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

westfund

Annual Report
2025-2026

Report from the Chair

Achieving success on behalf of our members

I am extremely pleased to present the Chair's Report for the 2025/26 financial year. This has been a challenging year, with several events impacting our members, the communities we serve, and the entire Westfund family. Cost-of-living pressures have remained significant, ongoing instability in the Middle East, the closure of the Great Western Highway, and Federal Government initiated changes to the rebate soon to be affecting our senior members, have all added to a sense of uncertainty. It is understandable, that against this backdrop, many people are feeling uneasy.

Despite this environment, Westfund is built upon extremely strong foundations, and we are well placed to continue looking after our members in the way you have become accustomed to and rightly expect. Australia's health system, particularly in regional and remote communities continues to experience challenges in accessing timely services. The out-of-pocket costs that we have little or no influence over are also increasing, especially for specialists' services. Westfund continues to work on addressing these matters where possible through initiatives such as providing free "Doctors on Demand" consultations, waiving the same day surgery excess fee to assist members get the hospital services they need, and working with partners such as the Australian Skin Cancer Foundation (ASCF) and Marathon Health to provide programs at no additional cost to our members.

Member Givebacks and preventive health support initiatives

With cost-of-living pressures affecting so many households, delivering tangible value back to members has been a priority. Our member Giveback for Good Health program returned over $2 million in benefits to members during the first 6 months it was made available with direct support at a time when it is needed most.

We have also continued to invest in preventive health as a way of genuinely improving members' lives, not just managing their health insurance. Our ASCF skin cancer partnership has been out on the road across our regional communities, providing free skin checks, allowing early detection and in doing so, saving lives. Programs like the ASCF mobile skin clinic reflect what we believe our role as a member-owned fund should be: not just being there to assist when something goes wrong but actively helping prevent it happening in the first place.

Financial strength and providing member value

We have continued to provide support and greater member value through a range of initiatives over the past 12 months. This was made possible due to recording strong financial results over recent years, allowing us to return a significant proportion of our surplus to members to improve their health journey through early intervention and preventative health programs. We have also enhanced a range of the benefits we provide within our insurance products, including:

- $1.2 million investment to uplift our dental benefits, making the most commonly used oral care services more affordable.
- Increasing optical benefits with 100% back on tinting and coatings, with no sub-limits and the potential for no-gap optical claims.
- An additional $25 sunglass benefit for every member with eligible Extras cover. That means members now have $75, $100 or $125 in benefits to use when shopping for sunglasses at Westfund (in addition to your regular optical benefits).
- An expanded Health Management benefit that now includes Cancer Council UV-rated products, supporting members to protect their skin when out in the sun.
- Broadening access to mental health services, by adding registered counsellors and accredited mental health social workers to all our Extras products. This gives you more choice and support for your mental wellbeing.

Balancing face-to-face services and technology to assist members

Technology is playing a more substantial role in delivering services and is increasingly being the channel of choice for many members across the country. That's why we've continued to invest in enhancements to our Westfund Apps including Westfund+, our health and wellbeing App. These investments have made claiming simpler, allowed us to process claims quicker, and is helping connect members with health initiatives that can improve health outcomes for a range of conditions.

We also understand that many of our members continue to enjoy and rely upon the face-to-face services where it matters. We have made significant investments to strengthen our Care Centre network with a program of refurbishment and improvements that provide our members and staff with modern safe and professional facilities. We are also embarking on expanding our optical service reach, with Wollongong the latest Care Centre to now offer optical services.

Community Grants Program

Supporting the communities our members live in remains one of the most meaningful things we do as a Fund. This year our Community Grants Program provided $200,000 in funding, with three major $20,000 grants awarded to organisations doing vital work on the ground:

1. CommunityXchange – on behalf of Murray-Toola Damana Preschool – Mount Druitt

Murray-Toola Damana is a free Aboriginal and Torres Strait Islander preschool supporting children and families experiencing marginalisation in Mount Druitt. Many children arrive with unmet developmental needs and limited access to early intervention services, particularly in speech and language. This grant will fund increased access to a speech pathologist, delivering vital support within a trusted, culturally safe environment. This service will help children build communication skills early, reducing long-term barriers to learning, and ensuring they can thrive at school and beyond.

2. Country Hope – Dubbo

Country Hope supports children diagnosed with cancer or life-threatening illnesses and their families across regional NSW. The organisation provides practical, emotional, and financial assistance to reduce the burden of treatment. Families receive support with travel, accommodation, and everyday costs while maintaining stability during long treatment periods. This work improves quality of life and health outcomes while ensuring families can stay connected and supported throughout their journey.

Report from the Chair

3. The Tukka Foundation– Brisbane

Tukka Foundation engages young people through hands-on cooking and hospitality programs, building life skills, confidence, and pathways into employment. Programs also support the preparation and sharing of meals, helping address food access and nutritional challenges within communities. By combining food security with skills development, the model creates both immediate community benefit (meals, access) and long-term outcomes (employment, independence). This integrated approach connects social inclusion, wellbeing, and economic participation for young people at risk of disengagement.

The year ahead

In the current economic environment, we understand the financial pressures many of our members face and are focusing on doing all we can to cushion the impact the cost of private health insurance has on the family budget. We have been consistently well below the average premium increases over the past 5 years and have achieved this without reducing the value we provide our members. Our commitment to help improve members health outcomes and assist in making healthier communities remains unchanged, and our team are working on several initiatives that will be unveiled over the next 12 months to further support members health and wellbeing.

We also remain very focused on highlighting the challenges those living in regional and remote communities continue to experience in accessing health services. As our “Regional Health Gap Report” concluded, the inability to access health services in a timely manner leads to poorer health outcomes. Westfund is committed to playing a bigger role while also assisting our State and Federal Governments who have a responsibility in addressing these gaps as a matter of urgency.

Acknowledgements

Your Fund has achieved this success due to the trust and loyalty of our dedicated members along with the efforts of our wonderful team led by our Chief Executive Officer, Mark Genovese. I would like to personally thank you all and assure you that the trust you place in us is not taken for granted and drives us to keep improving the health outcomes of our 140,000 members.

I would also like to take this opportunity to thank my fellow Directors for their dedication to ensuring that we govern our Fund in a responsible, caring and sustainable manner so that future generations will have the opportunity to experience the benefits of what a member-owned, not-for-profit health fund can offer.

