by each of the Directors of the Company during the year were:

	Neami Board Meetings		QSCG Committee Meetings		FP Committee Meetings		AR Committee Meetings		SaF Committee Meetings		NaR Committee Meetings		MHW Ltd Board Meetings	
Directors Attendance	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Ruth Faulkner	8	8					5	5	4	4	7	7	4	4
Shaymaa Elkadi	8	8	4	5			4	5	4	4				
Leesa Chesser	8	8					3	5			7	7		
Silvio Pontonio	6	8	3	5					3	4	4	7		
Ryan D'Lima	8	8	5	5	5	5								
Fiona Bennett	8	8	5	5	5	5					3	3	2	2
Jane Stanton	7	8			5	5	4	5						
Ashley de Silva	2	3			1	2			2	2				
Dr Jonathan Newchurch	1	3	2	2			1	1						
Felicite Black	3	3	2	2	2	2								
Anthony Nippard	2	3	1	2			2	2					2	2
Fiona Nicholls	4	4			3	3			2	2	4	4		
Tom Dalton													4	4

QSCG = Quality, Safety and Clinical Governance Committee

FP = Finance and Performance Committee

AR = Audit and Risk Committee

SaF = Strategy and Futures Committee

NaR = Nomination and Remuneration Committee

Column A is the number of meetings the Director attended.

Column B is the number of meetings the Director was scheduled to attend.

10. Contribution in winding up

Neami is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2025, the total amount that members of the Company are liable to contribute if the Company wound up is \$240 (2024: \$220).

11. Post reporting date events

No matters or circumstances have arisen since the end of the financial period which 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.

12. Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 60 – 40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included in page 10 of this financial report and forms part of the Directors' report.

Signed in accordance with a resolution of the Directors.



Ruth Faulkner
Chair

18 September 2025



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AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF NEAMI LIMITED

In relation to our audit of the financial report of Neami Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (b) no contraventions of any applicable code of professional conduct.

This declaration is made in respect of Neami Limited and the entities it controlled during the period.

A handwritten signature in black ink that reads 'PKF'.

PKF

Melbourne, 18 September 2025

A handwritten signature in black ink that reads 'K. Weldin'.

Kenneth Weldin

Partner

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Revenue	4	151,304,886	160,673,773
Other income	4	1,732,974	1,540,050
Unrealised gain on movement of investments	4,7	1,922,533	2,154,226
Employee benefits expenses	13	(121,669,797)	(124,009,418)
Office and occupancy expenses		(8,260,924)	(9,637,861)
Consortium expenses	20	(8,262,697)	(8,221,286)
Interest expenses	11.1	(477,055)	(425,466)
Other expenses		(5,552,203)	(7,694,035)
Depreciation and amortisation expenses	8-10	(8,632,609)	(7,114,659)
Surplus		2,105,108	7,265,324
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of land and building	8,16	-	473,011
Other comprehensive income for the period		-	473,011
Total comprehensive income for the period		2,105,108	7,738,335

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	2025 \$	2024 \$
Assets			
Current Assets			
Cash and cash equivalent	5	29,770,686	34,082,471
Investments	7	17,897,068	16,947,559
Trade and other receivables	6	5,747,207	9,884,861
Total Current Assets		53,414,961	60,914,891
Non-Current Assets			
Investments	7	25,567,392	22,569,184
Property, plant and equipment	8	3,740,841	7,162,011
Right of use assets	9	8,480,272	7,959,424
Intangible assets	10	54,268	94,643
Total Non-Current Assets		37,842,773	37,785,262
Total Assets		91,257,734	98,700,153
Liabilities			
Current Liabilities			
Trade and other payables	12	6,039,453	8,284,594
Deferred income	15	23,211,657	30,292,494
Leasing liabilities	11	5,049,616	4,580,993
Provisions	14	12,175,050	12,980,644
Total Current Liabilities		46,475,776	56,138,725
Non-Current Liabilities			
Leasing liabilities	11	3,853,171	3,743,765
Provisions	14	2,620,559	2,614,543
Total Non-Current Liabilities		6,473,730	6,358,308
Total Liabilities		52,949,506	62,497,033
Net Assets		38,308,228	36,203,120
Equity			
Retained earnings		36,974,437	34,869,329
Reserve	16	1,333,791	1,333,791
Total Equity		38,308,228	36,203,120

