



IMPACT REPORT

Financial Report

For
The Year
Ended 30
June 2025

ACON Health Limited
ABN 38 136 883 915

ACON Health Limited

ABN 38 136 883 915

Annual Report - 30 June 2025

ACON Health Limited
Directors' report
30 June 2025

The directors present their report on the consolidated entity (referred to hereafter as the group) consisting of ACON Health Limited and its controlled entity, the AIDS Council of New South Wales Incorporated, for the year ended 30 June 2025.

Directors

The following persons were Directors of ACON Health Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Justin Koonin
Louisa Degenhardt
Alex Sosnov¹
Atari Metcalf
Benjamin Bavinton
Christian Dunk²
Jason Glanville
Jimmy Chen³
Somali Cerise⁴
Steven Berveling⁵
Zoé de Saram

Information on Directors



Justin Koonin, President

BSc (Hons), PhD, CFA, FAICD

Justin has worked within LGBTQ+ community organisations for almost twenty years. Internationally, he is a member of the Political Advisory Panel for the Universal Health Coverage Movement and a former co-chair of UHC2030, the global multistakeholder partnership for Universal Health Coverage, as well as a member of multiple WHO expert panels. Justin is Distinguished Fellow and Honorary Professorial Fellow at The George Institute for Global Health, and Adjunct Professor in the Faculty of Medicine and Health at the University of New South Wales. He is co-chair of the NSW Government LGBTIQ+ Advisory Council and has served as Advisory Governor of the Commonwealth Foundation. Justin is also a Fellow of the Australian Institute of Company Directors and a member of the Australian Institute of Company Directors Not-for-Profit Chairs Advisory Forum. He is trained as a mathematician, and currently works as an investment analyst. He has also worked as a postdoctoral research associate (at the University of Sydney), and as a consultant in the areas of predictive analytics and data.

¹ Was appointed to and ACON Health Board Director position on 4 February 2025, by Circular Resolution

² Resigned from the Board on 16 April 2025.

³ Was appointed to an ACON Health Board Associate Position on 4 February 2025, by Circular Resolution.

⁴ Leave of Absence from August 2024 until December 2024 was granted by the Board at the 21 August 2024 Board in Camera meeting.

⁵ Resigned from the Board on 16 April 2025.



Louisa Degenhardt AO, Vice-President

BA (Hons), MPsychology (Clinical), PhD
Louisa is UNSW Scientia Professor, NHMRC Senior Principal Research Fellow and Deputy Director at the National Drug and Alcohol Research Centre (NDARC) at UNSW. She was awarded her PhD in 2003, examining the comorbidity of drug use and mental disorders in the Australian population. She has honorary Professorial appointments at University of Melbourne's School of Population and Global Health, Murdoch Children's Research Institute, and University of Washington's Department of Global Health in the School of Public Health. Louisa conducts diverse epidemiological studies including data linkage studies focusing on people with extra-medical or dependent opioid use, chronic pain, analysis of large-scale community and clinical surveys, and cohorts of young people. She is currently CI with CI Dore and Farrell on an NHMRC Program Grant focused on drug dependence and viral hepatitis. In 2023, Louisa was announced as an Officer of the Order of Australia (AO) in recognition of her distinguished services to medical research, particularly addiction and mental disorders, to psychology, and to professional associations.



Alex Sosnov

BA, BSW, MEd (Ed Psych), MAICD
Alex Sosnov is an HR and business leader with 30+ years' experience in people and organisational development. She has led teams across multiple continents and cultures and has worked primarily in Global Financial Services but also in Retail, Health and Not for Profit. Alex is currently employed as a People & Culture Executive at MetLife. Passionate about community, Alex has previously served as co-convenor of The Gay and Lesbian Rights Lobby and is a former Chair of the Aurora Group (now Rainbow Giving Australia). In a full circle moment, Alex was also a former ACON employee responsible for counselling and health advocacy of clients and staff during the mid-90's. Alex is a member of the AICD, and holds a Bachelor of Arts, a Bachelor of Social Work and a Master of Educational Psychology from Sydney University.



Atari Metcalf

BSc, MD, FRACGP
Atari is an openly trans Specialist General Practitioner with a focus on sexual and reproductive health. He completed his internship and residency at St Vincent's Hospital Sydney working across a variety of medical and surgical specialties in addition to completing secondments in paediatrics and Aboriginal health before going on to complete his Fellowship with the Royal Australian College of General Practitioners. Prior to practising medicine, Atari spent 15 years working in health promotion research, policy and strategy within community and digital mental and sexual health services, as well as working as an analyst on national inquiries into asylum seeker, transgender and intersex health and human rights for the Australian Human Rights Commission. Before joining ACON's Board Atari also served as a Board Director at Suicide Prevention Australia and as co-chair of Twenty10 incorporating NSW Gay and Lesbian Counselling Services.