Graeme Osborne
Chair

Executive leadership team

The following persons were members of the executive leadership team:

Mark Genovese
Chief Executive Officer

Liz Casmiri
Chief Health Care Services Officer

Richard Ferchow
Chief Information Officer

Deng Gichuru
Chief Risk Officer and Company Secretary

Magdalena Herceg
Chief Operations Officer

Anna Maltabarow
Chief Customer Officer

Chris Phillips
Chief Finance Officer

Bill Sheffield
Chief People Officer

Positions held as at 30 June 2026.

Year in review
The Westfund difference

5,640
new members welcomed to the westfund community

1,050
members took out Ambulance cover

11.6
the average length of membership for hospital and combined cover is 11.6 years

4.7
rated 4.7/5 on Product Review

76.1
excellent net promoter score

92%
member retention rate

25,240
members' total visits to a provider from our Provider of Choice network

Figures as at 30 June 2026.

$277.8m

hospital and extras benefits paid to or on behalf of others

7.4%

higher than last year

640,290

dental, optical and ancillary visits

63,270

hospital admissions

17,660

medical specialist partners were visited by our members

89%

medical services covered in hospital and had no known gap

90%

of members made an extras claim

86,750

online claims paid

Year in review
The Westfund difference

$7 million*

going back to members through our Giveback for Good Health package – bringing members enhanced benefits and easier access to care in 2026

4,050+

members had their excess waived

$1.9m

in hospital excess costs for same-day surgeries waived to date, helping ease the pressure when they needed care most

$2.5m

invested to enhance every-day extras benefits including general dental and optical

120

members received a fully covered virtual GP consultation through our Doctors on Demand partnership^

^Launched on 1 January 2026, this valued partnership has been extended to run until the end of the year
*Estimated based on utilisation modelling
Figures as at 30 June 2026.

Supporting the health and wellbeing of our communities

Westfund+

10,000+

members have downloaded the Westfund+ app

2,200+

members completed a health risk assessment

350+

health checks have been completed

Year in review
The Westfund difference

Member support

77,760
calls and webchats taken by our Contact Centre team

5,090
hours spent speaking with members

Sales support

11,960
calls and webchats taken by our Sales team

1,820
hours spent speaking with potential members

Westfund Eye Care Centre

6,780
Westfund Eye Care Centre visits

83.4
world-class net promoter score

Westfund Dental Care Centre

9,660
Westfund Dental Care Centre visits

83.5
world-class net promoter score

Figures as at 30 June 2026.

Supporting the health and wellbeing of our communities

World-first mobile skin screening clinic

800+

members have had a free skin check with the Australian Skin Cancer Foundation

270+

members have had a possible skin cancer detected

18

active Health and Wellbeing programs

470

members participated in a Health and Wellbeing program

13

defibrillators donated to community organisations across NSW and Queensland

40+

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

$155,200

For a 67-year-old who required surgery for a bowel blockage, including removal of part of the small intestine.

Days in hospital

248

Benefit

$12,500

For a 23-year-old requiring surgery for a broken wrist after a motorcycle accident.

Days in hospital

18

Benefit

$88,600

For a baby born prematurely at 26 weeks gestation.

Days in hospital

194

when they need us most

Benefit

$178,700

For a 87-year-old treated for complications involving a heart pacemaker or similar implanted cardiac device.

Days in hospital

139

Benefit

$10,500

For a 35-year-old who required prolonged breathing support after developing aspiration pneumonia.

Days in hospital

15

Benefit

$144,700

For a 15-year-old who required spinal fusion surgery for scoliosis.

Days in hospital

11

Our communities in focus

Mudgee Care Centre team members celebrating International Women's Day.

Members of the Westfund team proudly represented Westfund Dental Care at the Western NSW Business Awards.

For Westfund, 2025–2026 financial year has been a year of purposeful action. Across New South Wales and Queensland, we have worked alongside our members, our partners and our communities to make quality healthcare more accessible. As a proud not-for-profit, member-owned health fund, we measure our success not by profit, but by the difference we make where it matters most.

This year, that difference took many forms. We invested in our people, refreshed the spaces our members rely on, deepened long-standing partnerships and introduced new programs to help close the gap in regional healthcare. Together, these efforts tell a single, clear story: Westfund is helping redesign access to care for our members.

We're proud of our people

Everything we achieve begins with our people. Their dedication, warmth and expertise shape every member conversation, every community event and every program we deliver.

This year, we welcomed new team members and supported colleagues through secondments and promotions. We also celebrated a strong year of professional growth, with 11 team members completing their Certificate IV in General Insurance and one completing their Certificate IV in Risk Management through TAFE and other tertiary providers.

The momentum continues. Several colleagues have also enrolled in the Certificate IV in Cyber Security, the Diploma of Leadership & Management, and the Diploma of Project Management - achievements we look forward to celebrating in next year's results. Two team members are also currently studying their MBA. Their commitment strengthens the service we offer members every single day.

Australian Skin Cancer Foundation's world-first mobile 3D skin check clinic.

Westfund team members at the launch of Australia's first mobile 3D skin check clinic in Manly, NSW.

Our people give back well beyond their day-to-day roles, too. Throughout the year, they championed causes including The May 50K for MS, Dolly's Dream and Australia's Biggest Morning Tea, raising awareness and funds for communities in need. These efforts reflect the compassion our teams carry with them and are a source of pride across our organisation.

That same dedication earned welcome recognition. Westfund won Best Silver Hospital Cover at the WeMoney Health Insurance Awards, while Westfund Dental Care was a Business NSW regional finalist for Excellence in Medium Business. Dental Business Manager Dr Mark Bennett was also recognised as a finalist for Outstanding Employee.

World-First Mobile 3D Skin Check Clinic

Australia has the highest melanoma rates in the world; melanoma is sometimes referred to as our 'national cancer'. Access to timely screening services is critical, but for many Australians in regional and rural areas, access to specialist screening can be limited. This year, Westfund invested in a major initiative to change that.

In partnership with the Australian Skin Cancer Foundation (ASCF), we donated a state-of-the-art Vectra 3D total body photography machine, enabling the launch of the world's first mobile 3D skin check clinic. The service launched on 1 December 2025 at Manly Beach and has since travelled to Westfund Care Centre locations across New South Wales and Queensland providing free skin checks to members.

