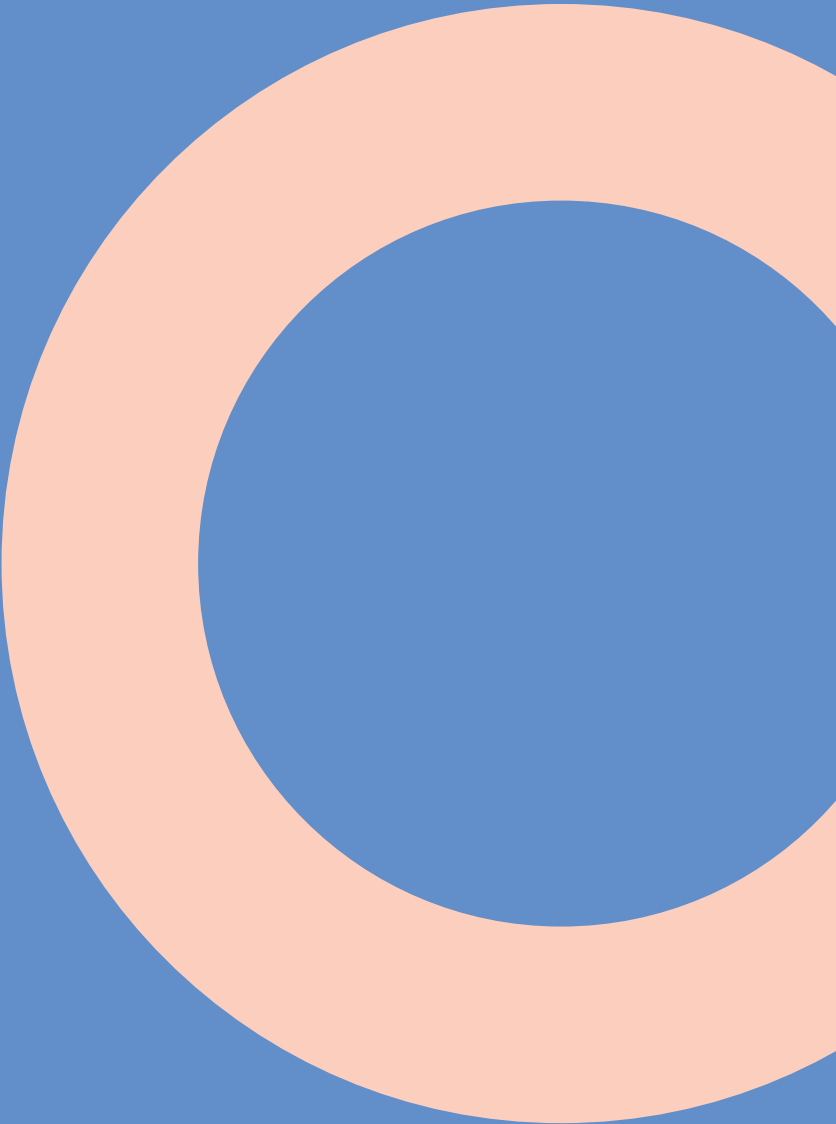


We're building a new kind
of healthcare for collective good.



Annual Report
2024-2025





It is with much pleasure that I present the Chair's Report for the 2024/25 financial year. This year has been one of continuous growth, innovation, and unwavering commitment to our members and the communities we serve.

Overview

Despite the many pressures our health system is facing including a shortage of clinical staff, private hospital sustainability, increasing out-of-pocket costs and an aging population that is requiring more assistance, Westfund has remained steadfast in its mission to assist in the delivery of accessible, high-quality health care while maintaining a strong regional focus.

Formed 143 years ago by a small group of mine workers to provide hospital beds for injured miners, we continue to honour those pioneers by doing all we can to assist in making our members' health journey one that provides the best possible outcomes.

Putting the interest of our members first

As a member-owned, not-for-profit health fund, our mission is deeply rooted in putting our members first in everything we do. Supporting Australians and their families during challenging times is not just our responsibility—it's at the heart of who we are. Recent events have reminded us how important it is to hold true to our values, especially when larger for-profit organisations may fall short. Today, more than 140,000 individuals trust Westfund as their insurer and health partner. We feel a profound sense of duty and pride in earning and keeping that trust by being there for you—dependable, compassionate, and committed to your wellbeing.

Assisting in creating healthier communities

Accessing timely and affordable health services remains a challenge, especially for those outside major cities. Over the last year, we've worked with regional hospitals and allied health providers to develop programs that address these gaps. We've also upgraded our clinical services with the latest Eye Care and Dentistry technology for our members. For those far from a Care Centre, our Provider of Choice Network and digital "Health CO-OP" programs continue to offer essential and affordable care.

Financial strength and continuing growth

Maintaining a strong financial foundation allows your Fund to re-invest in the business and continue to maintain and enhance the value we provide members. This investment includes ensuring we implement systems and processes that protect our members' personal information, allowing us to exceed all of our regulatory and prudential responsibilities, improve the benefits on offer within our product range, and provide a modern and rewarding workplace for our valued staff. Despite the many financial challenges Australians are facing we recorded solid membership growth of over 2%. This highlights the importance people place on their health and the responsibility we have to always look after members' best interests. A major contributor to this year's positive financial result was the performance of our investment portfolio, with markets both domestically and internationally performing strongly alongside our bond portfolio. We maintain a very conservative investment mandate with over 70 per cent of our funds placed in either government or corporate bonds.

Utilising technology to assist members

We continue to identify ways in which emerging technologies can assist us in enhancing how we serve our members and improving how we operate our business. While we are taking a cautious approach to utilising AI, particularly in areas that involve direct member service, we do believe it has a role to play in allowing our staff to focus on the high-value conversations and member service they find most rewarding.

Over recent times we have introduced digital cards, added features to our Members App, and launched our preventative health app, Westfund+. Westfund+ is an exciting and important development designed to assist and support members to monitor their health and take the necessary steps to prevent or intervene early to avoid poor health outcomes. It provides advice on the range of health checks available based upon your age, gender and health risks; and we will be continuing to expand its functionality to meet member needs.

Community Grants Program

This year, the level of support provided to community-based organisations was increased through the Westfund Community Grants Program. Funding was raised to \$200,000, offering assistance to charitable organisations focused on community health and wellbeing. Five major grants of \$20,000 each were awarded to the following organisations:

1. **Lily House (Woombye, QLD):** Provides supported accommodation and life skills programs for women and children in crisis, helping them rebuild their lives with dignity and hope.
2. **Lifeline Regional Counselling (Bathurst, NSW):** Offers vital, accessible mental health and crisis counselling services to individuals and families in regional communities.
3. **Nourish Street Inc. (Bray Park, QLD):** Supports vulnerable and homeless individuals through meal programs, outreach, and practical assistance to improve wellbeing and connection.
4. **Rainbow Roos (Goonellabah, NSW):** A fun, inclusive soccer program for children of all ages and abilities across the Northern Rivers that builds confidence, coordination, and connection through joyful, non-competitive sessions where every child feels supported.
5. **Need a Feed (Wollongong, NSW):** Provides emergency food relief and household essentials to families and individuals experiencing hardship across the Illawarra region.

The year ahead

We have partnered with not-for-profit organisations that share our commitment to better health outcomes, creating initiatives to improve access to key health services. These partnerships cover allied health areas like mental health, speech pathology, skin checks, and paediatric care. Following a successful 12-month Care Co-Ordination pilot with Marathon Health, we will expand the program in 2025/26.

Acknowledgements

I would like to extend my sincere thanks to our Board of Directors, our Chief Executive Officer Mark Genovese and Executive team, and our dedicated staff for their unwavering commitment to caring for our members.

I would like to also pay special thanks to three of our retiring directors who stepped down at our last Annual General Meeting. Michael Serong, Brian Kelly and Phil Burgett all made significant contributions during their tenure as Directors, and on behalf of the Board and membership, I would like to sincerely thank them for their service. We were also very pleased to welcome two new directors to the Board, Leanne Smith and David Swan.



Leanne spent several years working and living in the Central West and adds strong accounting and financial skills to the Board while David has had a distinguished career within the health sector including managing private hospitals and a public health system.

To our members, thank you for your continued trust, loyalty and support. Together, we are building a healthier future for all.



Graeme Osborne
Chair

Photo: Bill and Pam,
Westfund members
for 30 years.



The directors present their report, together with the financial statements, on Westfund (referred to as 'Westfund' or the 'Fund') for the year ended 30 June 2025.

Directors

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

Graeme Osborne - Chair

Brian Kelly (Retired at AGM held on 6 November 2024)

Bradley Williams

Geoffrey Wheeler

Jordan Tilse

Michael Serong (Retired at AGM held on 6 November 2024)

Phillip Burgett (Retired at AGM held on 6 November 2024)

Jennifer Dawn

Noeline Woof

Leanne Smith (Appointed at AGM held on 6 November 2024)

David Swan (Appointed at AGM held on 6 November 2024)

Company objectives

Westfund is on a mission to build a new kind of health care for the collective good. We're focused on supporting members' longterm wellbeing through great-value health cover and expanding access to quality and affordable health care.

As a not-for-profit company, Westfund balances financial sustainability with providing long-term value for our members.

Westfund's short-term objectives are to:

- improve and promote the value of membership in the face of heightened price sensitivity, increased competition, reduced government incentive and challenging economic conditions;
- maintain industry-leading member retention;
- continue development of sales and service channels;
- grow membership while maintaining sustainable products;
- retain a strong capital base;
- enhance employee well-being at work and attract and retain quality employees;
- invest in making communities healthier;
- expand access to affordable healthcare for members; and
- we are committed to ensuring Westfund is a conscientious and sustainable business. As stakeholder expectations evolve, it is important to understand the Environmental, Social and Governance (ESG) opportunities and challenges we face. In FY25, we are continuing to develop Westfund's ESG strategy, building on the foundation laid in the previous year. This strategy aims to protect and enhance long-term member value, building on our efforts in accessible healthcare, fostering an inclusive workforce and promoting vibrant, healthy communities.

Westfund's long-term objectives are to:

- support the health and wellbeing of its members and the communities in which it serves;
- maximise member value through high quality, value-for-money health insurance products and an integrated health service offering supported by highly personalised service;
- invest in better health outcomes for the benefit of members;
- maintain a profit-for-members focus, with surplus in excess of requirements used for the benefit of members; and
- provide regional employment and career opportunities.

Strategy for achieving the objectives

To achieve these objectives, Westfund has adopted the following strategies:

- increase Westfund's brand awareness;
- increase the value of membership by providing broader health services;
- modernise the way in which Westfund interacts with its members;
- provide staff with the required training and tools to excel in their job; and
- attract and retain quality staff to work for Westfund.

Principal activities

The principal continuing activities of Westfund during the financial year were to provide health insurance and healthcare services to members.

Review of operations

The operating surplus for Westfund after providing for income tax amounted to \$30,217,000 (2024: \$16,707,000).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of Westfund during the financial year.