Benjamin Bavinton

BA (Hons), MPH, PhD

Benjamin has worked in the field of HIV prevention and research for 20 years in Australia and internationally. He is a Senior Research Fellow at the Kirby Institute, UNSW Sydney, and leads the Biobehavioural HIV Prevention Research Group. His research focuses on the biomedical, behavioural and epidemiological aspects of HIV prevention among gay, bisexual and other men who have sex with men and transgender women in Australia and the Asia-Pacific region. He worked at ACON in peer education with gay, bisexual and queer men from 2004 to 2010, which also included 12 months working at UNAIDS in Bangkok, Thailand.



Jason Glanville

Jason is a Wiradjuri start-up founder with extensive governance expertise and experience across community, corporate, government and philanthropy. He works as an adviser on strategy, leadership, governance and systems transformation working with leaders across the commercial, for-purpose, and creative sectors to create platforms for sustainable change. Jason is a Co-founder and Director of Native Foodways, was the inaugural Executive Director of the Atlantic Fellows for Social Equity program and creator and inaugural CEO of the National Centre of Indigenous Excellence. He was part of the start-up team that built Reconciliation Australia and served on its Board for five years. He is currently Chair of the Foundation for Young Australians and a member of the Board of the GO Foundation and, until recently, was Chair of PwC Indigenous Consulting and the Australian Indigenous Governance Institute. Jason is an Adjunct Professor at the Jumbunna Institute for Indigenous Education and Research at University of Technology Sydney and a member of the Indigenous Advisory Group at the Art Gallery of NSW.



Jimmy Chen

Jimmy Yu-Hsiang Chen joined the ACON Board in the role of Board Associate. Jimmy is the Networks Project Officer at the National Association of People with HIV Australia (NAPWAH), where he passionately focuses on community engagement and collaboration with people living with HIV from a range of diverse communities. He also works at ACON's a[TEST] clinic, providing sexual health education and prevention information to the priority community.



Somali Cerise

BA, MSc

Somali Cerise is a gender equality and human rights expert with 20 years' experience leading policy and research initiatives across Australia and globally. She currently works on a range of gender equality initiatives with the Elizabeth Broderick & Co, Champions of Change Coalition, UN Women, and the University of Sydney. She has previously been a Convener of the NSW Gay and Lesbian Rights Lobby, a board member of the Inner City Legal Centre and Aurora Foundation. Somali is also a Member of the Policy and Advisory Committee for the National Women's Safety Alliance and an Honorary Associate Professor at the Australian National University Gender Institute. She has a BA (UTS) and a Master of Science (Human Rights) (London School of Economics and Political Science).



Zoé de Saram PSM

BAgrEc, MAICD

Zoé is a highly respected professional with considerable experience in the design and execution of strategy, policy, and service delivery. She has held a number of senior executive roles in the NSW Government and has a deep understanding of the architecture of government and the way it operates. She is also very well connected to a diverse range of key personnel across Federal, State and Local governments. In February 2021, Zoé was appointed to the role of Director, Performance Audit, at the Audit Office of NSW. Prior to that she was Executive Advisor, Public Sector Practice at the North Point Consulting Group, a boutique firm specialising in designing and executing strategy, digitally enabled business models and business transformation. She is actively involved in raising awareness about breast cancer and supporting women recovering from breast cancer.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each Director were:

Board member	Meetings Held	Meetings Attended
Justin Koonin, President	6	5
Louisa Degenhardt, Vice President	6	5
Alex Sosnov (1)	3	3
Atari Metcalf	6	6
Benjamin Bavinton	6	6
Christian Dunk(2)	5	4
Jason Glanville	6	3
Jimmy Chen (3)	3	3
Somali Cerise (4)	3	2
Steven Berveling (5)	5	5
Zoé de Saram	6	5

Held: represents the number of meetings held during the time the Director held office.

- (1) Alex Sosnov: Was appointed to and ACON Health Board Director position on 4 February 2025, by Circular Resolution.
- (2) Christian Dunk: Resigned from the Board on 16 April 2025.
- (3) Jimmy Yu Hsiang Chen: Was appointed to an ACON Health Board Associate Position on 4 February 2025, by Circular Resolution.
- (4) Somali Cerise: Leave of Absence from August 2024 until December 2024 was granted by the Board at the 21 August 2024 Board in Camera meeting.
- (5) Steven Berveling: Resigned from the Board on 16 April 2025.