The Vectra machine uses 96 cameras to capture a complete, high-resolution image of the entire skin surface in seconds. Combined with dermoscopy, the technology significantly improves melanoma detection accuracy compared with naked-eye examination alone.

So far, the mobile clinic has visited nine of our twelve Care Centre locations, with the remaining stops to be completed by the end of the year. To date, we have completed 1,203 skin checks in NSW and 319 in Queensland this year, with a further visit to Queensland planned for November. In NSW, 306 members have been identified with a possible skin cancer diagnosis, while 85 potential diagnoses have been detected in Queensland, including basal cell carcinoma, squamous cell carcinoma and melanoma.

Our communities in focus

Our communities

Westfund has supported the health and wellbeing of regional Australia for more than a century. That history is not simply something we honour; it continues to guide where we invest, how we show up and how we earn trust.

This year, we continued to invest in regional communities refreshing our existing Care Centre spaces and creating new ones that feel welcoming, modern and equipped to serve their communities. Our Dubbo and Wollongong Care Centres have been upgraded, with new technology to help ensure they are fit for the future. We look forward to continuing to support these growing communities with the same care and dedication people have come to expect.

In Central Queensland, we relocated our Rockhampton Care Centre to a new home alongside our friends at The Capricornian Bank, bringing two community-focused organisations together in one convenient location.

We're delighted that this same model is already up and running at Emerald, where members enjoy the same welcoming, all-in-one experience. And there's more to come. In the year ahead, we'll expand this approach further with our new-look Mackay centre, bringing even more communities the convenience and care they deserve.

In March 2026, Westfund and Marathon Health partnered with Warrumbungle Shire Council, Western NSW Local Health District, Primary Health Networks, Rural Doctors Network and NSW Ambulance to deliver the Dunedoo Community Health Day. This event brought health and wellbeing services directly to a town that, like many across the region, faces significant barriers to accessing timely care. From skin cancer prevention and early intervention to connection and treatment, the Dunedoo Community Health Day was a powerful reminder that access to healthcare should not depend on your postcode.

Throughout the year, we showed up where our communities came together. Supporting local life is part of who we are, and we were proud to back events from the Lithgow Show to the Sunshine Coast's Trackfest and from the Mudgee Classic to the Rocky River Run. From cheering on athletes to helping hundreds of kids find their feet at footy clinics, these moments brought neighbours together and put health and wellbeing front and centre.

In FY26, we also continued to support the School Breakfast Program in the Lithgow Local Government Area, 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 support a range of programs, events and initiatives each year. We also continued our commitment to the next generation of regional doctors and dentists, awarding two scholarships valued at $10,000 each to help aspiring healthcare professionals pursue their studies.

Sarah Aldous, Head of Product at Westfund, presents the Rocky River Run 10k race awards.

Westfund local member at the Dunedoo Community Health Day.

Giveback for Good Health

As a not-for-profit health fund, Westfund's purpose is to support members, not shareholders. In 2026, we put that purpose into action through Giveback for Good Health, an approximately $7 million member giveback designed to ease healthcare costs and improve access to care.

Launched on 1 January 2026 and running across the year, the initiative responded directly to cost-of-living pressures and the access challenges faced by many members, particularly those in regional New South Wales and Queensland.

The package included practical support such as fully covered virtual GP consultations through Doctors on Demand, same-day hospital excess waivers for eligible members with hospital cover, and boosted extras benefits for dental, optical and allied health services. For families, the total value of savings could reach up to $1,860, excluding benefit increases, while for singles the value could reach up to $840.

A key part of this initiative was extending our partnership with Doctors on Demand. Eligible members with extras cover received fully covered virtual GP consultations for six months, connecting them with Australian-registered doctors by video any time of day, every day of the year, including public holidays.

For members in regional areas, this kind of access can make a real difference. It can help a parent seek advice for a sick child after hours, support someone who cannot easily travel to a clinic, or provide timely care when local GP appointments are limited. Members can book directly through Members Online or the Westfund+ app, making the service simple and convenient to use.

Giveback for Good Health is more than a financial return. It is a practical investment in access, affordability and member wellbeing. So far, we are pleased to report that over 4,050 members have had their excess waived, and many members have had a free Doctors on Demand appointment as part of the package.

More choice, more value, more ways to cover your health

As your life and needs change, so should your cover. That's why this year we added three new products and a range of new natural therapy services, giving members even more ways to look after their health and wellbeing.

With household budgets under pressure and cover costs rising across the private health insurance market, affordability and flexibility have never mattered more.

As a not-for-profit, member-owned health fund, everything we do comes back to our members. These additions reflect what matters most to our members: real choice, genuine value, and the flexibility to find cover that fits their household and their budget, whatever stage of life they're in.

Lithgow Care Centre team members at Westfund's Lithgow Show.

Sally Everett, People & Culture Business Partner at the Australian Skin Cancer Foundation, Kathryn Rindfleish, Mayor of Warrumbungle Shire Council and Liz Casmiri, Chief Health Care Services Officer at Westfund, enjoying the Dunedoo Community Health Day.

Our communities in focus

New Hospital and Extras Covers

We introduced three new products this year, each designed for a different need and budget:

Silver Plus Family Cover – a combined hospital and extras package that is built for life's bigger moments, with support for pregnancy, birth, and growing your family, plus full Silver tier benefits.

Basic Plus Hospital Cover – affordable, flexible cover focused on common hospital procedures, with no excess for accidents and ambulance cover included.

Dental Saver Extras – simple, low-cost dental cover designed especially for younger adults.

Together, these new options give members more ways to find cover that suits their household and their stage of life.

New natural therapy services

We're also pleased to share some good news for our Extras members. From 1 June 2026, we added seven new natural therapy services to our eligible Extras products.

These therapies were approved by legislation in 2025, and we knew straight away we wanted to include them as part of your member benefits. Best of all, they fit directly into members existing Extras benefit categories, so there are no new or separate limits to track, just a wider range of services to claim within your current cover.

The new services span massage therapies, other natural therapies, and health management options such as Pilates, Tai Chi, and Yoga.

Community partnerships that create connection

Strengthening community through our partnership with the Penrith Panthers

Partnerships are one of the ways Westfund extends its impact beyond just health insurance.