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Asset Revaluation Reserves	Retained Earnings	Total Equity
	\$	\$	\$
As at 1 July 2024	1,333,791	34,869,329	36,203,120
Surplus for the year	-	2,105,108	2,105,108
As at 30 June 2025	1,333,791	36,974,437	38,308,228

	Asset Revaluation Reserves	Retained Earnings	Total Equity
	\$	\$	\$
As at 1 July 2023	860,780	27,604,005	28,464,785
Surplus for the year	-	7,265,324	7,265,324
Other comprehensive income 16	473,011	-	473,011
As at 30 June 2024	1,333,791	34,869,329	36,203,120

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2025		2025	2024
	Notes	\$	\$
Operating Activities			
Receipts from:			
Government grants		144,210,817	150,416,767
Other income		1,535,545	1,243,225
Interest/Distribution income		4,178,940	3,303,109
Donations		20,444	8,395
Interest payment		(477,055)	(425,466)
Payments to suppliers and employees		(146,629,391)	(149,096,098)
Net cash provided by operating activities	5	2,839,300	5,449,932
Investing Activities			
Purchase of property, plant and equipment		(98,033)	(5,369,325)
Purchase of investments	7	(8,708,371)	(22,492,806)
Proceeds from sale of property, plant and equipment/Right of use assets		197,427	296,825
Proceeds from sale of investments		6,460,646	21,292,228
Net cash used in investing activities		(2,148,331)	(6,273,078)
Financing Activities			
Payment of leasing liabilities		(5,002,754)	(4,857,873)
Net cash used in financing activities		(5,002,754)	(4,857,873)
Net increase/(decrease) in cash held		(4,311,785)	(5,681,019)
Add opening cash brought forward		34,082,471	39,763,490
Closing cash carried forward	5	29,770,686	34,082,471

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

1. General information and statement of compliance

The financial report includes the consolidated financial statements and notes of Neami Limited and Mental Health and Wellbeing Australia Limited (Neami Group).

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

Neami Limited is a not-for-profit entity for the purpose of preparing the financial statements. Both Neami Limited and Mental Health and Wellbeing Australia Limited are endorsed as Deductible Gift Recipients.

The consolidated financial statements for the year ended 30 June 2025 were approved and authorised for issue by the Board of Directors on 18 September 2025.

2. New or amended Accounting Standards and Interpretations adopted

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

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

3. Summary of material accounting policies

3.1. Overall considerations

The material accounting policy information that has been used in the preparation of the financial statements is summarised below.

The financial statements have been prepared using the measurement basis specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement basis is more fully described in the accounting policies below.

3.2. Basis of Consolidation

The financial statements consolidate those of Neami Limited (ABN 52 105 082 460) and its subsidiary, Mental Health and Wellbeing Australia Limited (ABN 72 614 001 937) (MHW Ltd), as of 30 June 2025.

MHWA Ltd ceased operations on 30 November 2021. MHWA Ltd remains part of the Neami Group as a dormant entity. MHWA Ltd is in the process of being wound up.

3.3. Revenue

Revenue from contracts with customers

Revenue comprises revenue from government grants, consumer contributions, donations and investment income. Revenue from government grants is shown in Note 4.

Government grants and deferred income

Neami's programs are supported by grants received from federal, state and local governments. Grants received from primary health networks are considered government grants.

The performance obligations are varied between agreements. 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.

Deferred income consists of government grants received in advance for services to be rendered by the Neami Group. Deferred income is transferred to profit and loss when the performance obligations are satisfied. The services are usually provided, or the conditions usually fulfilled within 12 months of receipt of the grant.

Consumer contributions

Fees charged for services provided to consumers are recognised when the service is provided.

Donations and other income

Other income and amounts arising from cash donations in the scope of AASB 1058 are recognised at fair value when received.

Interest and distribution income

Interest is recognised on an accrual basis using the effective interest method. Distribution income is recognised at the time the right to receive payment is established.

3.4. Property, plant and equipment

Land and buildings

Land and buildings held for use in administration are stated at fair value. Fair values are based on appraisals prepared by external professional valuers once every five years or more frequently if market factors indicate a material change in fair value.

Depreciation is recognised on a straight-line basis to write down the cost of buildings. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

The following useful lives are applied:

- Buildings: 40 years

Plant and other equipment

Plant and other equipment (comprising furniture and fittings), motor vehicles and leasehold improvements are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by Neami Group's management.

Plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses. The following average useful lives are applied on a straight-line basis:

- Plant and equipment: 3-10 years
- Leasehold improvements: 2-5 years
- Motor vehicles: 4 -7 years

In the case of leasehold property, expected useful lives are determined by reference to comparable owned assets or over the term of the lease, if shorter.

Capital work in progress is measured at cost and will not be depreciated until it is transferred to the relevant asset category and the asset is ready for use.

Right of use assets

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

Neami has elected to apply the exemptions available under the lease standard and 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. Lease payments on these assets are expensed to profit or loss as incurred. However, there are some exceptions to this relating to property leases 12 months or less that have a possibility of an extension. In these instances a Right of use asset and corresponding lease liability is recognised.

3.5. Financial instruments

Recognition, measurement and derecognition

Financial assets and financial liabilities are recognised when Neami Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value with transaction costs expensed to profit and loss immediately.

Classification and subsequent measurement of financial assets

Financial assets are classified and subsequently measured at either amortised cost, or fair value through profit or loss.

Financial assets at amortised cost: Neami holds Cash and cash equivalent (cash at bank and cash on hand) and Trade and other receivables at amortised cost (please refer to note 6).

Financial assets at fair value through profit or loss: Neami holds investments at fair value through profit or loss. The investment portfolio includes shares through listed exchanges and the market value has been determined based on the published share values.

Trade and other receivables

The Neami Group makes use of a simplified model of recognising lifetime expected credit losses for all trade and other receivables. Expected credit losses are the expected shortfalls in cashflows, considering the potential for defaults at any time during the life of the financial instrument.

The Neami Group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics. They have been grouped as days past due.

Classification and subsequent measurement of financial liabilities

Neami Group's financial liabilities include trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

3.6. Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease. Where the interest rate is not implicit in the lease Neami Group's incremental-borrowing rate based on the RBA's F7 business lending rate for medium businesses is utilised. Lease payments comprise of fixed payments less any lease incentives receivable expensed in the period in which they occur.

Lease liabilities are measured at amortised cost using the effective interest method.

3.7. Equity and Reserves

Retained earnings include all current and prior period accumulated surpluses. Other components of equity include the revaluation reserve. The revaluation reserve comprises gains and losses from the revaluation of land and buildings.

3.8. Income tax

No provision for income tax has been raised as Neami Group is exempt from income tax under Div. 50 of the Income Tax Assessment Act 1997.

3.9. Fringe Benefits Tax and Payroll Tax

Neami Group is classified as a Public Benevolent Institution for tax purposes and as such is exempt from Fringe Benefits Tax (FBT exemption capped at \$30,000, salary packaged meal entertainment and entertainment facility leasing expense benefits capped at \$5,000 per employee) and Payroll Tax.

3.10. Employee Benefits

Short-term employee benefits

Short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position. Please refer to note 12.

A provision for annual leave is recognised in the provision for employee benefits. Please refer to note 14.

Long-term employee benefits

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Please refer to note 14.

3.11. Provisions, contingent liabilities and contingent assets

Neami holds make good provisions in relation to its leased properties. These provisions allow vacated properties to be restored to their original condition. Please refer to note 14.

Neami has given bank guarantees to various landlords. Please refer to note 18.

3.12. Economic dependence

Neami Group is dependent upon the ongoing receipt of federal, state and local government and primary health network funding to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that these funding sources will not continue.

3.13. Significant management judgement and estimates in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management reviews properties owned and leased to ensure they are utilised.

Property Plant and Equipment may be impaired based on age and warranty status, condition and in the case of IT equipment minimum specification to run the latest software.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Right of use assets include Property and Motor vehicle leases. Property Leases are initially negotiated to match the funding period (usually 2 years) with extension options where possible. Motor vehicles are generally leased for a period of 3 years.

Leasehold improvements relate to property fitouts and are depreciated over the life of the lease.

The land and building in Fairfield, VIC were last valued as at 8 April 2024. As per our Policy, revaluation occurs every 5 years by independent, professionally qualified property valuers.

Long service leave

The liability for long service leave and liability for the estimated restatement of entitlements for employees who may return within two years of termination is recognised and measured at the present value of the estimated cash flows to be made at the reporting date. In determining the present value of the liability, estimates of attrition rates and when the leave will be settled, and pay increases through promotion and inflation have been taken into account.