Principal activities

During the financial year the principal continuing activities of the Consolidated entity consisted of:

Ending HIV transmission among gay men and other homosexually active men by:

- Increasing the knowledge of gay men and other men who have sex with men about when to seek a HIV and STI test.
- Using innovative, targeted engagement strategies to motivate gay men and other men who have sex with men to test more regularly.
- Increasing the number of HIV positive gay men who understand the benefits of accessing treatment earlier.
- Sustaining the safe sex knowledge of gay men and men who have sex with men utilising both condom and non-condom-based risk reduction strategies.
- Advocating for better access to home-based or self-administered HIV testing and access to Pre-Exposure Prophylaxis for those who would most benefit.
- Reducing psychosocial barriers to testing and treatment uptake for people who are newly diagnosed through education, counselling, and peer support.
- Ensure the range of HIV Health Promotion programs continues to be relevant and useful for people with HIV.
- Developing a HIV Health Promotion Strategy focussing on post diagnosis support, living well with HIV and planning for healthy ageing.

Promoting the health throughout life of LGBTQ people and people with HIV by:

- Providing HIV Care and Support services including:
Counselling
Enhanced Primary Care
Community Support Network
Newly Diagnosed Service
- Reviewing our current care and support programs to ensure they continue to meet the needs of people with HIV.
- Intensifying our focus on immediate post diagnosis care and support to prevent infection rates and improve the health outcomes for newly diagnosed.
- Enhancing our intake and case management processes to ensure person centred, tailored responses.
- Enhancing our treatment advice and adherence support capacity to educate people with HIV about the benefits of earlier and increased treatment uptake.
- Developing programs to address the health areas that have the most negative health impact on people living with HIV, e.g. Enhanced Primary Care.
- Addressing substance use co-morbidities through counselling from the substance use service, Needle Syringe Programs, harm minimisation support and referrals to drug and alcohol treatment services.
- Addressing the health disparities experienced by the LGBTQ community and to reduce the impacts of negative health determinants including:
Alcohol and Other Drugs
Mental Health and Wellbeing
Smoking
Homophobic and Transphobic Violence
Healthy Ageing and Aged Care
Domestic and Family Violence

Continuing to strengthen organisational capacity and sustainability by:

- Ensuring our infrastructure and systems enable staff to effectively deliver programs and services to rural and remote NSW.
- Investigating and implementing new partnerships, fee for service models and social enterprise approaches to diversify our funding base.
- Exploring opportunities to grow discretionary revenue through fundraising, new grants and fee for service.
- Continuing to invest in building our data collection, analysis evaluation and knowledge management capacity.
- Building the research capacity of our staff through seeding grants and partnerships with academic institutions.
- Continuing to build our presence, capacity and effectiveness in the digital space to increase reach and impact.

Advocating and Promoting Social Inclusion by:

- Providing LGBTQ employees within Australian workplaces targeted initiatives via education and benchmarking and through the Pride in Diversity Program.
- Establishing Partnerships with government, other NGO's, health care providers, researchers, and affected communities
- Ensuring all direct LGBTQ services are sensitive to the needs of and available to all of our communities,
- Ensuring all of our training packages for service providers are inclusive of our populations,
- Ensuring our advocacy work in the areas of discrimination and human rights are inclusive of the needs and views of all our communities and is conducted in consultation with relevant stakeholders,
- Developing strategies, in collaboration with key partners to maximise inclusiveness and reach of health promotion strategies.
- Developing 'population specific' communication strategies to ensure our programs are visible to all of the communities they are intended to reach.

Performance measures (key performance indicators)

- A decrease in HIV infections among gay men and other MSM (Men Sex with Men) in NSW
- An increase in reported levels of health and wellbeing by people with HIV
- A reduction in the number of people in our communities who experience negative health and other outcomes as a result drug and alcohol use.
- An increase in reported levels of health and wellbeing by women in our communities
- An increase in reported levels of health and wellbeing by older people in our communities
- An increase in ACON's involvement with LGBTQ health and HIV/AIDS policy and programs delivery at the local, national, and international levels.
- Increase the capacity of ACON to effectively use and manage its resources.

Review of operations

Operations for the year ended 30 June 2025 resulted in a reportable deficit of \$40,279 (30 June 2024: reportable surplus of \$44,119). The adjusted net surplus after accounting for AASB 16 Leases adopted in 2021 is as follows:

	2025 \$	2024 \$
Net surplus under old accounting standard AASB 117 Leases	98,152	202,703
Impact of new accounting standard AASB 16 Leases	(230,000)	(326,000)
Net Deficit	(131,848)	(123,297)
Gain on fair value of investment	91,569	167,416
Reportable (deficit)/surplus	(40,279)	44,119

Whilst the financial year 2024/25 has been a challenging period, ACON has continued to expand its outreach, improve service accessibility and reinforce its commitment to be a global leader in health, inclusion and HIV responses.