Matters subsequent to the end of the financial year

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

Contribution on winding up

Westfund is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that members undertake to contribute such amount as may be required not exceeding the sum of \$1 each towards meeting any outstanding obligations of the company. As at 30 June 2025, there were 67,970 (2024: 66,384) members and the maximum amount liable to be contributed was \$67,970 (2024: \$66,384).

Board of Directors

Director profiles



Graeme Osborne

Chair
GAICD

Graeme has served as Chair of the Westfund Board since 2018 and has been a non-executive director since 1996. He brings to the role a wealth of expertise spanning private health insurance, industrial relations, superannuation, mining, financial services, and workers' compensation insurance. He has held directorships across pivotal industry bodies including Coal Services Pty Ltd, Coal Mines Insurance Pty Ltd, NSW Mines Rescue Pty Ltd and Auscoal Superannuation Pty Ltd. Until recently, Graeme served on the NSW Government Royalties to Rejuvenation Central West Committee. He has also actively contributed to strategic oversight through service on the Risk Management and Remuneration Committees of Coal Services. Graeme's credentials also include directorship at Auscoal Superannuation Pty Ltd where he was a member of the Audit, Risk and Compliance Committee. He was a contributing member of Mine Superannuation's Insurance Committee and Remuneration and Nomination Committee. Graeme has recently retired from his role as District President of the Mining and Energy Union – South Western District.

Special responsibilities: Chair of the Remuneration and Nomination Committee, Member of the Risk and Compliance Committee.



Phillip Burgett (Retired at AGM held on 6 November 2024)

Non-Executive Director
BCom, FCA, GAICD

Phillip was appointed as a director in 2012. He has extensive experience in providing independent audit, risk management and corporate governance services in health, local government, finance and insurance sectors. He has extensive recent experience as an independent chair and member of public sector (local government) audit and risk management committees. Phillip was previously a partner of accounting and business advisory firm Morse Group.

Special responsibilities: Member of the Audit Committee.



Jennifer Dawn

Non-Executive Director
MBA, MPM, GAICD

Jenny was appointed as a director in 2021. She has enjoyed success in various C-Suite executive roles leveraging her leadership and experience in technology, innovation, cyber security, digital, risk management, corporate governance and strategy. She has significant board level experience having sat on the board of NSW Business Chambers, Talent International and Optus' strategic advisory board and currently sits as a non-executive director, deputy chair and risk committee chair with Dispensaries Friendly Society Ltd (Pharmacy).

Special responsibilities: Chair of the Risk and Compliance Committee.



Brian Kelly (Retired at AGM held on 6 November 2024)

Deputy Chair
GAICD

Brian was appointed as a director in 2010. He has strong experience in the mining industry and held the position of Regional Manager at Western Mines Rescue Station for a number of years with expertise in work health and safety and emergency response. Prior to this he was Production Manager at mining company Centennial Coal. Brian is a member of the Mine Managers' Association of Australia.

Special responsibilities: Member of the Risk and Compliance Committee.



Michael Serong (Retired at AGM held 6 November 2024)

Non-Executive Director
BA, LLB, GAICD

Michael was appointed as a director in 2014. He practised as an employment and labour lawyer with a background in business and corporate law, including finance, investment and insurance. He has particular expertise in Private Health Insurance law and regulation and has advised private health insurers over many years. He has held partnerships in a number of law firms during his career and was, until recently, a senior consultant with Norton Rose Fulbright based in Melbourne.

Special responsibilities: Member of the Risk and Compliance Committee.



Leanne Smith (Appointed at AGM held on 6 November 2024)

Non-Executive Director
BBus (Acc), FCA, PMIIA, CIA, GAICD

Leanne was appointed as a director in November 2024. She has over 35 years' experience as an accountant, specialising in external audit, financial reporting, corporate accounting and internal audit. In 2013, she co-founded Intentus Chartered Accountants, a specialist audit-only firm. Leanne has extensive experience in the Local Government, financial services and not-for-profit sectors and is also an independent member of the Finance and Risk Committee for a national not-for-profit company.

Special responsibilities: Member of the Audit Committee.



David Swan (Appointed at AGM held on 6 November 2024)

Non-Executive Director
BHSc Mgt, GDM (Exec), GAICD

David was appointed as a director in November 2024. He is a national health sector executive and non-executive director with more than 30 years' experience as a chief executive, leading major public and private sector hospitals in metropolitan and rural locations. David served as CEO of St Vincent's Private Hospitals, a leading private healthcare company with presence spanning Victoria, New South Wales and Queensland. He has also been a chief executive of a state-based health department.

Special responsibilities: Member of the Risk and Compliance Committee.



Jordan Tilse

Non-Executive Director
BA, LLB, GAICD

Jordan was appointed as a director in 2017. She has a number of years' experience in top tier law firms as a solicitor advising on employment law matters and corporate governance across various industries including banking, finance and insurance. She has also acted as solicitor assisting the Royal Commission into Trade Union Governance and Corruption. Jordan is the founder and principal of Melbourne-based law firm Sefton Davis which specialises in advising clients on employment matters including restructures, redundancies, workplace grievances and workplace training and investigations.

Special responsibilities: Member of the Remuneration and Nomination Committee.



Geoffrey Wheeler

Non-Executive Director
DIP. HRM, Associate Degree VET, C.MMA, GAICD, JP

Geoffrey was appointed as a director in 2017. He has experience in mining, business and hospitality, human resources and club management. He is currently General Manager of the Lithgow Workmen's Club.

Special responsibilities: Member of the Remuneration and Nomination Committee.



Bradley Williams

Non-Executive Director
BBm, ASSOC DIP BUS, MIML, GAICD, JP

Bradley was appointed as a director in 2017. He has a strong background in finance, banking and business development. He has held various positions at Community First Credit Union and Westpac Bank and is a director of Bradfin Pty Ltd, a mortgage broking company. Brad retired during the year from Unity Bank and his position as Head of Industry Relationships.

Special responsibilities: Member of the Audit Committee.



Noeline Woof

Non-Executive Director
BEc, FIAA, GAICD

Noeline was appointed as a director in 2021. She has senior executive expertise in risk and financial management with regulated entities and is a qualified actuary with more than 25 years' experience. She has deep knowledge of general insurance, health insurance and accident compensation schemes gained through prior experience as Partner at PricewaterhouseCoopers, Chief Actuary and Chief Risk Officer at Allianz Australia, and Senior Policy Advisor at APRA. Noeline is also a Non-Executive Director of Hollard Insurance Limited and Pacific Life Re Australia.

Special responsibilities: Chair of the Audit Committee.

Company Secretary

Deng Gichuru (Chief Risk Officer) has been Company Secretary since 2020. His qualifications and professional memberships include Grad Dip (Risk Management), MAICD, ANZIIF (Senior Associate CIP), AGIA (Associate) and RMIA (Member).

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:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
Graeme Osborne	9	9	-	-
Phillip Burgett	3	3	-	1
Jennifer Dawn	8	9	-	-
Brian Kelly	3	3	-	-
Michael Serong	3	3	-	-
Leanne Smith	6	6	2	3
David Swan	6	6	-	-
Jordan Tilse	9	9	-	-
Geoffrey Wheeler	7	9	-	-
Bradley Williams	9	9	4	4
Noeline Woof	9	9	4	4

	Risk and Compliance Committee		Remuneration and Nomination Committee	
	Attended	Held	Attended	Held
Graeme Osborne	3	3	3	3
Phillip Burgett	-	-	-	-
Jennifer Dawn	4	4	-	-
Brian Kelly	1	1	-	-
Michael Serong	1	1	-	-
Leanne Smith	-	-	-	-
David Swan	2	3	-	-
Jordan Tilse	-	-	3	3
Geoffrey Wheeler	-	-	3	3
Bradley Williams	-	-	-	-
Noeline Woof	-	-	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

The following persons were members of the executive leadership team:



Mark Genovese
Chief Executive Officer



Magdalena Herceg
Chief Operations Officer



Liz Casmiri
Chief Health Care
Services Officer



Anna Maltabarow
Chief Customer Officer



Deng Gichuru
Chief Risk Officer and
Company Secretary



Richard Ferchow
Chief Information Officer



Chris Phillips
Chief Finance Officer



Dario Molina¹
Deputy Chief
Executive Officer



Bill Sheffield
Chief People Officer

Positions held as at 30 June 2025.

¹ Dario Molina concluded his tenure on 18 July 2025.

Year in review

The Westfund difference

7,000+

new members welcomed
to the westfund community

10.7



the average length of membership
for hospital and combined cover
is 10.7 years

4.6



rated 4.6/5 on Product Review

75.1



excellent net promoter score

92%

member retention rate

54,910

members' total visits to a provider
from our Provider of Choice network

\$258.7m

hospital and extras benefits paid
to or on behalf of others

5%

higher than last year



616,560

dental, optical and ancillary visits

64,194

hospital admissions

24,690

members visited over 16,740 of
our medical specialist partners



89.7%

medical services covered in
hospital and had no known gap



88.9%

of members made an extras claim



78,100+

online claims paid

Year in review

The Westfund difference

Westfund Contact Centre

Member support

85,090

calls and webchats taken
by our Contact Centre team

Sales support

7,406



Calls and webchats taken
by our Sales team

Member support

10,320+

hours spent speaking with members

Sales support

1,580+

hours spent speaking
with potential members

Westfund Eye Care Centre

6,750

Westfund Eye Care Centre visits

80



world-class net promoter score

Westfund Dental Care Centre

9,680

Westfund Dental Care Centre visits

87



world-class net promoter score

1,620

members went to a skin screening
appointment at a Westfund Care Centre

17



active Health and
Wellbeing programs

1,283

members participated in
a Health and Wellbeing program

9



defibrillators donated
to community organisations
across NSW and Queensland

30+



Aussie communities have
benefited from the Westfund
Community Grants Program

\$200,000

Community Grants and defibrillators awarded to inspiring local community organisations

Looking after our members

Depending on their level of cover, we paid for our members' planned and unexpected visits to hospital. We covered:



Benefit

\$354,100

For a 79-year-old with heart valve disease and a heart rhythm disorder.

Days in hospital

50



Benefit

\$167,400

For a low-weight premature baby born at 29 weeks needing breathing support.

Days in hospital

72



Benefit

\$157,600

For a 67-year-old with lymphoma and a blood clot in the lungs.

Days in hospital

298

when they need us most



Benefit

\$158,300

For a 26-year-old with thoracic back pain undergoing posterior spinal fusion.

Days in hospital

19



Benefit

\$39,700

For a 85-year-old awaiting admission to residential aged care.

Days in hospital

261



Benefit

\$20,700

For a 15-year-old with heart failure and a serious heart infection.

Days in hospital

29

Our communities in focus



Westfund Kidz Korner at Bathurst, NSW, prior to the Penrith Panthers game against the Newcastle Knights.



Jasmine Aran, Oral Health Therapist, and Kiah Walsh, Optical Assistant, representing Westfund at La Salle Academy's careers fair.

The 2024-2025 financial year presented ongoing challenges for households across Australia and placed further strain on our healthcare system.