This year, we renewed and expanded our commitment to the Penrith Panthers and the Panthers Foundation. The partnership is grounded in shared values: community, wellbeing and connection. Through our support of the Panthers Foundation's Community Pillar, we are helping the Foundation build long-term relationships in areas including respectful relationships, homelessness and hunger, health promotion and social cohesion.

We also supported Play Like a Panther Holiday Clinics in Penrith and Bathurst across 2025 and 2026, along with clinics for local junior league players when the Panthers played regional fixtures in Bathurst and Mudgee. 2026 also saw the first 'Girls only' clinic in Bathurst, designed to increase female participation in sport – a cause we're proud to champion. These clinics give young people the chance to be active, build confidence and connect with positive role models.

Kidz Korner remains an important part of this partnership. On NRL match days, it provides a fun, family-friendly space that brings Westfund closer to members and fans. In Bathurst, the Penrith Panthers v Cronulla Sharks game day offered another memorable moment, with two Panthers fans joining Westfund on the field for the Game Ball walk, while families at our community stall tested their throwing skills and made signs to cheer on the team.

Expanding cardiovascular care

From February 2026, our partnership with Honeysuckle Health expanded coordinated support for members living with chronic and complex conditions. By combining clinical expertise with personalised care coordination, we help members manage their health with greater confidence, and where ongoing support is harder to access, it means more connected care and clearer guidance.

Two excited Panthers fans leading the Westfund Game Ball walk at the Penrith Panthers Game in Bathurst.

We also partnered with Cardihab to deliver digitally enabled cardiovascular care. Its digital cardiac rehabilitation technology lets members take part in recovery and prevention programs remotely, guided by clinicians at every step, so timely heart care is within reach no matter where members live.

Compassionate, remote support for alcohol dependence

This year, we proudly launched Clean Slate, a new program for members with mild to moderate alcohol dependence. In partnership with Clean Slate Clinic, we built a compassionate, flexible alternative for people who struggle to access traditional detox services. Clean Slate is a structured 12-month journey that extends well beyond detox. It starts with preparation - two to three weeks of assessments, blood tests, and personalised planning. Detox follows, a one-week phase of daily nurse video check-ins and prescribed medication to safely manage withdrawal. Aftercare then provides 12 months of nurse check-ins, peer guidance from people with lived experience, and proven relapse prevention strategies. Its reach sets it apart. Delivered remotely through telehealth, it lets members recover from the comfort and privacy of home - a meaningful step for rural and regional members, who face the greatest barriers to specialist care. This program reflects our ongoing commitment to member wellbeing and preventative health, joining 18 active Health and Wellbeing programs that supported 470 members this year.

Liz Casmiri, Chief Health Care Services Officer at Westfund, presenting at the mhi hub launch event.

Innovation Hub launched to tackle ongoing health inequalities in rural Australia

Where you live should not determine your health. That belief sits at the heart of everything we do. It's why, in March 2026, we were proud to become the founding partner of the Marathon Health Innovation Hub (mhi hub), a pioneering initiative tackling persistent health inequalities across rural Australia.

The mhi hub brings together leaders in health, research, and community to co-design practical, scalable solutions that improve long-term health outcomes. By uniting these perspectives, we can move beyond identifying problems to delivering real change in the places that need it most.

Working alongside Marathon Health, our first joint project builds on existing gap analysis to generate clear, location-specific insights into unmet healthcare needs, workforce availability, service gaps, and projected future demand.

The research will identify the drivers of regional health disparities and deliver practical, community-specific recommendations. These will guide the interventions, services, and care models Westfund should prioritise, helping us direct investment where it can make the greatest difference for local communities.

It's an important first step, and one we're excited to share more about as the work progresses.

Looking forward

We know this has been a tough time for many households. Rising costs, changes to rebates, and global uncertainty are adding pressure right across the country. We see it, and we're here for you.

Supporting our members through challenging times is what we do. We'll keep building on our strong foundations, with a clear focus on prevention, access, affordability, and connection. By listening to our members, strengthening our regional partnerships, and investing in services that meet people where they are, we're building a new kind of healthcare for collective good.

Whatever lies ahead, we'll face it together.

Feels good to give back

Country Hope Dubbo, a 2026 Major Grant recipient, meets the team at the Dubbo Care Centre.

Community Grants

Westfund's commitment to community wellbeing extends beyond healthcare. Through the Community Grants Program, we're proud to support organisations making a tangible difference in the places where our members live, work, and connect.

Cost of living pressures continue to weigh heavily on community organisations, at a time when their work has never been more needed. Our continued investment in the community grants program is our way of standing alongside the remarkable groups and individuals creating meaningful impact across the communities we serve.

In 2026, the program supported 45 initiatives and organisations through a combination of community grants, major grants, and life-saving defibrillator donations. Funding was directed towards projects that improve health outcomes, promote inclusion, strengthen community participation, and provide practical support for vulnerable Australians.

This year, we awarded three major grants of $20,000 each, alongside 29 community grants of up to $4,000 each and 13 defibrillators. With more than $200,000 invested again this year, we continue to support initiatives that strengthen community connections, enhance safety, and create lasting local impact.

The breadth of applications we received highlighted both the challenges many communities continue to face and the remarkable dedication of the organisations working to address them. From supporting children and families through serious illness, to opening up opportunities for young people, and delivering culturally safe support for Indigenous families, this year's recipients are creating positive change where it matters most.