Application of funds

The net surplus obtained from fundraising activities was applied to the purposes of ACON Health Limited as described under 'principal activities' above.

Winding Up

Each Member undertakes to contribute to the assets of ACON Health, if it is wound up while they are a Member, or within one year afterwards, an amount of money not exceeding the limit of liability of \$2 at the time of winding up the debts and liabilities of ACON Health exceed its assets.

Matters subsequent to the end of the financial year

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

- the Group's operations in future financial years, or
- the results of those operations in future financial years, or
- The Group's state of affairs in future financial years.

Likely developments and expected results of operations

There are no known likely developments in the operations of the Group and the expected results of operations included in this Directors' Report.

This report is made in accordance with a resolution of Directors.

On behalf of the Directors



Justin Koonin
President



Louisa Degenhardt
Vice President

17 September 2025

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Auditor's Independence Declaration

To the Directors of ACON Health Limited

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of ACON Health Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



L Te-Wierik
Partner - Audit & Assurance

Sydney, 17 September 2025

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ACON Health Limited

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General information

The financial statements cover ACON Health Limited as a consolidated entity consisting of ACON Health Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is ACON Health Limited's functional and presentation currency.

ACON Health 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:

414 Elizabeth Street,
Surry Hills, NSW 2010.

A description of the nature of the Consolidated entity'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 17 September 2025. The Directors have the power to amend and reissue the financial statements.

ACON Health Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Income			
Revenue	3	33,711,395	26,056,112
Fundraising income		669,416	812,873
Other income	4	1,445,324	1,097,989
		<u>35,826,135</u>	<u>27,966,974</u>
Expenditure			
Salaries & associated costs		(20,629,675)	(18,223,568)
Depreciation and amortisation expense	5	(2,425,506)	(2,421,242)
Campaigns & Education		(5,665,626)	(1,602,629)
Communications		(133,735)	(146,359)
Finance costs	5	(542,140)	(585,104)
Cost of goods sold		(26,233)	(19,632)
Building maintenance		(548,520)	(481,176)
Donations given		(194,117)	(192,811)
Outgoings and property costs		(993,383)	(512,144)
Travel and representation		(447,924)	(424,265)
Administrative costs		(3,595,762)	(2,768,826)
Events and activities		(755,362)	(712,515)
		<u>(35,957,983)</u>	<u>(28,090,271)</u>
Net deficit for the year		(131,848)	(123,297)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on fair value of investment		91,569	167,416
Other comprehensive income for the year		91,569	167,416
Total comprehensive (deficit)/surplus for ACON Health Limited		<u>(40,279)</u>	<u>44,119</u>

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

ACON Health Limited
Consolidated statement of financial position
As at 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	6	13,586,504	17,567,735
Trade and other receivables	7	1,555,347	1,886,306
Contract assets		55,831	204,140
Inventories		2,572	3,206
Prepayments		263,273	298,374
Total current assets		<u>15,463,527</u>	<u>19,959,761</u>
Non-current assets			
Other financial assets	8	5,035,799	4,642,750
Property, plant and equipment	9	551,681	669,799
Right-of-use assets	10	10,379,697	12,759,660
Total non-current assets		<u>15,967,177</u>	<u>18,072,209</u>
Total assets		<u>31,430,704</u>	<u>38,031,970</u>
Liabilities			
Current liabilities			
Trade and other payables	11	1,421,422	722,428
Lease liabilities	12	2,247,330	1,905,625
Employee benefits	13	2,943,160	2,834,925
Contract liabilities	14	10,298,230	15,429,565
Total current liabilities		<u>16,910,142</u>	<u>20,892,543</u>
Non-current liabilities			
Lease liabilities	12	10,292,959	12,871,545
Total non-current liabilities		<u>10,292,959</u>	<u>12,871,545</u>
Total liabilities		<u>27,203,101</u>	<u>33,764,088</u>
Net assets		<u>4,227,603</u>	<u>4,267,882</u>
Accumulated funds			
Reserves	15	2,914,297	2,822,728
Retained surplus		<u>1,313,306</u>	<u>1,445,154</u>
Total accumulated funds		<u>4,227,603</u>	<u>4,267,882</u>

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

ACON Health Limited
Consolidated statement of changes in stakeholders' funds
For the year ended 30 June 2025

Consolidated	Investment revaluation reserve \$	Funds reserve \$	Retained surplus \$	Total funds \$
Balance at 1 July 2023	62,500	2,592,812	1,568,451	4,223,763
Net deficit for the year	-	-	(123,297)	(123,297)
Other comprehensive income for the year	167,416	-	-	167,416
Total comprehensive income for the year	167,416	-	(123,297)	44,119
Balance at 30 June 2024	229,916	2,592,812	1,445,154	4,267,882