In the face of these challenges, we have remained committed to evolving our services and support for our members and our communities, ensuring more Australians have access to timely, affordable healthcare to live well. This year, we continued to deliver on that promise by introducing a range of initiatives designed to provide greater value and support when our members needed it most.

Central to this progress has been our strong partnerships, which have enabled us to further enhance the health and wellbeing services we deliver. Together, we have provided meaningful support to communities across Australia, ensuring our members feel assisted and confident, even in times of uncertainty.

We're proud of our people

We celebrate our team of over 230 dedicated professionals and their achievements, both at work and beyond. Their commitment to exceptional service is at the heart of what we do - providing support, answering questions with care, and going the extra mile to make our members feel valued. Each year, our staff champion important causes, raising awareness and driving donations for initiatives such as The May 50K for MS, Dolly's Dream, Sydney Children's Hospital, and Australia's Biggest Morning Tea. These efforts reflect our staff's compassion, as well as their commitment to making a meaningful difference outside of the workplace.

It has also been a year of learning for our team, with multiple staff pursuing further education to deepen their expertise in areas such as General Insurance, Cyber Security, and Information Technology. Through pathways like TAFE and other tertiary institutions, they've embraced opportunities for continuous learning and self-improvement. We're delighted to share that 15 team members across NSW and Queensland successfully completed their Certificate IV in Dental Assisting and General Insurance this year.



WeMoney representative presenting Anna Maltabarow, Chief Customer Officer, with the Best for Gold Hospital Cover Award for the second consecutive year.



Lola Barker, a member for 71 years, joins Graeme Osborne, Chair, and Joy Smith, a member for 48 years, to officially reopen the Lithgow Care Centre and Eye Care Centre.

The dedication, enthusiasm, and achievements of our staff fuel our success and reinforce our purpose. We're proud of their desire to excel while also giving back to the community, and we recognise and applaud their contributions.

Awards:

- **Business NSW State Finalist** – Excellence in Large Business Award
- **WeMoney Health Insurance Awards** – Best for Gold Hospital Cover (Health Insurance)

Our regional communities

For over a century, Westfund has supported the health and wellbeing of our members and the communities we serve, always aiming to make a positive impact where it matters most. In June 2025, we celebrated the re-opening of our Lithgow Eye Care and Care Centre—a project driven by the changing needs of our local members and patients. The centre now offers advanced technology, including the Visufit scan, which uses a 3D image of your face to ensure the perfect fit for your glasses every time. This advanced system not only ensures precision but also saves patients the hassle of routine visits for frame fittings and try-ons. Patients can find and try on frames that suit their face – all from the comfort of your home. We've also improved accessibility and comfort, including wheelchair-accessible treatment rooms and quiet, ambient spaces for patient comfort during eye procedures. Our members now have access to over 800 eyewear styles. The Lithgow centre also powers The Collection, our exclusive online sunglasses store, where each order is hand packed with care before being shipped anywhere across Australia.

Our commitment to community goes well beyond healthcare. This year, we continued to support the School Breakfast Program in the Lithgow LGA, partnering with Lithgow Workmen's Club and Centennial Coal to make sure students start their day nourished and ready to learn. Through our thriving Community Grants Program, we're able to support a range of programs, events and initiatives each year, reflecting our ongoing belief in the power and potential of our regional communities.

Expanding Healthcare Access for Regional Communities

At Westfund, our dedication to quality, accessible healthcare is at the core of everything we do. This year, we proudly achieved milestones that highlight our commitment to regional communities.

One major accomplishment has been expanding training opportunities for Dental Assistants. By increasing the number of trainees, we're helping to address the growing demand for skilled professionals while empowering the next generation to support oral health across our regions.

In addition, we resumed school and community visits to promote oral health. Our Oral Health Therapists delivered engaging sessions to help children understand the importance of good oral hygiene, emphasising the value of preventative health practices from an early age.

In July 2024, we partnered with Marathon Health to launch the Care Coordination Pilot Program for members who live in the Central West region of NSW. This program aims to improve healthcare access for Westfund members managing chronic conditions. The pilot provided 100 members with personalised support through a dedicated Care Coordinator, who developed tailored care plans, facilitated access to government funding and assistance schemes, and connected members with local support services. The pilot also offered health coaching, lifestyle guidance, and strategies to reduce unnecessary medical costs and hospital readmissions. With overwhelmingly positive feedback from participants, we're pleased to announce the program's national expansion in the next financial year, bringing this vital support to even more members across the country.



Our leaders across Westfund had the privilege of attending the 2025 Women in Leadership Summit.



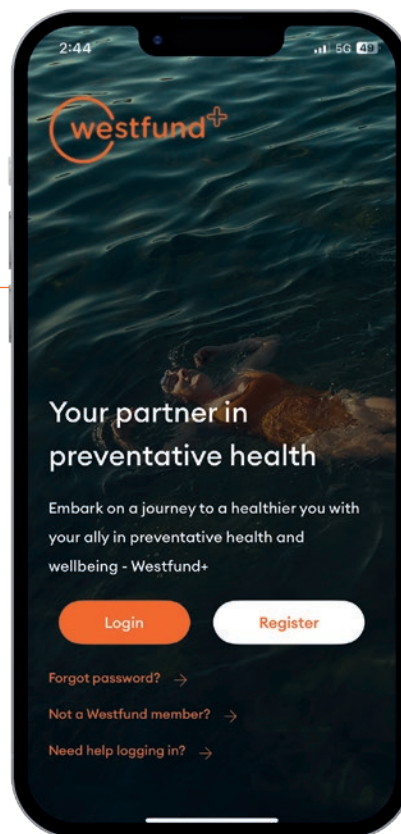
2024 Business State Awards - Bill Sheffield, Chief People Officer, Liz Casmiri, Chief Health Care Services Officer, Noeline Woof, Non-Executive Director, Jenny Dawn, Non-Executive Director, Anna Maltabarow, Chief Customer Officer, Mark Genovese, Chief Executive Officer, Magdalena Hecceg, Chief Operating Officer, Laura Pillans, Head of Brand, Marketing & Experience, Tori Savva, Corporate Communications Manager, and Dario Molina, Deputy Chief Executive Officer.

Building on the success of the Healthy Futures Scholarship Program, launched in early 2024 in partnership with Charles Sturt University, we continued our commitment to supporting the next generation of doctors and dentists in regional areas. Each year, we award two scholarships valued at \$10,000 each, helping aspiring healthcare professionals pursue their studies in medicine and dentistry. Joseph Skyes, a Bachelor of Dentistry student, expressed his gratitude, stating: “Coming from a farming rural background I have a strong passion for improving healthcare access in rural communities. Growing up in a regional area, I have seen first-hand the challenges that people face in accessing essential dental care, which has inspired me to become a dentist dedicated to serving rural Australians.”

His feedback highlights the impact these scholarships have in shaping the next generation of regional healthcare professionals. We know that skin cancer rates continue at an alarming rate in Australia, and we remained firmly committed to doing our part to address this health issue in FY25. By increasing skin screening appointments delivered through our Care Centre network and expanding the number of locations, we’re playing our part to support early detection. 60% of members who attended our clinics were referred to specialists. These efforts demonstrate the significant impact accessible screening services can have on community health outcomes.



Candice du Tremolet de Lacheisserie, studying Medicine, and Joseph Skyes, studying Dentistry, receive their Westfund Healthy Futures Scholarship 2025 certificates.



Westfund+ - A new way to stay healthy, supported and in control

This year, we introduced Westfund+, a preventative health app designed to bridge healthcare gaps in regional Australia. Developed from insights in our Westfund Regional Health Gap Report, the app empowers members with tools for proactive health management.

A feature of Westfund+ is the Health Risk Assessment, enabling members to identify potential health risks and receive personalised recommendations like routine check-ups, vaccinations, and screenings. Proactive reminders ensure members stay on track with their healthcare, taking the mental load out of managing health.

The app also addresses critical challenges like limited GP availability and high healthcare costs in regional areas. Members now have more options to complete routine check-ups through participating pharmacies in our network, removing barriers and making it easier to use their Extras cover and prioritise health.

Looking ahead, we’re excited to enhance the app with new features, including partner integrations, expanded benefits tracking, and additional tools to simplify healthcare management. These innovations reflect our ongoing mission to provide accessible, high-quality healthcare for all members.

Through Westfund+, we’re setting new standards for personalised, proactive care, enabling our members to take charge of their wellbeing while addressing regional healthcare challenges head-on.

Feels good to give back



Buddy comforting Laurie (PTSD Dogs, 2025 Community Grants recipient).

Challenges continue for community organisations in the face of cost of living pressures. Our continued investment in the Westfund Community Grants Program is our way of supporting the remarkable groups and individuals who are creating meaningful impact and making a real difference in communities across NSW, Queensland, and the ACT.

In FY25, grants awarded included 27 grants of up to \$3,000 each, 9 life-saving defibrillator units, and five \$20,000 major grants, awarded to stand-out community organisations. Totalling \$200,000, the funding round is Westfund's biggest yet, at a time when charities and not-for-profits are struggling with costs. The 27 grants were evenly distributed, with 13 awarded in NSW, 13 in QLD, and one in the ACT.

The FY25 Grant recipients are a diverse cohort, addressing issues from domestic and family violence, homelessness, food insecurity, community resilience and much more.

We were also pleased to be able to deliver defibrillators to communities like Bathurst, Beerburum and Gladstone.

As acknowledgement of the significant need, in 2025 we extended the offering of major grants to five, also increasing the amount of these grants to \$20,000 each.

There were a number of strong applications for major grants, with the successful recipients decided by a mixture of internal voting and decision-making along with voting by the general public.



Billinudgel/Ocean Shores Volunteer Rural Fire Brigade (2025 Community Grants defibrillator recipient).

Our Major Grant recipients for 2025 were:

Lily House (Woombye, QLD):

Provides supported accommodation and life skills programs for women and children in crisis, helping them rebuild their lives with dignity and hope.

Lifeline Regional Counselling (Bathurst, NSW):

Offers vital, accessible mental health and crisis counselling services to individuals and families in regional communities.

Nourish Street Inc. (Bray Park, QLD):

Supports vulnerable and homeless individuals through meal programs, outreach, and practical assistance to improve wellbeing and connection.

Rainbow Roos (Goonellabah, NSW):

A fun, inclusive soccer program for children of all ages and abilities across the Northern Rivers that builds confidence coordination, and connection through joyful, non-competitive sessions where every child feels supported.

Need a Feed (Wollongong, NSW):

Provides emergency food relief and household essentials to families and individuals experiencing hardship across the Illawarra region.

We're pleased to share, in their own words, the impact that these grants and defibrillators will have on some of these organisations.