2026 Community Grants

- Chances House Mackay
- Real Life Community Group Ltd
- Ronald McDonald House GWS
- The Tukka Project
- CommunityXchange
- Country Hope Dubbo
- Helping Hearts Foundation Ltd
- John Hunter Children's Hospital Kids Club
- The Central West Women's Health Centre
- Supertee
- Bathurst Early Childhood Intervention Service
- PCYC Lithgow
- Lake Macquarie & Newcastle Suicide Prevention Network
- Active Ageing NSW Inc
- Women's Healing Sanctuary
- RuffTRACK
- Heartbeat of Football Foundation Ltd
- The Lakes Surf Life Saving Club
- League ability Bundy
- Wauchope Little Athletics Centre
- Healthy Kids Project
- Reading Out of Poverty Inc
- Care Kits for Kids Qld Inc
- Childhood Cancer Support Inc
- The Glawry Association
- Cessnock District Rescue Squad Inc
- Soul Eats Kitchen Ltd
- Vincent men's shed QLD INC.
- Educar Foundation / Max Potential
- Rare Cancers Australia
- The Quiet Courage Foundation Ltd
- Yiliyapinya Indigenous Corporation

2026 Defibrillators

- Country Women's Association Nowra Branch
- Aquinas Colts JRLFC
- Autism Queensland Limited
- RSL Bell Sub Branch
- Gooloogong Progress and Promotion Assoc
- Biggenden Women's Shed
- Magnetic Island RSL Sub Branch
- RSL Deception Bay Sub Branch Inc
- Deniliquin District Soccer Club
- Port Stephens Family and Neighbourhood Services
- Tara RSL Branch
- Mackay Indoor Pickleball Club Inc
- Toowoomba West Anglican Parish

Community Grants

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

"When we started The Tukka Project, it was one school, one idea, and through lived experience, a determination that no child should go hungry at school. Today, thanks to support like this, we're able to bring that same promise to school kids across Queensland. This $20,000 grant from Westfund funds real, tangible impact - more nutritious lunch packs for kids suffering from food insecurity, packed and delivered by student volunteers who understand that helping others is the essence of building a better world. It's kids feeding kids, dignity intact and community growing. The grant enables more than nutritious lunch packs - it means more kids who suffer from food insecurity get to walk into a classroom fed, focused, and ready to learn. Importantly this means they will not be left behind. We're incredibly grateful for this grant from Westfund and proud of how this partnership will grow and amplify our impact."

Darren Playle
Co-Founder and CEO
The Tukka Project

"We are incredibly grateful to Westfund Community Grants for their generous contribution of $20,000, which will enable approximately 10 children to attend the annual Country Hope Camp.

For children living with serious illness, camp provides the opportunity to simply be kids again. Many of these children are unable to participate in mainstream school camps or recreational activities because of their complex medical needs. With a dedicated medical team onsite throughout the camp, children can safely enjoy adventures, form friendships, and take part in experiences that would otherwise be out of reach.

Most importantly, camp helps create positive childhood memories that exist beyond hospitals, appointments, and treatment schedules. Thanks to Westfund Community Grants, more children and families will experience connection, confidence, friendship, and joy, creating lasting impacts long after camp has ended. We sincerely thank Westfund for helping make these life-changing experiences possible."

Jo Esler
CEO
Country Hope

"Through Westfund's generous support, we have been able to create and embed an innovative model that:

- Brings specialist support into a community-led space
- Embeds cultural knowledge into service delivery, rather than alongside it
- Reduces stigma through trusted relationships and familiarity
- Reframes early intervention as collective, joyful and strengths-based
- Responds to community needs through prevention, not crisis response.

Westfund's investment has enabled a genuine systems shift – from delivering services to families, to walking with families and communities."

Dr Fran McCarthy
Director representing
CommunityXchange and Murray-Toola Damana Preschool

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General information

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 Limited'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 24 September 2026. The directors have the power to amend and reissue the financial statements.

The directors present their report, together with the financial statements, on Westfund Limited (referred to as 'Westfund' or the 'Fund') for the year ended 30 June 2026.

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
Jennifer Dawn
Leanne Smith
David Swan
Jordan Tilse
Geoffrey Wheeler
Bradley Williams
Noeline Woof

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' long-term 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 wellbeing 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 FY26, we continued to develop Westfund's ESG strategy, building on the foundation laid in the previous years. 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 to 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 $2,421,000 (2025: $30,217,000).

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 2026 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 2026 there were 68,412 (2025: 67,970) members and the maximum amount liable to be contributed was $68,412 (2025: $67,970).

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 also 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.

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.

Leanne Smith
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.

Special responsibilities: Member of the Audit Committee.

David Swan
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 30 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.

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 2026, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
Graeme Osborne	9	9	–	–
Jennifer Dawn	9	9	–	–
Leanne Smith	9	9	3	4
David Swan	9	9	–	–
Jordan Tilse	9	9	–	–
Geoffrey Wheeler	8	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	4	4	4	4
Jennifer Dawn	4	4	–	–
Leanne Smith	–	–	–	–
David Swan	4	4	–	–
Jordan Tilse	–	–	4	4
Geoffrey Wheeler	–	–	3	4
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.

Company secretary

Deng Gichuru (Chief Risk Officer) has been Company Secretary since 2020. His qualifications and professional memberships include an MBA and GradCertGBP from Macquarie University, Grad Dip (Risk Management), ANZIIF (Fellow CIP), FGIA and MAICD.

Directors' report

Executive leadership team

The following persons were members of the executive leadership team:

Name	Position held as at 30 June 2026
Mark Genovese	Chief Executive Officer
Liz Casmiri	Chief Health Care Services Officer
Deng Gichuru	Chief Risk Officer and Company Secretary
Richard Ferchow	Chief Information Officer
Chris Phillips	Chief Finance Officer
Bill Sheffield	Chief People Officer
Anna Maltabarow	Chief Customer Officer
Magdalena Herceg	Chief Operations Officer

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 2026.

Rounding of amounts

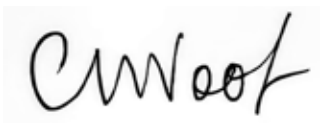
Westfund is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain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

24 September 2026
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

Shape the future with confidence

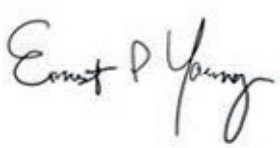
Auditor's independence declaration to the directors of Westfund Limited

As lead auditor for the audit of the financial report of Westfund Limited for the financial year ended 30 June 2026, 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.