Consolidated	Investment revaluation reserve \$	Funds reserve \$	Retained surplus \$	Total funds \$
Balance at 1 July 2024	229,916	2,592,812	1,445,154	4,267,882
Net deficit for the year	-	-	(131,848)	(131,848)
Other comprehensive income for the year	91,569	-	-	91,569
Total comprehensive income for the year	91,569	-	(131,848)	(40,279)
Balance at 30 June 2025	321,485	2,592,812	1,313,306	4,227,603

The above consolidated statement of changes in stakeholders' funds should be read in conjunction with the accompanying notes

ACON Health Limited
Consolidated statement of cash flows
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers, granting bodies & fundraising (inclusive of goods & services tax)		39,107,637	28,861,825
Payments to suppliers and employees (inclusive of goods & services tax)		<u>(40,616,775)</u>	<u>(23,506,518)</u>
		(1,509,138)	5,355,307
Interest received		443,976	577,041
Interest and other finance costs paid		<u>(542,140)</u>	<u>(585,104)</u>
Net cash from/(used in) operating activities		<u>(1,607,302)</u>	<u>5,347,244</u>
Cash flows from investing activities			
Payments for property, plant and equipment	9	(137,048)	(378,255)
Proceeds from disposal of property, plant and equipment		<u>-</u>	<u>63,435</u>
Net cash used in investing activities		<u>(137,048)</u>	<u>(314,820)</u>
Cash flows from financing activities			
Principal repayments for leases		<u>(2,236,881)</u>	<u>(1,842,103)</u>
Net cash used in financing activities		<u>(2,236,881)</u>	<u>(1,842,103)</u>
Net increase/(decrease) in cash and cash equivalents		(3,981,231)	3,190,321
Cash and cash equivalents at the beginning of the financial year		<u>17,567,735</u>	<u>14,377,414</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>13,586,504</u></u>	<u><u>17,567,735</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The accounting policies that are material to the Consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-For-Profits Commission Act 2022, as appropriate for not for-profit oriented entities.

Historical cost convention

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

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated entity's accounting policies. 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 note 2.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of ACON Health Limited ('Company' or 'Parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. ACON Health Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated entity'.

Subsidiaries are all those entities over which the Consolidated entity has control. The Consolidated entity controls an entity when the Consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the Parent.

Where the Consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Note 1. Material accounting policy information (continued)

Revenue recognition

The Consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated entity:

- 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.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sales revenue

Events, fundraising and raffles recognised when received or receivable.

Donations

Donations recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Fundraising income

When the Consolidated entity receives donations or bequests, it assesses whether the funding has an enforceable contract and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers. Where the funding has no enforceable contract or does not have sufficiently specific performance obligations, the Consolidated entity recognises revenue in accordance with the recognition requirements of AASB 1058 Income of Not-for-Profit Entities.

Interest income

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Voluntary services

The Consolidated entity has elected to not recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income tax

ACON Health Limited is a Health Promotion Charity and the AIDS Council of New South Wales Incorporated is a Public Benevolent Institution. As such, both are exempt from paying income tax.

Note 1. Material accounting policy information (continued)

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when:

- It is either expected to be realised or intended to be sold or consumed in the Consolidated entity's normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within 12 months after the reporting period; or
- The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is either expected to be settled in the Consolidated entity's normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Inventories are represented by vitamin stock and are stated at the lower of cost or net realisable value on the basis of first in first out.

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 Consolidated entity 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.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets.

Financial assets at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Consolidated entity may measure impairment on the basis of an instrument's fair value using an observable market price. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

Note 1. Material accounting policy information (continued)

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

The Consolidated entity is gifted works of art from time to time. Works gifted are valued at the time of the gift and are capitalised at that amount. Works of Art are valued at regular intervals at the Directors' discretion. Revaluations reflect independent assessments of the fair market value of works of art.

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 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 pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Comparatives

Where necessary, comparative figures have been reclassified to conform with the changes in presentation in the current year.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue recognition

To determine if a grant contract should be accounted for under AASB 1058 or AASB 15, the Consolidated entity has to determine if the contract is 'enforceable' and contains 'sufficiently specific' performance obligations. When assessing if the performance obligations are 'sufficiently specific', the Consolidated entity has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts, review of accompanying documentation (e.g. activity work plans) and holding discussions with relevant parties.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Income recognition from grants received by the Group has been appropriately accounted for under AASB 1058 or AASB 15 based on the assessment performed.

Employee benefits provision

As discussed in note 1, 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.