"We're so proud to have received the \$20,000 Major Grant from Westfund Community Grants! This funding will go towards our food van and supporting our Mindful Meals program, helping us reach more people with nourishing food, care, and connection. For those doing it tough, this means more than a meal. It means consistency, dignity, and someone showing up. Thank you, Westfund, for helping us drive real change in our community. This funding means we can get our food van on the road faster, reaching people in crisis who can't come to us, whether they're sleeping rough, living without transport, or simply overwhelmed. It also helps keep our Mindful Meals program running strong, offering warm, nourishing meals in a safe space where people feel seen, supported, and cared for. Together, this grant will allow us to feed more people, show up more often, and respond more quickly, meeting people exactly where they are, with no judgment and no one left behind."

Shaz Harrison
Founder
Need a Feed Australia Inc



"We are absolutely overjoyed to have received this grant and deeply grateful to everyone who voted for us - it's a huge win for our community. These funds will make a truly life-changing difference, allowing us to expand our programs, grow our incredible coaching team, and reach even more families, including those who may not otherwise have had access to inclusive sport. Lismore has been through so much in recent years and is still on the road to recovery, but part of what we do at Rainbow Roos is offer families a chance to smile, connect and - even if it is just for an hour a week - forget the challenges and simply enjoy being together. In just twelve months, we've become a leading name in inclusive sport and this funding will help us continue spreading joy, building resilience, and bringing our community closer than ever."

Brad Ameridge
Head Coach and Founder
Rainbow Roos



"Regional Counselling Limited are incredibly grateful to Westfund for recognising the impact of our Men's Growth Rooms and backing this next phase of the program. This \$20,000 grant gives us the opportunity to bring men from across our region together, build stronger peer support networks, and continue breaking down the barriers around mental health. It's an exciting step forward in our commitment to creating connected, resilient communities where no one faces life's challenges alone."

Stephanie Robinson
CEO
Lifeline Central West & Regional Counselling Limited



“The funds granted to us from Westfund will have a huge impact. Currently, we are working with vulnerable women and children who have come from a background of domestic and family violence, addictions, homelessness, mental illness, and complex trauma. We plan on running psycho-educational and therapeutic groups in an old building on the property. With this grant we will be able to do some small internal renovations to provide separate private counselling rooms, plus a more relaxing, peaceful large area for the women to engage in group programs. We also intend to use these funds to buy a smart board which will assist in meeting the residents different learning styles and will provide visual aids in their therapeutic processes. We greatly appreciate you choosing Lily House as the recipient of this grant and are excited by what we can achieve with it.”

Fiona Browne
Founder and CEO
Lily House



“The Sunshine Coast Radio Sailing Club, with over 80 members, provides a welcoming environment for racing radio-controlled model yachts. We are thrilled to announce that, thanks to a very generous donation from Westfund, we now have a Zoll Defibrillator on hand. This life-saving device offers us peace of mind and ensures we are prepared for any cardiac emergencies that may arise, especially given the aging demographics of our members.”

Mark Lewis
Secretary at
Sunshine Coast
Radio Sailing Club Inc

2025 Community Grants

- The Backpack Venture
- Blue Torch
- Beauties Feeling Fabulous
- Woodgate Beach Ambulance Benefit Committee Inc
- PTSD Dogs Australia Ltd
- Vineyard Mercy centre Ltd
- Hornsby Ku-ring-gai Women's Shelter
- Nourish Street Inc.
- Need a Feed Australia
- ManUp! Australia
- Parkes Services Squash and Sports Centre PTY LTD
- Lily House
- Kanyini Connections Ltd (Hoofbeats Sanctuary)
- Australian Street Aid Appeal/ Chances House
- Australian Endometriosis Foundation
- Taree Volunteer Rescue Association Inc.
- Singleton Hospital Auxiliary
- Rainbow Roos AU Inc
- Cycling without age Brisbane
- Wardell Community Organised Resilience Effort
- Regional Counselling Limited
- Biggenden Women's Shed Association Inc.
- Our Neighbourhood
- The Brain Injury Community Inc
- Escabags Ltd
- Lake Macquarie and Newcastle Suicide Prevention Network
- Zonta Club of Canberra Breakfast Inc

2025 Defibrillators

- Billinudgel/Ocean Shores Rural Fire Service
- Sunshine Coast Radio Sailing Club
- Unkya Community Reserve
- Glossodia Community Centre
- March Rural Fire Brigade
- Beerburrum School of Arts Assoc Inc.
- Our Mate-Ship Limited
- Gladstone Athletics Club
- Bathurst Panthers Junior Rugby League Club

Westfund Limited

Financial statements

30 June 2025

Contents

Directors' report	28
Auditor's independence declaration	29
Statement of profit or loss and other comprehensive income	30
Statement of financial position	31
Statement of changes in equity	32
Statement of cashflows	33
Notes to the financial statements	34
Consolidated entity disclosure statement	67
Directors' declaration	68
Independent auditor's report to the members of Westfund Limited	69

The financial statements cover Westfund Limited (ABN 55 002 080 864) as an individual entity. The financial statements are presented in Australian dollars, which is Westfund Limited's functional and presentation currency.

Westfund Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Westfund Limited
59 Read Avenue
Lithgow NSW 2790

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 23 September 2025. The directors have the power to amend and reissue the financial statements.

Directors' report

Indemnification of Directors

During or since the financial year, Westfund has paid premiums in respect of contracts insuring any past, present or future Directors, Secretaries and other officers of Westfund against certain liabilities. In accordance with common commercial practices, the insurance policies prohibit disclosure of the nature of the liabilities insured against and the amount of the premiums.

Indemnification of auditor

To the extent permitted by law, Westfund has agreed to indemnify its auditor, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year ended 30 June 2025.

Rounding of amounts

Westfund is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Graeme Osborne
Chair



Noeline Woof
Director

23 September 2025
Lithgow



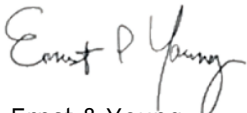
Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of Westfund Limited

As lead auditor for the audit of the financial report of Westfund Limited for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.



Ernst & Young



Jason Bain
Partner
23 September 2025

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Insurance revenue		299,803	287,294
Insurance service expense	6	(287,912)	(279,729)
Insurance service result		11,891	7,564
Other interest and similar income		9,082	8,502
Net fair value gains/(losses) on financial instruments at fair value through profit or loss		12,985	5,628
Changes in value of investment properties through profit or loss		202	(588)
Total investment income		22,270	13,541
Other income	7	7,977	7,047
Finance costs		(217)	(226)
Other expenses	6	(11,704)	(11,219)
Other income and expense		(3,944)	(4,398)
Surplus before tax		30,217	16,707
Income tax expense		-	-
Surplus for the year		30,217	16,707
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income		30,217	16,707

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

Statement of financial position

For the year ended 30 June 2025

31

	Note	2025 \$'000	2024 \$'000
Cash and cash equivalents		1,407	984
Financial assets at fair value through profit or loss	8	225,202	197,579
Financial assets at amortised cost	9	42,009	41,715
Inventories		259	246
Other assets	10	2,577	2,122
Property, plant and equipment	11	17,619	16,594
Investment properties	12	3,064	5,743
Right-of-use assets	13	6,248	6,896
Intangibles	14	1,648	699
Total assets		300,033	272,579
Insurance contract liabilities	18	54,378	56,704
Trade and other payables	15	1,556	2,267
Lease liabilities	16	6,844	7,349
Employee benefits		6,220	5,441
Provisions	17	101	101
Total liabilities		69,099	71,862
Net assets		230,934	200,717
Retained surpluses		230,934	200,717
Total equity		230,934	200,717

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

Statement of changes in equity

For the year ended 30 June 2025

	Note	Retained surplus \$'000	Total equity \$'000
Balance as at 30 June 2023		184,010	184,010
Surplus for the year		16,707	16,707
Other comprehensive income for the year, net of tax		–	–
Total comprehensive income for the year		16,707	16,707
Balance at 30 June 2024		200,717	200,717
Surplus for the year		30,217	30,217
Other comprehensive loss for the year, net of tax		–	–
Total comprehensive income/(loss) for the year		30,217	30,217
Balance at 30 June 2025		230,934	230,934

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

Statement of cash flows

For the year ended 30 June 2025

33

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts of premiums		301,102	287,718
Claims and levies paid		(247,025)	(242,011)
Other receipts from customers		7,506	6,845
Payments to suppliers and employees		(52,620)	(45,700)
Finance costs paid		(217)	(226)
Net cash from operating activities	27	8,747	6,626
Cash flows from investing activities			
Purchase of term deposits		(294)	(2,593)
Purchase of managed funds and other investments		(14,638)	(16,811)
Payments for property, plant and equipment	11	(3,202)	(3,591)
Payments for intangibles	14	(1,633)	(401)
Payments for security deposits		–	24
Proceeds from term deposits		–	6,000
Proceeds from disposal of property, plant and equipment		251	1,396
Proceeds from disposal of investment property		2,882	–
Interest received		9,165	8,433
Net cash used in investing activities		(7,470)	(7,543)
Cash flows from financing activities			
Repayment of lease liabilities		(853)	(664)
Net cash used in financing activities		(853)	(664)
Net (decrease)/increase in cash and cash equivalents		423	(1,582)
Cash and cash equivalents at the beginning of the financial year		984	2,565
Cash and cash equivalents at the end of the financial year		1,407	984

The above Statement of cashflow should be read in conjunction with the accompanying notes.

Notes to the financial statements

30 June 2025

Note 1. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*, as appropriate for not-for-profit oriented entities.

These general purpose financial statements have been prepared on a going concern basis.

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for the revaluation of financial assets at fair value through profit or loss, investment properties and certain classes of property, plant and equipment.

Note 2. Changes in accounting policies and disclosures

New or amended Accounting Standards and Interpretations adopted

There were no new accounting standards or interpretations that had a material impact on the financial statements of Westfund for the year ended 30 June 2025. The accounting policies applied are consistent with those applied in the prior financial year.

Note 3. Summary of material accounting policy information

Insurance contracts classification and measurement

Westfund adopted AASB 17 Insurance Contracts in the prior year and accordingly provides disaggregated qualitative and quantitative information about:

- Amounts recognised in its financial statements from insurance contracts;
- Significant judgements, and changes in those judgements, when applying the standard.

Insurance contract classification

Westfund issues health insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders by offering indemnification for specific expenses as a result of an insured event relating to illness, injury, pregnancy or preventative care. Westfund determines whether it has significant insurance risk if there is a possibility that it could suffer a loss caused by the insured event and pay significant additional amounts beyond what would be paid if the insured event had not occurred.

Westfund assesses its health insurance products to determine whether they contain distinct components which must be accounted for under another accounting standard other than AASB 17. After separating any distinct components, Westfund applies AASB 17 to all remaining components of the insurance contract. Currently, Westfund's health insurance products do not include any distinct components that require separation.

Level of aggregation

Insurance contracts are aggregated by portfolios that share similar risks, are managed together, grouped by profitability, and organised into annual cohorts. Westfund has determined that its health insurance contracts have similar health-related risks and that Westfund manages its health insurance business together, resulting in one portfolio of health insurance contracts with one group of profitable contracts and one group of onerous contracts.

Westfund recognises groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts;
- The date when the first payment from a policyholder is due or when the first payment is received if there is no due date;
- For a group of onerous contracts, if facts and circumstances indicate that the group is onerous.