Lease term

The lease term is a significant component in the measurement of both the Right of use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease 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; existence of significant leasehold improvements; and funding arrangements for programs for which the lease was taken out for.

4. Revenue

	2025 \$	2024 \$
Revenue		
Government grants (AASB 15)		
Mental Health Hubs	51,314,928	48,329,807
Integrated Support	32,042,894	40,152,906
Community Connection & Wellbeing	34,996,820	40,131,216
Safety & Homelessness	28,656,676	28,510,104
Other	-	136,714
Revenue from Government grants	147,011,318	157,260,747
Donations	20,444	8,395
Investment income		
Interest from investments	2,993,780	2,696,169
Distributions from investments	1,279,344	708,463
Total Investment income	4,273,124	3,404,632
Total Grant, Donations and Investment income	151,304,886	160,673,773
Other income		
Net gain on disposal of property, plant & equipment	197,427	296,825
Paid parental leave scheme	341,293	278,585
Other revenue	1,194,254	964,640
Total Other income	1,732,974	1,540,050
Unrealised gain on movement of investments	1,922,533	2,154,226

Other revenue includes workcover/TAC reimbursements and rental income.

4.1. Revenue from Government grants by source:

	2025	2024
	\$	\$
State Government	82,886,179	87,248,622
Primary Health Networks	59,553,166	65,033,559
Commonwealth Government	969,055	1,772,442
Other	3,602,918	3,206,124
Total	147,011,318	157,260,747

Other includes Government funding sourced through partner service providers including Not-for-profit agencies, foundations, hospitals and housing providers.

5. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	2025	2024
	\$	\$
Cash on hand	-	1,233
Cash at bank	29,770,686	34,081,238
Cash and cash equivalents	29,770,686	34,082,471

The Neami Group has access to credit card facilities at 30 June 2025 of \$470,000 (2024: \$350,000). There are no other credit standby arrangements.

The Net surplus to cash provided by operating activities can be reconciled as follows:

	2025 \$	2024 \$
Surplus for the year	2,105,108	7,265,324
Depreciation	8,632,609	7,114,659
Unrealised (gain) on movement of investment	(1,922,533)	(2,154,226)
Loss on disposal of investments (realised)	222,542	439,976
Net (gain) on plant and equipment sold	(199,018)	(295,643)
Movements in Assets/Liabilities		
(Increase)/Decrease in Receivables	4,137,655	(4,244,555)
Increase/(Decrease) in Payables	(2,245,148)	323,710
Increase/(Decrease) in Provisions	(811,078)	(69,200)
Increase/(Decrease) in Deferred income	(7,080,837)	(2,930,113)
Cash Flows from Operating Activities	2,839,300	5,449,932

6. Trade and other receivables

	2025 \$	2024 \$
Financial Assets		
Trade receivables	2,665,364	7,314,084
Expected credit loss	-	-
Other receivables	1,110,151	647,581
Bond/Lease Deposit	747,903	720,944
	4,523,418	8,682,609
Non-Financial Assets		
Prepayments	1,223,789	1,202,252
Trade and other receivables	5,747,207	9,884,861

The Neami Group applies a simplified model of recognising lifetime expected credit losses for all trade receivables. Trade receivables are written off when there is no reasonable expectation of recovery. Trade receivables relate primarily to State Government and Primary Health Networks program funding.

Other receivables include investments accrued income for services provided yet to be charged (programs billed as per agreed schedule), distribution receivable and interest receivable.

7. Investments

	2025	2024
	\$	\$
Current		
Opening Balance	16,947,559	20,498,137
Investment during the year	5,054	12,390,869
Disposal	(6,683,188)	(21,732,205)
Fair value movement	1,395,110	1,754,117
Reclassification	6,232,533	4,036,641
Closing Balance	17,897,068	16,947,559
Non-Current		
Opening Balance	22,569,184	16,103,779
Investment during the year	8,703,317	10,101,937
Fair value movement	527,423	400,109
Reclassification	(6,232,533)	(4,036,641)
Closing Balance	25,567,392	22,569,184
Total Investment	43,464,460	39,516,743
Investment Portfolio		
	2025	2024
	\$	\$
Current		
Real Assets	1,826,464	1,668,137
Equity - Domestic	7,828,083	7,276,786
Equity - International	8,242,521	8,002,636
Closing Balance	17,897,068	16,947,559
Non-Current		
Bonds/Managed Funds	25,567,392	22,569,184
Closing Balance	25,567,392	22,569,184
Total Investment Portfolio	43,464,460	39,516,743

The Bonds/Managed Funds portion of the investment portfolio has been classified as Non-Current Assets as their maturity date is greater than 12 months.