Note 3. Revenue

	Consolidated	
	2025	2024
	\$	\$
NSW Department of Health grants	16,911,578	15,918,348
Private grants	2,200,730	2,130,532
Other grants	8,886,387	2,133,544
Membership	1,202	3,089
Sale of materials	113,280	118,880
Sale of vitamins	5,581	6,406
Fee for service	5,219,699	5,408,997
Rental revenue	372,938	336,316
	<u>33,711,395</u>	<u>26,056,112</u>
	Consolidated	
	2025	2024
	\$	\$
Revenue under AASB 15 (recognised over time):		
NSW Department of Health grants	16,911,578	15,918,348
Local health districts grants	2,200,730	2,130,532
Other grants	8,886,387	2,133,544
Membership	1,202	3,089
	<u>27,999,897</u>	<u>20,185,513</u>
Revenue from contracts with customers under AASB 15 (recognised at a point in time)		
Sale of materials	113,280	118,880
Sale of vitamins	5,581	6,406
Fee for service	5,219,699	5,408,997
	<u>5,338,560</u>	<u>5,534,283</u>
Rental revenue	372,938	336,316
	<u>33,711,395</u>	<u>26,056,112</u>

Note 4. Other income

	Consolidated	
	2025	2024
	\$	\$
Interest income	783,462	806,260
Other income	661,862	291,729
	<u>1,445,324</u>	<u>1,097,989</u>

Note 5. Expenses

	Consolidated	
	2025	2024
	\$	\$
Net deficit includes the following specific expenses:		
<i>Depreciation and amortisation expense</i>		
Depreciation of right-of-use assets	2,170,340	2,152,939
Depreciation of property, plant and equipment	<u>255,166</u>	<u>268,303</u>
Total depreciation and amortisation expense	<u>2,425,506</u>	<u>2,421,242</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	<u>542,140</u>	<u>585,104</u>

Note 6. Cash and cash equivalents

	Consolidated	
	2025	2024
	\$	\$
<i>Current assets</i>		
Cash on hand	3,425	3,425
Cash at bank	<u>13,583,079</u>	<u>17,564,310</u>
	<u><u>13,586,504</u></u>	<u><u>17,567,735</u></u>

Accounting policy for cash and cash equivalents

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

Note 7. Trade and other receivables

	Consolidated	
	2025	2024
	\$	\$
<i>Current assets</i>		
Trade receivables	1,554,283	1,886,306
Goods & services tax net receivable	<u>1,064</u>	<u>-</u>
	<u><u>1,555,347</u></u>	<u><u>1,886,306</u></u>

The amount of the provision for doubtful debts was \$nil (30 June 2024: \$nil). All of the Consolidated entity's trade and other receivables have been reviewed for indicators of impairment. The total trade receivables written off and recorded accordingly within other expenses is \$nil (30 June 2024: \$nil).

Accounting policy for trade and other receivables

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

The Consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Note 7. Trade and other receivables (continued)

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. The Consolidated entity makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Consolidated entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. A provision for impairment of trade receivables is used when there is objective evidence that the Consolidated entity will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Note 8. Other financial assets

	Consolidated	
	2025	2024
	\$	\$
<i>Non-current assets</i>		
Investment portfolio	5,003,445	4,610,396
Term deposit	<u>32,354</u>	<u>32,354</u>
	<u><u>5,035,799</u></u>	<u><u>4,642,750</u></u>

The investment portfolio represents a managed fund and has been valued based on their quoted unit price.

Note 9. Property, plant and equipment

	Consolidated	
	2025	2024
	\$	\$
<i>Non-current assets</i>		
Leasehold improvements - at cost	1,747,878	1,747,878
Less: Accumulated depreciation	<u>(1,681,739)</u>	<u>(1,636,498)</u>
	<u>66,139</u>	<u>111,380</u>
Furniture and fittings - at cost	1,052,930	1,040,643
Less: Accumulated depreciation	<u>(1,016,495)</u>	<u>(999,516)</u>
	<u>36,435</u>	<u>41,127</u>
Office and IT equipment - at cost	2,786,757	2,661,996
Less: Accumulated depreciation	<u>(2,484,300)</u>	<u>(2,291,354)</u>
	<u>302,457</u>	<u>370,642</u>
Library works of art - at cost	<u>146,650</u>	<u>146,650</u>
	<u><u>551,681</u></u>	<u><u>669,799</u></u>

ACON Health Limited
Notes to the consolidated financial statements
30 June 2025

Note 9. Property, plant and equipment (continued)

Reconciliations

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

Consolidated	Leasehold improvements \$	Furniture and fittings \$	Office and IT equipment \$	Library works of art \$	Total \$
Balance at 1 July 2024	111,380	41,127	370,642	146,650	669,799
Additions	-	12,287	124,761	-	137,048
Depreciation expense	(45,241)	(16,979)	(192,946)	-	(255,166)
Balance at 30 June 2025	<u>66,139</u>	<u>36,435</u>	<u>302,457</u>	<u>146,650</u>	<u>551,681</u>

Accounting policy for property, plant and equipment

Plant and equipment 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 over their expected useful lives as follows:

<i>Class of asset</i>	<i>Expected useful life</i>
Leasehold improvements	10 years
Furniture and fittings	2-5 years
Office and IT equipment	2-5 years
Library works of art	The residual value is equal to the cost

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 the Consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Leasehold improvements

The cost of fit out of ACON's head office leased at 414 Elizabeth St, Surry Hills, has been capitalised to Leasehold improvement and is being amortised over the lease term of 10 years.