Contract boundary

Westfund includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract. The contract boundary is used to determine the start and end points of coverage in order to identify cash flows for inclusion in the measurement of an insurance contract under AASB 17. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the entity can compel the policyholder to pay the premiums or in which the entity has a substantive obligation to provide the policyholder with coverage or other services. Westfund has adopted the annual renewal date following the premium round process (generally 1 April) as an effective contract boundary.

Measurement models

Westfund applies the premium allocation approach (PAA) for the measurement for all its health insurance contracts as the majority of Westfund's health insurance contracts automatically qualify because the coverage period of each contract is one year or less.

Liability for incurred claims

The liability for incurred claims (LIC) represents the estimated liability arising from claims episodes, based on the present value of expected fulfilment cash flows relating to past service which have not yet given rise to claims paid, with an explicit risk adjustment for non-financial risk. A claims episode is an insured medical service that Westfund has an obligation to fund which includes consultation fees, diagnostic investigations, and hospitalisation or treatment costs. The liability includes an allowance for claims handling expenses and any unsettled directly attributable expenses. Westfund does not adjust the future cash flows for the time value of money and the effect of financial risk for portfolios in which incurred claims are expected to be paid within one year of occurrence.

Liability for remaining coverage

The liability for remaining coverage (LFRC) is measured as the premiums received. Westfund does not adjust the LFRC for the time value of money or the effect of financial risk, as the time between providing each part of the services and the related premium due date does not exceed one year. The LFRC is amortised over the coverage period, with revenue recognised on a passage-of-time basis.

Onerous contracts

Contracts that are measured using PAA are assumed not to be onerous unless facts and circumstances indicate otherwise. Westfund has developed a framework for identifying relevant facts and circumstances that may indicate the existence of onerous contracts which includes management reports available to senior management for planning and performance management purposes as a source of evidence for facts and circumstances. Where facts and circumstances are identified that may indicate an onerous contract exists, detailed testing is performed, and any loss component is valued under the General Measurement Model (GMM) by estimating the fulfilment cash flows and an assessment of the risk adjustment using a confidence level approach and included in the carrying amount of LFRC.

Notes to the financial statements

30 June 2025

Note 3. Summary of material accounting policy information (continued)

Risk adjustment

Under the PAA, a risk adjustment is recognised on all LIC balances and on LFRC balances for onerous contracts issued. Westfund has taken the decision to use a confidence level technique to estimate the risk adjustment. The risk adjustment for non-financial risk is the compensation that Westfund requires for bearing the uncertainty of the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount. In determining the approaches in setting the LIC and the onerous contracts' loss component of LFRC risk adjustments for its health insurance business, Westfund considers alignment to the profitability target in its Product Pricing Policy and the ICAAP Summary Statement. While technical pricing/premium setting is based on a decision made at that particular time and driven by market forces and strategic business decisions, risk adjustment at each reporting date should be based on currently available information. The confidence levels of the LIC and LFRC risk adjustments can differ, as they should be a reflection of the compensation that Westfund requires for bearing the uncertainty of the amount and timing of cash flows that arise from non-financial risk that is relevant to the different liabilities. Westfund has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile (2024: 75th percentile).

Risk equalisation

Under the provisions of the Private Health Insurance Act 2007, all eligible registered health insurers must participate in the Risk Equalisation Trust Fund (RETF). The quarterly risk equalisation scheme transfers risk between private health insurers within each Risk Equalisation jurisdiction (State or Territory). Private health insurers that have paid 'eligible benefits' at a rate per single equivalent unit (SEU) less than average, pay into the RETF for that jurisdiction, while private health insurers that have paid 'eligible benefits' at a rate per SEU more than the average paid in the Risk Equalisation jurisdiction receive payment from the RETF.

The amounts payable to and receivable from the RETF are determined by APRA after the end of each quarter. Estimated provisions for amounts payable and income receivable are provided for periods where determinations have not been made and are recognised in the Liabilities on Incurred Claims within Insurance Contract Liabilities on an accrual basis.

Medicare rebate

The Australian Government provides a rebate in respect of the premiums paid for private health insurance. The rebate is based on a sliding scale dependent on policyholders' age and income. When premiums received from policyholders are net of the rebate, registered health insurers receive the rebate directly from the Government. The rebate is recognised in profit or loss as premium revenue. Rebates due from the Government but not received at balance date are recognised as expected cash flows within the LFRC.

Revenue recognition and measurement

Revenue is measured at the amount of consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Insurance revenue

Insurance revenue comprises the amount of expected premium receipts from policyholders, inclusive of the government rebate allocated to the period. Westfund allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time.

For the periods presented, all revenue has been recognised on the basis of the passage of time.

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, Westfund identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Dental and eyecare centres revenue

Revenue from contracts with customers are generated predominantly from the provision of services in the dental and eyecare centres. Dental and eyecare centre revenue is recognised as the services are provided to the customers.

Rental income

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period earned.

Other revenue

Other revenue is recognised at the point-in-time when it is received or when the right to receive payment is established.

Interest

Interest income from financial assets at fair value through profit or loss is accounted for on a contractual rate basis and recognised as interest income as it is earned in the statement of profit or loss and other comprehensive income.

Movement in insurance contract liabilities for incurred claims

Movement in insurance contract liabilities for incurred claims show changes in expected cash flows for insured events that have occurred and release of the risk adjustment.

Loss component

To identify potentially onerous contracts, Westfund has considered information reviewed by senior management in monitoring financial performance. Westfund assumes that no insurance contracts measured under the PAA are onerous at initial recognition. Where facts and circumstances are identified that may indicate an onerous contract exists, detailed testing is performed.

Westfund recognises losses on onerous contracts by establishing a loss component, valued as the excess of the estimated fulfilment cash flows that relate to the remaining coverage of the group of contracts over the carrying amount of the LFRC. In subsequent periods, the loss component is reassessed, and any movements are recognised within the statement of profit or loss and other comprehensive income.

Insurance acquisition expenses

Insurance acquisition expenses arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

For groups of contracts that are eligible to apply the simplified PAA and have a coverage period of one year or less, AASB 17 provides an option to recognise any insurance acquisition costs as expenses when incurred.

For groups of contracts with a coverage period of one year or less, acquisition costs are expensed as incurred.

Where insurance acquisition costs have been paid or incurred before the related group of insurance contracts is recognised in the statement of financial position, a separate asset for insurance acquisition cash flows is recognised for each related group. The asset for insurance acquisition cash flow is derecognised from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

Notes to the financial statements

30 June 2025

Note 3. Summary of material accounting policy information (continued)

Insurance services expenses

Westfund classifies the majority of expenses incurred within insurance service expenses, except for those not directly attributable to insurance contracts.

Income tax

Westfund is a private health insurer within the meaning of the Private Health Insurance Act 2007 and is exempt from income tax assessment under section 50-30 of the Income Tax Assessment Act 1997.

Cash and cash equivalents

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

Inventories

Inventories are stated at the lower of cost and net realisable value on a 'first in first out' basis. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Investments and other financial assets

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

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

Financial assets at amortised cost

A financial asset is measured at amortised cost, using the effective interest rate method, only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest. Gains or losses are recognised in profit or loss when the asset is derecognised or impaired.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit or loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at fair value through profit or loss. Assets are measured at fair value with gains or losses recognised in profit or loss. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists.

Investment properties

Investment properties are principally comprised of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by Westfund.

Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly in profit or loss.

Investment properties are derecognised when disposed of or when there is not future economic benefit expected.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use. The fair value on the date of change of use from investment properties to property, plant and equipment is used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on the date of change of use.

Property, plant and equipment

Land, building structures and improvements are measured at fair value, based on valuations completed annually by external independent valuers, less subsequent depreciation and impairment. The valuations are undertaken more frequently if there is evidence of a material change in the fair value relative to the carrying amount. At the date of revaluation, accumulated depreciation is reversed such that 'cost' for the revalued asset is equal to its valuation. Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity. Any revaluation decrements are initially recognised in other comprehensive income and accumulated in the asset revaluation reserve to the extent of any previous revaluation surplus of the same asset. Thereafter decrements are recognised in profit or loss, however any subsequent increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same class of asset previously recognised in profit or loss.

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

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

Building structures and improvements	7-40 years
Leasehold improvements	over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter
Plant and equipment	3-7 years
Motor vehicles	5 years

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to Westfund. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any asset revaluation reserve surplus relating to the item disposed of is transferred directly to retained surplus.

Notes to the financial statements

30 June 2025

Note 3. Summary of material accounting policy information (continued)

Right-of-use assets

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

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

Westfund 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. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Finite life intangible assets are measured at cost less amortisation and any impairment. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.

Computer software

Significant costs associated with the purchase or internal development of computer software are deferred and amortised on a straight-line basis over their expected finite useful life of three years.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not generate independent cash inflows are grouped together to form a cash-generating unit.

Trade and other payables

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

Lease liabilities

At the commencement date of the lease, Westfund recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by Westfund and payments of penalties for terminating the lease, if the lease term reflects Westfund exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, Westfund uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Westfund applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low value assets are recognised as expenses on a straight-line basis over the lease term.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to Westfund'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. Westfund reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Provisions

Provisions are recognised when Westfund has a present (legal or constructive) obligation as a result of a past event, it is probable Westfund will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Employee benefits

Employee benefits provision

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

Short-term employee benefits

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

Other long-term employee benefits

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

Defined contribution superannuation expense

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

Notes to the financial statements

30 June 2025

Note 3. Summary of material accounting policy information (continued)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and assumes that the transaction will take place either in the principal market or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques used to measure fair value are those that are appropriate in the circumstances, and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

For quoted investments, fair value is determined based on current bid price. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Goods and Services Tax (GST) and other similar taxes

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

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the relevant accounting policies. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the following notes:

- 18 Insurance contract liabilities
- 17 Provisions
- 16 Lease liabilities
- 14 Intangibles
- 12 Investment properties
- 11 Property, plant and equipment

Note 5. New accounting standards not yet effective

A number of new accounting standards and amendments have been issued but are not yet effective, none of which have been early adopted by Westfund in this financial report. Among these is AASB 18 Presentation and Disclosure in Financial Statements (AASB 18), with the effective date of annual reporting periods on or after 1 January 2027. Management is still assessing the impact of AASB 18 on the financial report. Other than AASB 18, the new standards and amendments, when applied in future periods, are not expected to have a material impact on the financial statements of Westfund.