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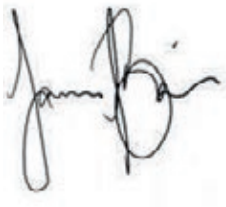

Jason Bain
Partner
24 September 2026

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Insurance revenue		309,434	299,803
Insurance service expense	6	(315,994)	(287,912)
Insurance service result		**(6,560)**	**11,891**
Other interest and similar income		9,891	9,082
Net fair value gains/(losses) on financial instruments at fair value through profit or loss		2,607	12,985
Changes in value of investment properties through profit or loss		72	202
Total investment income		**12,570**	**22,270**
Other income	7	7,837	7,977
Finance costs		(279)	(217)
Other expenses	6	(11,145)	(11,704)
Other income and expense		**(3,588)**	**(3,944)**
Surplus before tax		**2,421**	**30,217**
Income tax expense		–	–
Surplus for the year		**2,421**	**30,217**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		–	–
Total other comprehensive income		**–**	**–**
Total comprehensive income		**2,421**	**30,217**

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 2026

	Note	2026 $'000	2025 $'000
Cash and cash equivalents		493	1,407
Financial assets at fair value through profit or loss	8	235,869	225,202
Financial assets at amortised cost	9	35,975	42,009
Inventories		284	259
Other assets	10	2,395	2,577
Property, plant and equipment	11	17,910	17,619
Investment properties	12	3,136	3,064
Right-of-use assets	13	7,895	6,248
Intangibles	14	3,005	1,648
Total assets		**306,961**	**300,033**
Insurance contract liabilities	18	56,789	54,378
Trade and other payables	15	1,722	1,556
Lease liabilities	16	8,674	6,844
Employee benefits		6,321	6,220
Provisions	17	101	101
Total liabilities		**73,606**	**69,099**
Net assets		**233,355**	**230,934**
Retained surpluses		233,355	230,934
Total equity		**233,355**	**230,934**

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 2026

	Note	Retained surplus $'000	Total equity $'000
Balance as at 30 June 2024		**200,717**	**200,717**
Surplus for the year		30,217	30,217
Other comprehensive income for the year, net of tax		–	–
Total comprehensive income for the year		**30,217**	**30,217**
Balance at 30 June 2025		**230,934**	**230,934**
Surplus for the year		2,421	2,421
Other comprehensive loss for the year, net of tax		–	–
Total comprehensive income/(loss) for the year		**2,421**	**2,421**
Balance at 30 June 2026		**233,355**	**233,355**

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 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts of premiums		311,358	301,102
Claims and levies paid		(271,022)	(247,025)
Other receipts from customers		7,038	7,506
Payments to suppliers and employees		(50,453)	(52,620)
Finance costs paid		(279)	(217)
Net cash from operating activities	**27**	**(3,358)**	**8,747**
Cash flows from investing activities			
Purchase of term deposits		6,034	(294)
Purchase of managed funds and other investments		(8,060)	(14,638)
Payments for property, plant and equipment	11	(2,296)	(3,202)
Payments for intangibles	14	(2,667)	(1,633)
Payments for security deposits		113	–
Proceeds from term deposits		–	–
Proceeds from disposal of property, plant and equipment		164	251
Proceeds from disposal of investment property		–	2,882
Interest received		9,953	9,165
Net cash used in investing activities		**3,241**	**(7,470)**
Cash flows from financing activities			
Repayment of lease liabilities		(797)	(853)
Net cash used in financing activities		**(797)**	**(853)**
Net (decrease)/increase in cash and cash equivalents		(914)	424
Cash and cash equivalents at the beginning of the financial year		1,407	984
Cash and cash equivalents at the end of the financial year		**493**	**1,407**

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

Notes to the financial statements
30 June 2026

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-forprofit 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 2026. 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 in the Westfund 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 the 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 2026

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 about 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, the 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 (2025: 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 Eye Care centres revenue

Revenue from contracts with customers are generated predominantly from the provision of services in the dental and eye care centres. Dental and eye care 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 when 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 Premium Allocation Approach (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 liability for remaining coverage (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 group 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 2026

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 principally comprise 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 no 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 are 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 is 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 2026

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 re-measurement 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.

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 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 2026

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 beginning 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 2026

Note 6. Expenses

	Directly attributable insurance expenses	Non insurance expenses	Total
Expenses by nature 30 June 2026 ($'000)			
Claims expense	279,542	–	279,542
State levies	3,418	–	3,418
Employee costs	26,094	–	26,094
Commissions paid	858	–	858
Other underwriting expenses	15,635	–	15,635
Losses on onerous contracts and reversals of those losses	2,020	–	2,020
Risk equalisation recoveries	(13,958)	–	(13,958)
Computer software amortisation (note 14)	1,307	3	1,310
Depreciation on building structures and improvements (note 11)	232	241	473
Depreciation on leasehold improvements (note 11)	845	219	1,064
Depreciation on plant and equipment (note 11)	–	784	784
Depreciation on motor vehicles (note 11)	–	233	233
Depreciation on right-of-use-assets (note 13)	–	980	980
Cost of goods sold	–	3,178	3,178
Dental and eye care wages and other expenses	–	4,218	4,218
Fund administration expenses	–	1,289	1,289
Total expenses by nature	**315,994**	**11,145**	**327,139**
Expenses by nature 30 June 2025 ($'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**

Note 7. Other income

	2026 $'000	2025 $'000
Eye care centres revenue	3,813	4,017
Dental centres revenue	3,133	3,191
Rental Income	188	401
Reversal/(impairment) of impairment on land and buildings	703	368
Total other income	**7,837**	**7,977**

All revenue is recognised over time and generated in Australia.

Note 8. Financial assets at fair value through profit or loss

	2026 $'000	2025 $'000
Managed funds	235,869	225,202
	235,869	**225,202**

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

	2026 $'000	2025 $'000
Bank deposits	35,975	42,009
	35,975	**42,009**

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

Note 10. Other assets

	2026 $'000	2025 $'000
Accrued interest on term deposits	181	243
Prepayments	2,035	2,062
Security deposits	134	247
Other receivables	45	24
	2,395	**2,577**

Notes to the financial statements
30 June 2026

Note 11. Property, plant and equipment

	2026 $'000	2025 $'000
Non-current assets		
Land, building structures and improvements	14,032	13,280
Less: Accumulated depreciation	(3,508)	(3,037)
	10,524	**10,243**
Leasehold improvement	8,172	6,321
Less: Accumulated depreciation	(4,713)	(3,648)
	3,460	**2,673**
Plant and equipment	9,710	8,614
Less: Accumulated depreciation	(7,141)	(6,507)
	2,569	**2,107**
Motor vehicles	1,039	1,227
Less: Accumulated depreciation	(522)	(458)
	516	**769**
Capital – work in progress – at cost	842	1,828
	17,910	**17,619**

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 2024	10,294	2,857	2,088	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	2,107	769	1,828	17,619
Additions	59	1,851	1,251	122	(986)	2,296
Disposals	(9)	–	(4)	(141)	–	(154)
Revaluation	703	–	–	–	–	703
Transfers	–	–	–	–	–	–
Depreciation expense	(473)	(1,064)	(784)	(233)	–	(2,554)
Balance at 30 June 2026	**10,524**	**3,460**	**2,569**	**516**	**842**	**17,910**

Note 12. Investment properties

	2026 $'000	2025 $'000
Non-current assets		
Investment properties – fair value	**3,136**	**3,064**

Reconciliations

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

	2026 $'000	2025 $'000
Opening fair value	3,064	5,743
Disposals	–	(3,095)
Revaluation	72	416
Closing fair value	**3,136**	**3,064**

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 $188,000 (2025: $401,000) included within other revenue, as detailed in note 7.