The cost of extensions to the Hunter branch on premises leased at 129 Maitland Road, Islington has been capitalised to Leasehold Improvements and is being amortised over the lease term of 10 years.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 10. Right-of-use assets

	Consolidated	
	2025	2024
	\$	\$
<i>Non-current assets</i>		
Land and buildings - right-of-use	23,108,177	23,108,177
Less: Accumulated depreciation	(12,728,480)	(10,348,517)
	<u>10,379,697</u>	<u>12,759,660</u>

ACON Health Limited
Notes to the consolidated financial statements
30 June 2025

Note 10. Right-of-use assets (continued)

Reconciliations

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

	Land and buildings \$
Consolidated	
Balance at 1 July 2024	12,759,660
Non-substantial accounting adjustment	(209,623)
Depreciation expense	<u>(2,170,340)</u>
Balance at 30 June 2025	<u><u>10,379,697</u></u>

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, 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, except where included in the cost of inventories, 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 shorter. Where the Consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Note 11. Trade and other payables

	Consolidated 2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	1,158,162	152,417
Accrued expenses	263,260	176,259
Goods & services tax net payable	<u>-</u>	<u>393,752</u>
	<u><u>1,421,422</u></u>	<u><u>722,428</u></u>

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the Consolidated entity 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.

Note 12. Lease liabilities

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Lease liability	2,247,330	1,905,625
<i>Non-current liabilities</i>		
Lease liability	10,292,959	12,871,545
	<u>12,540,289</u>	<u>14,777,170</u>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	2,365,848	2,548,542
One to five years	11,381,420	10,312,181
More than five years	-	2,547,255
	<u>13,747,268</u>	<u>15,407,978</u>

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following:

- Future lease payments arising from a change in an index or a rate used;
- Residual guarantee;
- Lease term;
- Certainty of a purchase option; and
- Termination penalties.

When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 13. Employee benefits

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Annual leave	1,370,117	1,196,713
Long service leave	1,573,043	1,638,212
	<u>2,943,160</u>	<u>2,834,925</u>

Accounting policy for employee benefits

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.

ACON Health Limited
Notes to the consolidated financial statements
30 June 2025

Note 14. Contract liabilities

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Grants in advance	7,944,930	13,148,733
Deferred revenue	2,353,300	2,280,832
	<u>10,298,230</u>	<u>15,429,565</u>

Accounting policy for contract liabilities

Contract liabilities represent the Consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Consolidated entity has transferred the goods or services to the customer.

Included is the Pride in Diversity program includes annual membership paid by participating organisations. The revenue is recognised over the membership period and hence the deferred/(unearned) revenue represents that which is yet to meet the performance criteria.

Note 15. Reserves

	Consolidated	
	2025	2024
	\$	\$
Investment revaluation reserve	321,485	229,916
Funds reserve	2,592,812	2,592,812
	<u>2,914,297</u>	<u>2,822,728</u>

Investment revaluation reserve

This reserve reflects the changes in the fair value of the Escala investment and artwork.

Funds reserve

This reserve contains funds set aside for unexpected obligations or emergencies.

Movements in reserves

Movements in each class of reserve during the current financial year are set out below:

Consolidated	Investment	Funds	Total
	revaluation reserve	reserve	
	\$	\$	\$
Balance at 1 July 2024	229,916	2,592,812	2,822,728
Revaluation	91,569	-	91,569
	<u>321,485</u>	<u>2,592,812</u>	<u>2,914,297</u>
Balance at 30 June 2025			

ACON Health Limited
Notes to the consolidated financial statements
30 June 2025

Note 16. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Consolidated entity is set out below:

	Consolidated	
	2025	2024
	\$	\$
Aggregate compensation	-	-

Note 17. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the Company, and its network firms:

	Consolidated	
	2025	2024
	\$	\$
<i>Audit services - Grant Thornton Audit Pty Ltd</i>		
Audit of the financial statements	48,300	48,925
<i>Other services - Grant Thornton Australia Limited</i>		
Assistance with compilation of financial statements	5,649	5,279
	<u>53,949</u>	<u>54,204</u>

Note 18. Related party transactions

Parent entity

ACON Health Limited is the Parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 22.