Notes to the financial statements

30 June 2025

Note 6. Expenses

	Directly attributable insurance expenses	Non insurance expenses	Total
Expenses by nature 30 June 2025 (\$'000)			
Claims expense	258,349	–	258,349
State levies	3,367	–	3,367
Employee costs	24,717	–	24,717
Commissions paid	1,484	–	1,484
Other underwriting expenses	13,147	–	13,147
Losses on onerous contracts and reversals of those losses	(2,027)	–	(2,027)
Risk equalisation recoveries	(12,665)	–	(12,665)
Computer software	683	–	683
Depreciation on building structures and improvements (note 11)	222	232	454
Depreciation on leasehold improvements (note 11)	634	164	798
Depreciation on plant and equipment (note 11)	–	920	920
Depreciation on motor vehicles (note 11)	–	241	241
Depreciation on right-of-use-assets (note 13)	–	997	997
Cost of goods sold	–	3,186	3,186
Dental and eye care wages and other expenses	–	4,502	4,502
Fund administration expenses	–	1,463	1,463
Total expenses by nature	287,912	11,704	299,616

Expenses by nature 30 June 2024 (\$'000)

Claims expense	243,657	–	243,657
State levies	3,396	–	3,396
Employee costs	21,477	–	21,477
Commissions paid	1,363	–	1,363
Other underwriting expenses	13,527	–	13,527
Losses on onerous contracts and reversals of those losses	5,812	–	5,812
Risk equalisation recoveries	(10,854)	–	(10,854)
Computer software	654	–	654
Depreciation on building structures and improvements (note 11)	225	253	478
Depreciation on leasehold improvements (note 11)	472	123	595
Depreciation on plant and equipment (note 11)	–	1,010	1,010
Depreciation on motor vehicles (note 11)	–	221	221
Depreciation on right-of-use-assets (note 13)	–	871	871
Cost of goods sold	–	2,909	2,909
Dental and eye care wages and other expenses	–	4,275	4,275
Fund administration expenses	–	1,558	1,558
Total expenses by nature	279,729	11,219	290,949

Note 7. Other income	2025 \$'000	2024 \$'000
Eye care centres revenue	4,017	3,244
Dental centres revenue	3,191	2,977
Rental Income	401	499
Reversal/(impairment) of impairment on land and buildings	368	327
Total other income	7,977	7,047

All revenue is recognised over time and generated in Australia.

Note 8. Financial assets at fair value through profit or loss	2025 \$'000	2024 \$'000
Managed funds	225,202	197,579
	225,202	197,579

Refer to note 21 for further information on financial instruments and insurance risks and note 22 for further information on fair value measurement.

Note 9. Financial assets at amortised cost	2025 \$'000	2024 \$'000
Bank deposits	42,009	41,715
	42,009	41,715

Refer to note 21 for further information on financial instruments and insurance risks.

Note 10. Other assets	2025 \$'000	2024 \$'000
Accrued interest on term deposits	243	326
Prepayments	2,062	1,524
Security deposits	247	247
Other receivables	24	26
	2,577	2,122

Notes to the financial statements

30 June 2025

Note 11. Property, plant and equipment	2025 \$'000	2024 \$'000
Non-current assets		
Land, building structures and improvements	13,280	12,878
Less: Accumulated depreciation	(3,037)	(2,583)
	10,243	10,294
Leasehold improvement	6,321	5,708
Less: Accumulated depreciation	(3,648)	(2,851)
	2,673	2,857
Plant and equipment	8,614	7,730
Less: Accumulated depreciation	(6,507)	(5,642)
	2,107	2,088
Motor vehicles	1,227	1,474
Less: Accumulated depreciation	(458)	(543)
	769	931
Capital – work in progress – at cost	1,828	424
	17,619	16,594

Reconciliations

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

	Land, building structures and improvements \$'000	Leasehold improvements \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Capital work in progress \$'000	Total \$'000
Balance at 1 July 2023	11,703	1,253	2057	645	720	16,378
Additions	103	2,199	1053	532	(297)	3,591
Disposals	(1,365)	–	(6)	(25)	–	(1,396)
Revaluation	327	–	–	–	–	327
Transfers	6	–	(6)	–	–	–
Depreciation expense	(478)	(595)	(1,010)	(221)	–	(2,304)
Balance at 30 June 2024	10,294	2,858	2088	931	424	16,594
Additions	35	614	941	209	1,404	3,202
Disposals	–	–	(5)	(129)	–	(134)
Revaluation	368	–	–	–	–	368
Transfers	–	–	2	–	–	2
Depreciation expense	(454)	(798)	(920)	(241)	–	(2,413)
Balance at 30 June 2025	10,243	2,673	2107	769	1,828	17,619

Note 12. Investment properties

2025	2024
\$'000	\$'000

Non-current assets

Investment properties – fair value	3,064	5,743
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Reconciliations

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	2025 \$'000	2024 \$'000
Opening fair value	5,743	6,332
Disposals	(3,095)	–
Revaluation	416	(589)
Closing fair value	3,064	5,743

Valuations of investment properties

Refer to note 22 for details on the fair value of investment properties.

Rental income and expenses

Rental income amounts to \$401,000 (2024: \$499,000) were included within other revenue, as detailed in note 7.

Direct lessor property expenses of \$71,000 (2024: \$112,000) payable by the lessor were reported within other expenses, of which \$nil (2024: \$nil) was incurred on vacant properties that did not generate rental income.

Lessor entitlements	2025 \$'000	2024 \$'000
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Minimum lease commitments receivable
but not recognised in the financial statements:

1 year or less	127	450
Between 1 and 2 years	357	1,230
	484	1,679

Notes to the financial statements

30 June 2025

Note 13. Right-of-use assets	2025 \$'000	2024 \$'000
Non-current assets		
Land and buildings - right-of-use	10,736	10,387
Less: Accumulated depreciation	(4,488)	(3,491)
	6,248	6,896

The company leases premises for the operation of health care centres, under agreements of between one to seven years with options to extend in some cases. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

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

	Land and buildings \$'000
Balance at 30 June 2023	4,942
Additions	2,843
Remeasurement	(16)
Depreciation expense	(871)
Balance at June 2024	6,896
Additions	401
Remeasurement	(52)
Depreciation expense	(997)
Balance at 30 June 2025	6,248

For other lease related disclosures, refer to the following:

- note 16 for details of lease liabilities at the beginning and end of the reporting period;
- note 21 for the maturity analysis of lease liabilities; and
- statement of cash flows for repayment of lease liabilities.

Note 14. Intangibles	2025 \$'000	2024 \$'000
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Non-current assets

Computer software – at cost	7,264	5,631
Less: Accumulated amortisation	(5,616)	(4,932)
	1,648	699

Reconciliations

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

	Computer software \$'000
Balance at 30 June 2023	951
Additions	401
Disposals	–
Amortisation expense	(654)
Balance at 30 June 2024	699
Additions	1,633
Disposals	–
Amortisation expense	(684)
Balance at 30 June 2025	1,648

Note 15. Trade and other payables	2025 \$'000	2024 \$'000
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Trade payables	120	154
Accrued expenses	1,436	2,113
	1,556	2,267

Notes to the financial statements

30 June 2025

Note 16. Lease liabilities	2025	2024
	\$'000	\$'000

Current liabilities

Lease liability	851	670
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Non-current liabilities

Lease liability	5,993	6,679
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Reconciliations

Reconciliations of the changes in liabilities arising from financing activities at the beginning and end of the current and previous financial year are set out below:

	Lease liabilities
	\$'000
Balance at 1 July 2024	7,349
Interest accretion	(1,072)
Interest payment	221
Adjustment	(56)
Acquisitions of leases (note 13)	401
Balance at 30 June 2025	6,844

Refer to note 21 for the maturity analysis of lease liabilities.

Note 17. Provisions	2025 \$'000	2024 \$'000
Lease make good	101	101
	101	101

Movements in provisions

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

2025	Lease \$'000
Carrying amount at the start of the year	101
Carrying amount at the end of the year	101

Lease make good

The provision represents the present value of the estimated costs to make good the premises leased by the company at the end of the respective lease terms.

Notes to the financial statements

30 June 2025

Note 18. Insurance contract liabilities

	2025 \$'000	2024 \$'000
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Insurance contract liabilities

Health Insurance	54,378	56,704
Total insurance contract liabilities	54,378	56,704

2025	Liabilities for remaining coverage		Liabilities for incurred claims		Total \$'000
	Excluding loss component \$'000	Loss Component \$'000	Est of PV of future cash \$'000	Risk adjustment for non-financial risk \$'000	
Insurance contract liabilities as at 1 July	26,111	9,947	18,827	1,819	56,704
Insurance revenue	(299,803)	-	-	-	(299,803)
Insurance service expenses					
Direct claim expenses	-	(9,947)	298,316	(402)	287,967
State ambulance levies	-	-	3,367	-	3,367
Health benefits risk equalisation special account levy	-	-	(12,665)	-	(12,665)
Changes to liabilities for incurred claims	-	-	(708)	275	(433)
Losses on onerous contracts and reversals to those losses	-	7,920	-	-	7,920
Other underwriting expenses	-	-	1,756	-	1,756
Insurance service result	(299,803)	(2,027)	290,066	(127)	(11,891)
Total changes in the statement of comprehensive income					
Cash flows					
Premiums received	301,102	-	-	-	301,102
Claims and levies paid	-	-	(247,025)	-	(247,025)
Other insurance service expenses	(102)	-	(44,410)	-	(44,512)
Total cash flows	301,000	-	(291,435)	-	9,565
Net insurance contract liabilities as at 30 June	27,309	7,920	17,458	1,692	54,378

2024	Liabilities for remaining coverage		Liabilities for incurred claims		Total \$'000
	Excluding loss component \$'000	Loss Component \$'000	Est of PV of future cash \$'000	Risk adjustment for non-financial risk \$'000	
Insurance contract liabilities as at 1 July	25,544	4,135	19,750	2,462	51,891
Insurance revenue	(287,294)	-	-	-	(287,294)
Insurance service expenses					
Direct claim expenses	-	(4,135)	283,072	(357)	278,580
State ambulance levies	-	-	3,396	-	3,396
Health benefits risk equalisation special account levy	-	-	(10,854)	-	(10,854)
Changes to liabilities for incurred claims	-	-	(2,521)	(285)	(2,807)
Losses on onerous contracts and reversals to those losses	-	9,947	-	-	9,947
Other underwriting expenses	-	-	1,467	-	1,467
Insurance service result	(287,294)	5,812	274,561	(643)	(7,564)
Total changes in the statement of comprehensive income					
Cash flows					
Premiums received	287,718	-	-	-	287,718
Claims and levies paid	-	-	(242,011)	-	(242,011)
Other insurance service expenses	144	-	(33,472)	-	(33,329)
Total cash flows	287,861	-	(275,483)	-	12,378
Net insurance contract liabilities as at 30 June	26,111	9,947	18,827	1,819	56,704

Note 19. Actuarial assumptions and methods

Liabilities for incurred claims

In calculating the provision for unpaid claims, two methods are used. For recent service months, the Bornhuetter-Ferguson method progressively blends payment experience and prior forecasts of incurred costs. For other months, a chain ladder method is used. This assumes that the notification pattern of the current claims will be consistent with historical experience.