Direct lessor property expenses of $43,000 (2025: $71,000) payable by the lessor were reported within other expenses, of which $nil (2025: $nil) was incurred on vacant properties that did not generate rental income.

Lessor entitlements	2026 $'000	2025 $'000
Minimum lease commitments receivable but not recognised in the financial statements:		
1 year or less	143	127
Between 1 and 2 years	251	357
	394	**484**

Notes to the financial statements
30 June 2026

Note 13. Right-of-use assets

	2026 $'000	2025 $'000
Non-current assets		
Land and buildings – right-of-use	13,363	10,736
Less: Accumulated depreciation	(5,468)	(4,488)
	7,895	**6,248**

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 June 2024	6,896
Additions	401
Remeasurement	(52)
Depreciation expense	(997)
Balance at June 2025	6,248
Additions	3,115
Remeasurement	(488)
Depreciation expense	(980)
Balance at 30 June 2026	**7,895**

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

	2026 $'000	2025 $'000
Non-current assets		
Computer software – at cost	9,931	7,264
Less: Accumulated amortisation	(6,926)	(5,616)
	3,005	**1,648**

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 2024	699
Additions	1,633
Disposals	–
Amortisation expense	(684)
Balance at 30 June 2025	1,648
Additions	2,667
Disposals	–
Amortisation expense	(1,310)
Balance at 30 June 2026	**3,005**

Note 15. Trade and other payables

	2026 $'000	2025 $'000
GST Liabilities	(245)	(346)
Trade Creditors	147	466
Accrued expenses	1,819	1,436
	1,722	**1,556**

Notes to the financial statements
30 June 2026

Note 16. Lease liabilities

	2026 $'000	2025 $'000
Current lease liability	815	851
Non-current lease liability	7,860	5,993
Total Lease liabilities	**8,674**	**6,844**

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 2025	6,844
Interest accretion	(1,064)
Interest payment	317
Adjustment	(536)
Acquisitions of leases (note 13)	3,115
Balance at 30 June 2026	**8,674**

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

Note 17. Provisions

	2026 $'000	2025 $'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:

2026	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.

Note 18. Insurance contract liabilities

	2026 $'000	2025 $'000
Insurance contracts liabilities		
Health Insurance	56,789	54,378
Total insurance contracts liabilities	**56,789**	**54,378**

2026	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component $'000	Loss Component $'000	Est of PV of future cash $'000	Risk adjustment for non-financial risk $'000	Total $'000
Insurance contract liabilities as at 1 July	**27,309**	**7,920**	**17,458**	**1,692**	**54,378**
Insurance revenue	(309,434)	–	–	–	(309,434)
Insurance service expenses					
Direct claim expenses	–	(7,920)	321,368	(3)	313,445
State ambulance levies	–	–	3,418	–	3,418
Health benefits risk equalisation special account levy	–	–	(13,958)	–	(13,958)
Changes to liabilities for incurred claims	–	–	1,393	122	1,515
Losses on onerous contracts and reversals to those losses	–	9,940	–	–	9,940
Other underwriting expenses	–	–	1,635	–	1,635
Insurance service result	**(309,434)**	**2,020**	**313,855**	**119**	**6,560**
Total changes in the statement of comprehensive income					
Cash flows					
Premiums received	311,358	–	–	–	311,358
Claims and levies paid	–	–	(271,022)	–	(271,022)
Other insurance service expenses	(73)	–	(44,412)	–	(44,485)
Total cash flows	**311,284**	**–**	**(315,434)**	**–**	**(4,150)**
Net insurance contract liabilities as at 30 June 2026	**29,159**	**9,940**	**15,879**	**1,811**	**56,789**

2025	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component $'000	Loss Component $'000	Est of PV of future cash $'000	Risk adjustment for non-financial risk $'000	Total $'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 2025	**27,309**	**7,920**	**17,458**	**1,692**	**54,378**

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:

	2026 Hospital %	2026 Medical %	2026 General treatment %	2025 Hospital %	2025 Medical %	2025 General treatment %
Assumed portion paid to date	91.41%	91.50%	97.60%	89.87%	90.06%	97.61%
Expense rate	1.11%	1.11%	1.11%	1.15%	1.15%	1.15%
Risk equalisation rate	(5.50%)	(5.50%)	(5.50%)	(6.00%)	(6.00%)	(6.00%)
Risk adjustment	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%

The risk adjustment of 8.5% (2025: 8.5%) of the underlying liability has been estimated to equate to a probability of adequacy of approximately 75% (2025: 75%).

Notes to the financial statements
30 June 2026

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% (2025: 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 %	2026 Adjustments on surplus/ (deficit) and equity $'000	2025 Adjustments on surplus/ (deficit) and equity $'000
Chain ladder development	10.0%	(1,002)	(931)
	(10.0%)	1,016	668
Bornhuetter-Ferguson unpaid	10.0%	(2,296)	(2,071)
	(10.0%)	2,296	2,071
Expense rate	1.0%	(224)	(207)
	(1.0%)	224	207
Risk equalisation	1.0%	205	193
	(1.0%)	(205)	(193)
Risk adjustment	1.0%	(329)	(69)
	(1.0%)	329	69

Notes to the financial statements
30 June 2026

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 outlined 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 a 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.