Key management personnel

Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

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.

Note 19. Contingent assets and liabilities

The Consolidated entity had no contingent assets or liabilities as at 30 June 2025 and 30 June 2024.

Note 20. Commitments

The Consolidated entity had no commitments as at 30 June 2025 and 30 June 2024.

ACON Health Limited
Notes to the consolidated financial statements
30 June 2025

Note 21. Charitable fundraising act 1991

Charitable Fundraising Act 1991 (the Act) prescribes the manner in which fundraising appeals are conducted, controlled and reported. ACON Health Limited was issued with an authority to fundraise by the Office of Charities to fundraise for the period 4 May 2022 to 3 May 2027.

The Entity has disclosed the income statement, balance sheet and related notes below in respect of fundraising appeals it conducted during the year. These disclosures have been made in accordance with Section 6 of the Charitable Fundraising Authority Conditions, which have been issued to the Entity under section 19 of the Act.

Information and declarations to be furnished under the Charitable Fundraising Act 1991.

The information disclosed below is in relation to fundraising activities undertaken by ACON Health Limited.

Income statement

	Consolidated	
	2025	2024
	\$	\$
Gross income received from fundraising	669,416	812,828
Cost of fundraising	-	(282,401)
Net proceeds from fundraising	<u>669,416</u>	<u>530,427</u>
Application of net proceeds	<u>(669,416)</u>	<u>(530,427)</u>
Net surplus from fundraising	<u><u>-</u></u>	<u><u>-</u></u>

	2024	
	Red Ribbon	General
	\$	\$
Gross income received from fundraising	60,154	82,144
Cost of fundraising	-	(11,274)
Net proceeds from fundraising	<u>60,154</u>	<u>70,870</u>
Application of net proceeds	<u>(60,154)</u>	<u>(70,870)</u>
Net surplus from fundraising	<u><u>-</u></u>	<u><u>-</u></u>

Forms of general fundraising activities conducted during the year covered by these financial statements were: Concerts, Appeals, Bingo, Dinners and Special Nights at Venues.

The net proceeds from the Red Ribbon Appeal, and General Appeal were used for general purposes throughout the year as part of ACON Health Limited's daily operation.

Balance sheet

	Consolidated	
	2025	2024
	\$	\$
Cash at bank	-	-
Total assets	<u>-</u>	<u>-</u>
Other payables	-	-
Total liabilities	<u>-</u>	<u>-</u>
Net assets	<u><u>-</u></u>	<u><u>-</u></u>

Note 22. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
AIDS Council of New South Wales	Australia	100%	100%

Note 23. Economic dependency

The major source of funding for the Consolidated entity is an annual grant from the NSW Ministry of Health. The NSW Ministry of Health has agreed to maintain current funding levels in the 2025/2026 financial year.

Note 24. Events after the reporting period

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

- (1) the Group's operations in future financial years, or
- (2) the results of those operations in future financial years, or
- (3) The Group's state of affairs in future financial years.

ACON Health Limited
Directors' declaration
30 June 2025

In the Directors' opinion:

1) The consolidated financial statements and notes are in accordance with the Australian Charities and Not-For-Profits Commission Act 2012, including:

- (a) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
- (b) Comply with Australian Accounting Standards – Simplified Disclosures (including Australian Accounting Interpretations) and the Australian Charities and Not-for-profit Commission Regulation 2022; and
- (c) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2)

- (a) The financial statements and notes are in accordance with the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulations 1993 (NSW)*;
- (b) The provisions of the *Charitable Fundraising Act 1991 (NSW)* and the regulations under this Act and the conditions attached to the authority to fundraise have been complied with; and
- (c) The internal controls exercised by the group are appropriate and effective in accounting for all income received.

This declaration is made in accordance with a resolution of the board, and is signed for and on behalf of the board by:



Justin Koonin
President



Louisa Degenhardt
Vice President

_17 September 2025

Grant Thornton Audit Pty Ltd
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Independent Auditor's Report

To the Members of ACON Health Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of ACON Health Limited (the "Registered Entity") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the Directors' declaration.

In our opinion, the financial report of ACON Health Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Registered Entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for opinion

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

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

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report for the year ended 30 June 2025, and the Declaration in accordance with the Charitable Fundraising Regulation 2021 (NSW) but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the financial report

The Directors of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Registered Entity's financial reporting process.

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.

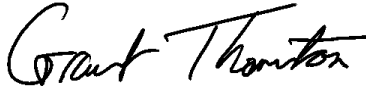
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registered Entity'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 Registered Entity 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 those charged with governance 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.



Grant Thornton Audit Pty Ltd
Chartered Accountants



L Te-Wierik
Partner – Audit & Assurance
Sydney, 17 September 2025



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