Actuarial assumptions - LIC

The following assumptions have been made in determining the liabilities for incurred claims:

	2025 Hospital %	2025 Medical %	2025 General treatment %	2024 Hospital %	2024 Medical %	2024 General treatment %
Assumed portion paid to date	89.87%	90.06%	97.61%	89.11%	89.83%	97.63%
Expense rate	1.15%	1.15%	1.15%	1.25%	1.25%	1.25%
Risk equalisation rate	(6.00%)	(6.00%)	(6.00%)	(6.00%)	(6.00%)	(6.00%)
Risk adjustment	8.50%	8.50%	8.50%	9.00%	9.00%	9.00%

The risk adjustment of 8.5% (2024: 9%) of the underlying liability has been estimated to equate to a probability of adequacy of approximately 75% (2024: 75%).

Notes to the financial statements

30 June 2025

Process used to determine assumptions – LIC

A description of the processes used to determine these assumptions is provided below:

Factor

Chain ladder development factors	Chain ladder development factors were selected based on observations of historical claim payment experience. Particular attention was given to the development of the most recent 12 months. An increase/decrease would lead to a higher/lower projection of the ultimate liability and a corresponding increase/decrease in claims expense respectively.
Bornhuetter-Ferguson unpaid factors	Bornhuetter-Ferguson unpaid factors were selected based on historical patterns of payment (by notification) to ultimate incurred claims. Essentially, the proportion of ultimate incurred claims to be paid by notification month is selected based on observations from the historical notification. The “unpaid proportion” is then multiplied by a prior forecast of incurred claims for each service month to determine the estimate. An increase/decrease would lead to a higher/lower projection of the ultimate liability and a corresponding increase/decrease in claims expense respectively.
Discount rate	As insurance claims for Westfund are generally settled within one year, no discounting of claims is usually applied as the difference between the undiscounted value of claims payments and the present value of claims payments is not likely to be material.
Expense rate	Claims handling expenses were calculated by reference to past experience of total claims handling costs as a percentage of total past payments. An increase/decrease in this expense rate would have a corresponding effect on the claims expense.
Risk equalisation allowance	Risk equalisation is a mechanism designed to help support community rating. Westfund has been a net recipient from the pool for the most recent financial years. This allowance represents the expected receipt from the pool in respect of the outstanding claims.
Risk adjustment	The risk adjustment has been based on an analysis of the past experience of Westfund. This analysis examined the volatility of past payments that has not been explained by the model adopted to determine the central estimate. This past volatility has been assumed to be indicative of the future volatility and has been set at a level estimated to equate to a probability of adequacy of 75% (2024: 75%). An increase/decrease in the risk adjustment would have a corresponding effect on the claims expense.

Sensitivity analysis – insurance contracts

Westfund conducts sensitivity analysis to quantify the exposure to risk of changes in the key underlying variables as disclosed above. The movement in any key variable will impact the performance and equity of Westfund, as outlined in the table below:

Impact on key variables

Key Variables	Movement in variable %	2025 Adjustments on surplus/ (deficit) and equity \$'000	2024 Adjustments on surplus/ (deficit) and equity \$'000
Chain ladder development	10.0%	(931)	(821)
	(10.0%)	668	832
Bornhuetter-Ferguson unpaid	10.0%	(2,071)	(2,064)
	(10.0%)	2,071	2,064
Expense rate	1.0%	(207)	(218)
	(1.0%)	207	218
Risk equalisation	1.0%	193	204
	(1.0%)	(193)	(204)
Risk adjustment	1.0%	(69)	(132)
	(1.0%)	69	132

Notes to the financial statements

30 June 2025

Note 20. Capital management

Westfund operates in the private health insurance industry and is subject to prudential capital regulations determined in accordance with the capital adequacy standard which are out by APRA.

APRA Prudential Standard HPS 110 'Capital Adequacy'

Each health benefits fund needs to satisfy APRA Prudential Standards HPS110 (Capital Adequacy) under the Private Health Insurance (Prudential Supervision) Act 2015, and in the interests of policyholders of the Fund. Westfund's compliance with the capital adequacy standard is an indication of its future strength as a going concern.

Each private health insurer must have and comply with, a written, Board endorsed ICAAP (Internal Capital Adequacy Assessment Process) summary statement, which as a key component must include an ICAAP plan. Westfund's ICAAP contains:

- a description of the Board's risk appetite as it relates to capital needs and the process used to determine that appetite;
- target capital levels which have regard to access to capital and the impact on premiums of holding more or less capital than the amount determined;
- details of how the capital target is calculated; and
- clearly defined capital trigger points and corrective actions for each of the trigger points which specifies the actions and timeframes for those actions, that Westfund may utilise to return capital to the target levels.

The Board's policy is to maintain a strong capital base and to hold capital in accordance with the Westfund's ICAAP summary statement. At the end of the reporting period, Westfund had capital well in excess of the minimum statutory requirements and slightly above the target capital range endorsed by the Board in the ICAAP.

The Board reviews the ICAAP summary statement on an annual basis.

Capital standards

The intention of the capital standard is to ensure that each health benefits fund of a private health insurer has sufficient, appropriate assets available to be able to demonstrate that it will be able to meet future policyholder and creditor obligations under a range of adverse experience outcomes.

As part of liquidity management to manage its liquidity risk, Westfund holds cash amounts at levels defined in the Westfund Investment Policy.

In compliance with APRA HPS 110 Capital Adequacy requirements that became effective on 1 July 2023, in order to improve the understanding of its capital adequacy position, Westfund publishes the following information in regards to its health benefits fund. Westfund does not have a general fund in relation to its private health insurance.

	Health Benefits Fund	
	2025	2024
Determination of capital base	\$'000	\$'000
Amount of Common Equity Tier 1 Capital	240,146	211,774
Aggregate amount of regulatory adjustments applied in the calculation of Common Equity Tier 1 Capital	5,621	5,553
Amount of Additional Tier 1 Capital	-	-
Aggregate amount of regulatory adjustments applied in the calculation of Additional Tier 1 Capital	-	-
Amount of Tier 2 Capital	-	-
Aggregate amount of regulatory adjustments applied in the calculation of Tier 2 capital	-	-
Total capital base	240,146	211,774
Prescribed capital amount	71,295	63,702
Capital adequacy multiple	3.37	3.32

	Health Benefits Fund	
	2025	2024
Prescribed capital amount	\$'000	\$'000
Insurance Risk Charge	36,715	34,431
Asset Risk Charge	47,153	40,239
Asset Concentration Risk Charge	-	-
Operational Risk Charge	5,996	5,746
Aggregation benefit	18,570	16,714
Tax benefits	-	-
Prescribed capital amount	71,295	63,702

Westfund fully met both its capital and solvency requirements at all times over the past 12 months.

Notes to the financial statements

30 June 2025

Note 21. Financial instruments and insurance risks

Financial risk management objectives

Westfund's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk and insurance risk. Westfund's overall strategy seeks to assist the company in meeting its financial targets, while minimising potential adverse effects on financial performance.

The Audit Committee and Risk and Compliance Committee have been delegated responsibility by the Board for, amongst other issues, monitoring and managing financial risk exposures of Westfund. An investment policy has been developed by the Board and is subject to regular review.

Market risk

Price risk

The following table illustrates sensitivities of Westfund's exposure to changes in equity prices. The table indicates the impact on how profit or loss and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Average price increase			Average price increase		
		Impact on net result for the year	Impact on equity		Impact on net result for the year	Impact on equity
2025	% change			% change		
Price movement	5%	3,359	3,359	(5%)	(3,359)	(3,359)

2024

Price movement	5%	3,024	3,024	(5%)	(3,024)	(3,024)
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Interest rate risk

Westfund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose Westfund to volatility in fair value measurement. Westfund's interest-bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. However, Westfund's insurance contracts do not carry significant interest rate risk.

At the reporting date, Westfund had the following financial assets with variable interest rates that were exposed to interest rate risk:

	2025 \$'000	2024 \$'000
Cash at bank	1,407	984
Financial assets at amortised cost (excluding term deposits)	30,755	33,602
Financial assets at fair value through profit or loss	225,202	197,579
Net exposure to interest rate risk	257,363	232,165

An official increase/decrease in interest rates of 50 (2024: 50) basis points would have a favourable/adverse effect on surplus before tax and retained surpluses of \$1,287,000 (2024: \$1,161,000) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts' forecasts.

Investment asset

The target asset allocation for the investment portfolio is 25% +/- 5% (2024: 27.5% +/- 5%) growth assets, with the balance in defensive assets.

The target allocation limit is:

Allocation type	Asset	Target allocation %	Minimum allocation %	Maximum allocation %
Defensive	Cash	5.00	3.00	30.00
	Fixed Interest	70.00	65.00	75.00
Growth	Australian equities	13.00	6.25	18.00
	International equities	12.00	6.25	17.00

The investment allocation at the end of the reporting period was:

Allocation type	Asset	2025 \$'000	2025 %	2025 \$'000	2025 %
Defensive	Cash	–	–	–	–
	Fixed Interest	158,026	70	137,100	70
Growth	Australian equities	32,370	14	28,321	14
	International equities	34,806	16	32,157	16
Total		225,202	100	197,579	100

Acceptable investments include:

Term deposits

Funds invested with a financial institution at a predetermined rate that applies to the duration of the deposit. The principal is held on deposit for a fixed term with interest payable at maturity. It is not a tradeable security and the investor is penalised when funds are prepaid.

Bank bills

Bank-accepted bills are bills of exchange drawn by a company or individual (borrower) usually for periods between 30 and 180 days. The bill is accepted by the bank, which in turn accepts the liability for payment at maturity. It is a short-term investment issued at a discount to the face value and is of a very high credit standing and consequently trades at the lowest yields of all commercially issued bills.

Negotiable Certificate of Deposit (NCD)

Short-term bearer securities issued by banks for up to 180 days. They are sold at a discount to face value and are highly liquid discount securities, representing the bank's debt and therefore trade at similar yields to bank bills. Creditworthiness of the bank will determine where the bank's NCD trades, relative to the Bank Bill Swap Rate (BBSW).

Notes to the financial statements

30 June 2025

Note 21. Financial instruments and insurance risks (continued)

Floating Rate Note (FRN)

The FRN is a longer-term security issued for a fixed period of time but has a variable (floating) coupon on a monthly or quarterly basis. The coupon reflects current interest rates, which is determined as a margin over the BBSW rate set. FRNs appeal to investors who are reluctant to commit funds to fixed interest investments for longer periods in times of fluctuating interest rates. Typical issuers are banks, corporations, financial institutions, and securitised vehicles.

Commonwealth and Semi Government bonds

Securities issued by the Federal or State Governments that typically pay a fixed rate of interest (coupon) and mature at a fixed point in time. The interest (coupon) is paid at regular intervals (semi-annually, but can be paid monthly, quarterly, or annually). These securities are generally issued for a period of greater than one year.

Sector specific pooled managed funds

These funds invest in one particular asset sector. By way of example Westfund's existing pooled managed fund, that being the UBS Australian Bond Fund, only invests in Australian fixed interest securities, with the aim of outperforming the Bloomberg AusBond Composite Bond Index over the medium term. The investment can be generally redeemed in T+5 business days. Another example is an Australian or international share focused fund which has a longer term investment horizon bias due to its exposure to share assets. The investment can be generally redeemed in T+5 business days.