Determination of capital base – table 1	Health Benefits Fund 2026 $'000	Health Benefits Fund 2025 $'000
Amount of Common Equity Tier 1 Capital	244,718	240,146
Aggregate amount of regulatory adjustments applied in the calculation of Common Equity Tier 1 Capital	5,655	5,621
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	244,718	240,146
Prescribed capital amount	80,250	71,295
Capital adequacy multiple	3.05	3.37

Prescribed capital amount	Health Benefits Fund 2026 $'000	Health Benefits Fund 2025 $'000
Insurance Risk Charge	42,715	36,715
Asset Risk Charge	52,556	47,153
Asset Concentration Risk Charge	–	–
Operational Risk Charge	6,191	5,996
Aggregation benefit	21,213	18,570
Tax benefits	–	–
Prescribed capital amount	80,250	71,295

Westfund fully met both its capital and solvency requirements at all times during the financial year.

Notes to the financial statements
30 June 2026

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 the 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		
2026	% change	Impact on net result for the year	Impact on equity	% change	Impact on net result for the year	Impact on equity
Price movement	5%	3,569	3,569	(5%)	(3,569)	(3,569)
2025						
Price movement	5%	3,359	3,359	(5%)	(3,359)	(3,359)

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 are exposed to interest rate risk:

	2026 $'000	2025 $'000
Cash and cash equivalents	493	1,407
Financial assets at amortised cost (excluding term deposits)	19,288	30,755
Financial assets at fair value through profit or loss	235,869	225,202
Net exposure to interest rate risk	**255,650**	**257,363**

An official increase/decrease in interest rates of 50 (2025: 50) basis points would have a favourable/adverse effect on surplus before tax and retained surpluses of $1,278,000 (2025: $1,287,000) 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% (2025: 25% +/- 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	2026 $'000	2026 %	2025 $'000	2025 %
Defensive	Cash	–	–	–	–
	Fixed Interest	164,491	70	158,026	70
Growth	Australian equities	35,655	15	32,370	14
	International equities	35,724	15	34,806	16
Total		**235,869**	**100**	**225,202**	**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 2026

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 the 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 focussed 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	2026 $'000	2025 $'000
Financial asset at amortised cost – cash at call	19,288	30,755
Financial asset at amortised cost – term deposits	16,687	11,254
Total	**35,975**	**42,009**

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 $11,622,000 (2025: $22,900,000). 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 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 the Company's financial instrument liabilities and the estimated future cash outflows for insurance contract liabilities

2026	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
Non-derivatives					
Non-interest bearing					
GST Liabilities	(245)	–	–	–	(245)
Trade payables	147	–	–	–	147
Liabilities for incurred claims	17,690	–	–	–	17,690
Interest-bearing – fixed rate					
Lease liability	1,381	1,400	3,771	8,364	14,917
Total non-derivatives	**18,974**	**1,400**	**3,771**	**8,364**	**32,510**

2025	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
Non-derivatives					
Non-interest bearing					
GST Liabilities	(346)	–	–	–	(346)
Trade payables	466	–	–	–	466
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**

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 2026

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 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.

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 extra covers.

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 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 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.

2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Managed funds	81,083	154,786	–	235,869
Land and buildings	–	–	10,524	10,524
Investment properties	–	–	3,136	3,136
Total assets	**81,083**	**154,786**	**13,659**	**249,528**

2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Managed funds	85,078	140,124	–	225,202
Land and buildings	–	–	10,243	10,243
Investment properties	–	–	3,064	3,064
Total assets	**85,078**	**140,124**	**13,307**	**238,509**

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

All land and buildings including investment properties were independently valued by Herron Todd White Ltd in June 2026. 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% (2025: 7.5%)	0.75% change would increase/(decrease) fair value by$868,000/($710,000)
	Discount rate	6.25% (2025: 6.25%)	0.5% change would increase/(decrease) fair value by $710,000/($605,000)
Investment properties	Rental yield	7.5% (2025: 7.5%)	0.75% change would increase/(decrease) fair value by $259,000/($212,000)
	Discount rate	6.25% (2025: 6.25%)	0.5% change would increase/(decrease) fair value by $212,000/($180,000)

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, nonrecoverable 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 the company, and unrelated firms:

	2026 $	2025 $
Audit services – Ernst & Young		
Audit or review of the financial statements	129,126	126,495
Other audit and review – Ernst & Young		
Audit of APRA returns	54,701	41,138
Other assurance related services	12,466	15,760
	67,168	**56,898**
Total remuneration of auditors	**196,294**	**183,393**

Note 24. Contingent liabilities and commitments

Westfund has given bank guarantees as at 30 June 2026 of $297,000 (2025: $350,000) to various landlords.

Westfund has no contingent liabilities as at 30 June 2026 and 30 June 2025.

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 2026

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:

	2026 $	2025 $
Short-term employee benefits	3,643,193	3,724,899
Superannuation	439,376	406,057
	4,082,569	**4,130,956**

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

	2026 $'000	2025 $'000
Surplus after income tax expense for the year	2,421	30,217
Adjustments for:		
Depreciation and amortisation	4,844	4,094
Impairment/(reversal of impairment) of property, plant and equipment	(703)	(368)
Changes in value of investments properties through profit or loss	(72)	(202)
(Gain)/loss on the revaluation of financial instruments at fair value through profit or loss	(2,607)	(12,985)
(Gain)/loss on sale of other assets	(10)	(118)
Interest income	(9,891)	(9,083)
Change in operating assets and liabilities:		
Increase in other assets	7	(537)
Decrease/(increase) in inventories	(24)	(13)
Increase in insurance contract liabilities	2,411	(2,326)
Decrease in trade and other payables	166	(711)
Increase in employee benefits	101	779
Increase/(decrease) in other provisions	–	–
Net cash from operating activities	**(3,358)**	**8,747**

Note 28. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 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 2026

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 2026

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 2026 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

24 September 2026
Lithgow

Shape the future with confidence

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

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 2026
- 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 2026 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.

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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.

- 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

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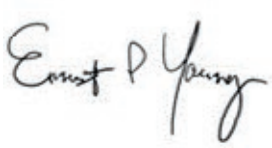
events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, 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.



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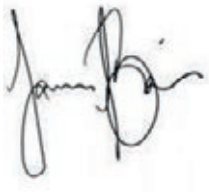

Jason Bain
Partner
Sydney
24 September 2026

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

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.