8. Property, plant and equipment

Details of Neami Group's property, plant and equipment and their carrying amounts are as follows:

	2025 \$	2024 \$
Plant and equipment		
Cost	612,104	601,801
Accumulated depreciation	(508,362)	(475,716)
Closing Balance	103,742	126,085
Leasehold improvement		
Cost	13,167,077	12,724,033
Accumulated depreciation	(11,322,697)	(7,854,379)
Closing Balance	1,844,380	4,869,654
Land and buildings		
Fair value	1,800,000	1,800,000
Accumulated depreciation	(15,778)	(2,835)
Closing Balance	1,784,222	1,797,165
Capital work in progress		
Cost	8,497	369,107
Closing Balance	8,497	369,107
Carrying Amount	3,740,841	7,162,011

Fair value of the land and buildings is estimated based on appraisals performed by independent, professionally qualified property valuers. The land and building in Fairfield, VIC were last valued as at 8 April 2024. As per our Policy, revaluation occurs every 5 years.

a. Movements in carrying amounts of property, plant and equipment

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

	Plant and equipment \$	Leasehold improvement \$	Land and buildings \$	Capital work in progress \$	Total \$
Opening Balance	126,085	4,869,654	1,797,165	369,107	7,162,011
Additions	15,604	82,433	-	-	98,037
Fair value movements	-	-	-	-	-
Transfers to Assets	-	360,610	-	(360,610)	-
Depreciation	(37,947)	(3,468,317)	(12,943)	-	(3,519,207)
Closing Balance	103,742	1,844,380	1,784,222	8,497	3,740,841

9. Right of use assets

	2025 \$	2024 \$
Right of use assets		
Cost	26,188,552	21,481,048
Accumulated depreciation	(17,708,280)	(13,521,624)
Closing Balance	8,480,272	7,959,424
Movement schedule		
Opening Balance	7,959,424	6,504,858
Additions/Variations	5,593,875	6,556,733
Depreciation expenses	(5,073,027)	(5,102,167)
Closing Balance	8,480,272	7,959,424

The carrying amount of Right of use assets includes the following underlying asset categories:

	2025 \$	2024 \$
Properties	7,383,732	6,985,781
Motor Vehicles	1,096,540	973,643
Total Right of use assets	8,480,272	7,959,424

The Right of use assets increased by \$521k mainly due to the extension of some property leases.

10. Intangible assets

	2025	2024
	\$	\$
Acquired software licences		
Cost	161,800	161,800
Accumulated amortisation	(107,532)	(67,157)
Closing Balance	54,268	94,643
Movement schedule – Written Down Value		
Opening Balance	94,643	135,018
Amortisation expenses	(40,375)	(40,375)
Closing Balance	54,268	94,643

11. Leasing liabilities

	2025	2024
	\$	\$
Lease liabilities (current)	5,049,616	4,580,993
Lease liabilities (non-current)	3,853,171	3,743,765
	8,902,787	8,324,758

Neami Group total cash outflows for leases, inclusive of interest is \$5,479,809 in 2025 (\$5,283,339 in 2024).

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	<1 year	1-5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in the Statement of Financial Position
2025 Lease liabilities	5,422,152	4,115,158	-	9,537,310	8,802,787
2024 Lease liabilities	4,915,437	3,987,237	-	8,902,674	8,324,758

Neami's Lease liabilities consist of Property leases and Motor vehicle leases.

Property Leases are negotiated to match the funding period for the relevant program. Motor vehicles are generally leased for a period of 3 years.

11.1. Short Term Leases / Low Value Assets

Expenses relating to leases consist of the following:

	2025	2024
	\$	\$
Interest expenses on lease liabilities	477,055	425,466
Short term lease payments	59,898	118,210
Low value assets lease payments	8,997	4,974
	545,950	548,650

12. Trade and other payables

Trade and other payables recognised consist of the following:

	2025	2024
	\$	\$
Trade payables	410,133	1,387,822
Other creditors and accruals	5,629,320	6,896,772
Total trade and other payables	6,039,453	8,284,594

Other creditors and accruals include mainly employee related month-end accruals (not including leave provisions), accruals relating to superannuation, GST clearing, and accrued expenses in relation to various programs.