Diversified pooled managed funds

These funds invest in a pre-determined range of asset classes including cash, fixed interest, property, and Australian and international shares. The weighting among the various asset classes will differ depending upon the type of diversified fund chosen, for example conservative funds have a higher weighting in cash and fixed interest than balanced funds which have higher weightings in growth assets such as property and shares.

In addition to the investment reserve, Westfund also internally manages a portfolio of cash at call and term deposits. The value of this portfolio at the end of the reporting period was:

Asset	2025 \$'000	2024 \$'000
Financial asset at amortised cost – cash at call	30,755	33,602
Financial asset at amortised cost – term deposits	11,254	8,113
Total	42,009	41,715

Whilst these products aim to limit the amount of capital loss, they can also limit the amount of return that investors can obtain if the investments appreciate. This compromise is how the offering institutions can afford to guarantee the principal investment.

At the end of the reporting period the maximum amount held with one financial institution was \$22,900,000 (2024: \$26,086,000). Given the conservative nature of the portfolio, Westfund expects all counterparties to meet their obligations.

Capital Guaranteed Investments

A capital guaranteed investment is an investment product which includes a guarantee by a financial institution that an investor will receive back a pre-agreed amount of capital back if the product is held to maturity.

Whilst these products aim to limit the amount of capital loss, they can also limit the amount of return that investors can obtain if the investments appreciate. This compromise is how the offering institutions can afford to guarantee the principal investment.

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. Westfund is exposed to liquidity risk via daily calls on cash resources for benefit payments for claims. To mitigate liquidity risk, Westfund follows comprehensive policies and procedures. This includes investment policy that outlines risk assessment, determination, and mitigation strategies.

Westfund maintains a level of cash in its trading account to manage liquidity. Liquidity risk is further controlled through investments in term deposits which are readily convertible to cash. Compliance is monitored closely, with any deviations promptly reported to the Risk and Compliance Committee. Regular reviews ensure alignment with evolving risk landscapes. Additionally, Westfund continuously monitors actual and forecast cash flows and matches the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The tables below illustrate the remaining contractual maturities for Westfund's financial instrument liabilities and the estimated future cash outflows for insurance contract liabilities

	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
2025					

Non-derivatives

Non-interest bearing

Trade payables	120	-	-	-	120
Liabilities for incurred claims	19,150	-	-	-	19,150

Interest-bearing – fixed rate

Lease liability	1,121	1,293	3,114	7,801	13,328
Total non-derivatives	20,391	1,293	3,114	7,801	32,599

	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
2024					

Non-derivatives

Non-interest bearing

Trade payables	154	-	-	-	154
Liabilities for incurred claims	20,646	-	-	-	20,646

Interest-bearing – fixed rate

Lease liability	1,124	1,186	2,809	7,858	12,977
Total non-derivatives	21,924	1,186	2,809	7,858	33,777

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Notes to the financial statements

30 June 2025

Note 21. Financial instruments and insurance risks (continued)

Westfund also evaluates specific liquidity challenges associated with settling insurance obligations. This includes ensuring adherence to AASB 17 requirements, which involve robust disclosures regarding the maturity profiles of insurance contract liabilities. Westfund provides a detailed analysis of the maturity profile of the liability for incurred claims in the table above. This analysis aids stakeholders in understanding the timing and magnitude of expected cash outflows related to insurance liabilities.

The table below sets out the key variables upon which the cash flows of the insurance contracts are dependent;

Type of cover	Details of cover	Nature of claims	Key variables affecting cash flows
Hospital cover	Defined benefits paid for hospital treatment, including accommodation, medical and prostheses costs.	Hospital benefits defined by the insurance contract.	Claims incidence and claims inflation.
Extras cover	Defined benefits paid for ancillary treatment, such as dental, optical, physiotherapy and chiropractic services.	Extras benefits defined by the insurance contract.	Claims incidence and claims inflation.

The provision of private health insurance in Australia is governed by the Private Health Insurance Act 2007 and shaped by a number of regulatory factors. These factors include:

- (a) the principle of community rating. This principle prevents private health insurers from discriminating between people on the basis of their health status, age, race, sex, sexuality, the frequency that a person needs treatment, or claims history;
- (b) risk equalisation which supports the principle of community rating. Private health insurance averages out the cost of hospital treatment across the industry. The risk equalisation scheme transfers money from private health insurers with younger healthier members with lower average claims payments to those insurers with an older and less healthy membership and which have higher average claims payments;
- (c) the Private Health Insurance Act 2007 limits the types of treatments that private health insurers are able to offer as part of their health insurance business; and
- (d) premiums for health insurance can only be changed with the approval of the Minister for Health and Ageing.

Insurance risk

Insurance risk is the risk of fluctuations in the timing, frequency and severity of claim settlements relative to expectations.

Westfund provides private health insurance products including hospital cover and extras cover, as standalone products or packaged products that combine the two. These services are categorised as two types of contracts: hospital and/or extras covers.

Insurance risks are managed through the following:

Claims management – Strict claims management ensures the timely and correct payment of claims in accordance with policy conditions and provider contracts. Claims are regularly monitored and tracked.

Experience monitoring – Regular financial and operational results, including investment returns and capital requirements, are reported to the Audit Committee and the Risk and Compliance Committee, and the Board. Results are also monitored against the industry for insurance risks and experience trends as published by APRA.

Ability to vary premium rates – Westfund can vary future premium rates subject to (d) above.

Risk equalisation – Private health insurance legislation requires private health insurance contracts to meet community rating requirements, as detailed in (a) above. To support these restrictions, all private health insurers must participate in the Risk Equalisation Trust Fund.

Note 22. Fair value measurement

Fair value hierarchy

The following tables detail Westfund's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables, financial assets and trade and other payables are assumed to approximate their fair values due to their short-term nature.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2025				
Managed funds	-	225,202	-	225,202
Land and buildings	-	-	10,243	10,243
Investment properties	-	-	3,064	3,064
Total assets	-	225,202	13,307	238,509

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2024				
Managed funds	-	197,579	-	197,579
Land and buildings	-	-	10,294	10,294
Investment properties	-	-	5,744	5,744
Total assets	-	197,579	16,038	213,617

Valuation techniques for fair value measurements categorised within level 2 and level 3

1. All land and buildings including, investment properties, were independently valued by Herron Todd White Ltd in June 2025. The valuation was performed using the discounted cash flows (DCF) method.

The level 3 assets and liabilities unobservable inputs and sensitivities are as follows:

Description	Significant unobservable inputs	Range (weighted average)	Sensitivity
Land and buildings	Rental yield	7.5% (2024: 7.5%)	0.75% change would increase/(decrease) fair value by \$845,000/(\$691,000)
	Discount rate	6.25% (2024: 6.25%)	0.5% change would increase/(decrease) fair value by \$691,000/(\$589,000)
Investment properties	Rental yield	7.5% (2024: 7.5%)	0.75% change would increase/(decrease) fair value by \$253,000/(\$207,000)
	Discount rate	6.25% (2024: 6.25%)	0.5% change would increase/(decrease) fair value by \$207,000/(\$176,000)

Notes to the financial statements

30 June 2025

Note 22. Fair value measurement (continued)

Using the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross

income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long-term vacancy rate.

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Ernst & Young, the auditor of Westfund, and unrelated firms:

	2025 \$	2024 \$
Audit services – Grant Thornton		
Other assurance related services	–	1,805
Total Grant Thornton	–	1,805
Audit services – Ernst & Young		
Audit or review of the financial statements	126,495	155,613
Other audit and review – Ernst & Young		
Audit of APRA returns	41,138	39,940
Other assurance related services	15,760	11,660
	56,898	51,600
Total Ernst & Young	183,393	207,213
Total remuneration of auditors	183,393	209,018

Note 24. Contingent liabilities and commitments

Westfund has given bank guarantees as at 30 June 2025 of \$350,000 (2024: \$282,000) to various landlords.

Westfund has no contingent liabilities as at 30 June 2025 and 30 June 2024.

Note 25. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 26.

Transactions with related parties

Directors and key management personnel may hold insurance policies with Westfund.

Receivable from and payable to related parties

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

Loans to/from related parties

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

Notes to the financial statements

30 June 2025

Note 26. Key management personnel disclosures

Compensation

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

	2025 \$	2024 \$
Short-term employee benefits	3,724,899	3,077,339
Superannuation	406,057	335,792
	4,130,956	3,413,131

Note 27. Reconciliation of surplus after income tax to net cash from operating activities

	2025 \$'000	2024 \$'000
Surplus after income tax expense for the year	30,217	16,706
Adjustments for:		
Depreciation and amortisation	4,094	3,829
Impairment/(reversal of impairment) of property, plant and equipment	(368)	(327)
Changes in value of investment properties through profit or loss	(202)	588
(Gain)/loss on the revaluation of financial instruments at fair value through profit or loss	(12,985)	(5,628)
(Gain)/loss on sale of other assets	(118)	–
Interest income	(9,083)	(8,502)
Change in operating assets and liabilities:		
Increase in other assets	(537)	(23)
Decrease/(increase) in inventories	(13)	(41)
Increase in insurance contract liabilities	(2,326)	4,813
Decrease in trade and other payables	(712)	865
Increase in employee benefits	779	434
Increase/(decrease) in other provisions	–	(6,089)
Net cash from operating activities	8,747	6,626

Note 28. Events after the reporting period

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

Consolidated entity disclosure statement

30 June 2025

67

Disclosure of subsidiaries and their country of tax residency, as required by the *Corporations Act 2001*, does not apply to the Company as the Company is not required by accounting standards to prepare consolidated financial statements.

Directors' declaration

30 June 2025

In the directors' opinion:

- the financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the financial statements and notes give a true and fair view of Westfund's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that Westfund will be able to pay its debts as and when they become due and payable.
- the consolidated entity disclosure statement required by section 295 (3A) of the Corporations Act is true and correct.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Graeme Osborne
Chair



Noeline Woof
Director

23rd September 2025
Lithgow

Independent auditor's report to the members of Westfund Limited

Opinion

We have audited the financial report of Westfund Limited (the 'Company'), which comprises:

- ▶ The statement of financial position as at 30 June 2025
- ▶ The statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended;
- ▶ Notes to the financial statements, including material accounting policy information;
- ▶ The consolidated entity disclosure statement; and
- ▶ The directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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 that 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 of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- ▶ The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ▶ The consolidated entity disclosure statement that is true and correct and is free of 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 relating 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 responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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.



**Shape the future
with confidence**

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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 Company 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.

A handwritten signature in dark ink, appearing to read 'Ernst & Young'.

Ernst & Young

A handwritten signature in dark ink, appearing to read 'Jason Bain'.

Jason Bain
Partner
Sydney
23 September 2025

We're more than a health fund. We're a not-for-profit organisation building a new kind of healthcare for collective good.

● westfund.com.au

By investing in making communities healthier, by expanding access to affordable healthcare for members and by bringing out the best in our people, we're helping Australians to feel good while making a positive social impact.