13. Employee benefits expenses

Expenses recognised for employee benefits are analysed below:

	2025	2024
	\$	\$
Wages, salaries	101,699,152	104,150,262
Workers compensation insurance	3,284,983	3,135,268
Superannuation	11,124,630	10,641,073
Employee benefits expenses and provisions	5,561,032	6,082,815
Employee benefits expenses	121,669,797	124,009,418

14. Provisions

Provisions recognised consist of the following:

	2025 \$	2024 \$
Current		
Annual leave	6,840,302	6,943,285
Long service leave	3,369,224	4,107,160
Other employee leave provisions	1,452,279	1,528,835
Make good provision	513,245	401,364
	12,175,050	12,980,644
Non-current		
Long service leave	2,389,482	2,275,091
Make good provision	231,077	339,452
	2,620,559	2,614,543

15. Deferred income

Deferred income is summarised as follows:

	2025 \$	2024 \$
Mental Health Hubs	11,247,430	14,971,907
Integrated Support	3,208,167	4,633,547
Community Connection & Wellbeing	3,225,805	4,303,435
Safety Homelessness	5,239,024	6,092,374
Other	291,231	291,231
	23,211,657	30,292,494

Deferred income has decreased due to lower FY26 funding received in advance for new services and programs also reflected in the Cash and Cash Equivalents note (see note 5).

Deferred income consists of funder grants received in advance for services to be rendered by Neami. Deferred income is transferred to the profit and loss account when the performance obligations are satisfied. The services are usually provided, or the conditions usually fulfilled within 12 months of receipt of the grant.

16. Reserves

	2025	2024
	\$	\$
Opening Balance	1,333,791	860,780
Revaluation of Land and Building	-	473,011
Closing Balance	1,333,791	1,333,791

The revaluation of Land and Building relates to Fairfield, Victoria which were last valued as at 8 April 2024. As per our Policy, revaluation occurs every 5 years.

17. Transactions with key management personnel

Key management personnel for Neami Group are the members of the companies' Board of Directors and members of the Executive Leadership Team. Key management personnel remuneration includes short-term employee benefits, other long-term benefits and termination benefits.

	2025	2024
	\$	\$
Total key management personnel remuneration	2,227,836	2,198,655

Other than remuneration indicated above, there are no other related party transactions.

18. Contingent assets and contingent liabilities

Neami Group has given bank guarantees as at 30 June 2025 of \$451,842 (2024: \$442,216) to various landlords.

19. Leasehold improvements and Property lease commitments

Neami does not have any capital commitments other than those disclosed in note 11 as at 30 June 2025.

20. Consortium expenses

Consortium expenses represent the consolidated outflows associated with providing funding to members and partners of the respective Consortia the Group is engaged in to achieve the objectives of contracts with Adelaide Primary Health Network, South Australia Department of Health, Department of Health (DH) and the Department of Families, Fairness and Housing (DFFH) in Victoria, Western Victoria Primary Health Network, Department of Communities and Justice in New South Wales, Northern Queensland Primary Health Network, Northern Territory Primary Health Network and Western Australia Mental Health Commission.

21. Auditor Remuneration

	2025 \$	2024 \$
Remuneration of the auditor of the Company, PKF Melbourne, Auditing the financial statements and acquittals	127,900	133,600

22. Post reporting date events

No matters or circumstances have arisen since the end of the financial period which 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.

Directors' Declaration

In the opinion of the Directors:

- a. The consolidated financial statements and notes of Neami Limited are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - i. Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
 - ii. Complying with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*; and
- b. There are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Ruth Faulkner
Neami Board Chair



Jane Stanton
Audit and Risk Committee Chair

Dated: 18 September 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEAMI LIMITED**Report on the Audit of the Financial Report****Auditor's Opinion**

We have audited the accompanying financial report of Neami Limited ('the Company') and its controlled entities (collectively 'the Group'), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the Directors' Declaration of the Company and of the Group comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion, the financial report is prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended on that date; and
- (b) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* ('the Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors of the Financial Report

The Directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Directors determine is necessary to enable the preparation of the 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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



PKF

Melbourne, 18 September 2025



Kenneth Weldin

Partner