



Life not limits



**Financial  
Statements**  
For the year ended  
30 June 2025



## Acknowledgement of Country

In the spirit of reconciliation, MSWA acknowledges the Traditional Custodians of the many lands and language groups of Western Australia and their connections to land, sea and community. We pay our respect to their Elders past and present, and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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### General information

The financial statements cover MSWA Limited (MSWA) as an individual entity. The financial statements are presented in Australian dollars, which is MSWA's functional and presentation currency.

MSWA is a not-for-profit unlisted public company, incorporated and domiciled in Australia. Its registered office and principal place of business are:

#### Registered office

154 Abernethy Road  
Belmont WA 6104

#### Principal place of business

29 Parkhill Way  
Wilson WA 6107

The financial statements were authorised for issue on 24 September 2025.

# Directors' Report

## For the year ended 30 June 2025

The directors present their report, together with the financial statements, on the MSWA Limited (MSWA) for the year ended 30 June 2025.

### Directors

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

- Horst Bemmerl
- Liam Roche
- Michael Fay
- Jason Brotherson
- Kate Gatti
- Benjamin Jardine
- John Patmore
- William (Bill) Carroll AM
- David Jones (end of term 3 September 2024)
- Clare van Drunen (appointed 1 May 2025)
- Lorraine Driscoll (appointed 1 May 2025)

### Objectives

The objective of the MSWA is to advance social and public welfare by providing benevolent relief to people living and affected by multiple sclerosis and other neurological conditions, to empower them to live their best lives.

### Strategy for achieving the objectives

MSWA ensures that all its disability support and services are provided to international best practice standards; MSWA is committed to achieving positive outcomes for people with disabilities, their families and carers by:

- continuously improving its evidence-based services through feedback and input from its clients, their families and carers;
- by delivering these services in an ecologically sound manner; and
- by ensuring compliance with the National Standards for Disability Services and the NDIS Quality and Safeguarding Framework.

### Principal activities

- The activities of the MSWA must be conducted in the furtherance of its Charitable Purpose and may include:
  - Provision of services for people with multiple sclerosis and other neurological conditions including but not limited to:
    - o aged and disability support;
    - o in home support including personal care, domestic assistance and social support;
    - o community services;
    - o outreach services;
    - o respite care in the home and in residential centres;
    - o high support accommodation facilities;
    - o nursing and allied health services: speech pathology, counselling, dietetics, occupational therapy and physiotherapy;
    - o education and advice;
    - o employment support from employment consultants and health professionals for individuals suffering with multiple sclerosis and/or other neurological illnesses to enable them to succeed at work;
    - o social welfare including support groups for people living with multiple sclerosis and/or other neurological conditions, their families and carers;
    - o support in navigating and planning for NDIS and Aged care funding;
    - o to support, collaborate and engage in and fund research work towards the prevention, treatment, control and cure of multiple sclerosis, other neurological conditions and diseases with comparable disabilities;
    - o advocating on matters relevant to those whose health is affected by multiple sclerosis and/or other neurological illness including: relief of distress, prevention, cure and treatment of all neurological illnesses and to a more inclusive and cohesive society; and
    - o any other activities ancillary to or necessary for the fulfilment of the Charitable Purpose.

### Performance measures

MSWA monitors performance through all levels of the organisation, starting with the MSWA Key Performance Indicators agreed upon annually by the Board and reviewed monthly. These performance metrics are then cascaded down to the responsible Executives and their respective teams. Monitoring includes monthly reporting across key areas against the performance indicators and industry benchmarks where relevant to the CEO and Board.

### Information on Directors

Name:	Mr. Horst Bemmerl
Title:	Chair
Qualifications:	Fellow Institute of Public Accountants
Date joined MSWA Inc:	21 October 2010
Date joined MSWA Limited:	6 September 2023
Experience and expertise:	Horst is a business strategy and process improvement specialist, with extensive knowledge in traditional financial management. Horst has extensive experience managing finance and corporate service departments in leadership roles as part of a senior executive team. Horst's established career has spanned numerous management disciplines, including risk and compliance, treasury, taxation, business strategy and organisational development. This work included the management of major projects, including organisational restructures, system implementations and large tenders. Horst says the development and mentoring of many staff over the years has been his most rewarding career achievement as a leader. Horst is a member of the Australian Institute of Company Directors.

Name:	Mr. Liam Roche
Title:	Deputy Chair and Chair of People and Governance Committee
Qualifications:	Bachelor of Business
Date joined MSWA Inc:	03 August 2016
Date joined MSWA Limited:	6 September 2023
Experience and expertise:	Liam is a very experienced business leader and board member who retired from the role of Chief Operating Officer of Seven West Media (WA) following a 40-year career in the media and manufacturing industry. Liam makes a significant contribution to the WA community, fulfilling roles on numerous not-for-profit and health service industry boards, as well as nurturing the next generation of business leaders at Murdoch University. Recognised as an exceptional mentor with the skills and experience to lead, Liam has the ability to influence and motivate individuals and teams to perform at their peak. By simplifying the complicated and collaboratively working together with all stakeholders he has facilitated revenue generation opportunities and significant cost reductions in challenging economic and structural circumstances. With a passion for streamlining business processes, he provides an inclusive style of empowering leadership to engage, develop and create highly effective results driven teams.

Name:	Mr. Michael Fay
Title:	Non-Executive Director
Qualifications:	Diploma of Building
Date joined MSWA Inc:	20 October 2017
Date joined MSWA Limited:	6 September 2023
Experience and expertise:	Michael is the primary carer for his wife Trudi who suffers from the progressive form of MS. Over the years his carer role has increased with the disease's progression. Michael has extensive experience of navigating the numerous government and not-for-profit programs and services available to assist Trudi in her daily and long-term needs. This includes gaining approval for and self-managing her NDIS support plan. Through this support, plus extensive interactions with other MSWA members and employees, Michael has gained an in-depth understanding of the physical, social and physiological needs of people with disabilities and their carers. Michael's industry experience prior to retirement consisted principally of working in the WA State Government's capital procurement and building asset management sector. The final 18 years of his career focused on supporting the delivery of various capital projects and programs in the State's Health system.

Name:	Mr. Jason Brotherson
Title:	Non-Executive Director
Qualifications:	Bachelor of Engineering, Master of Business Administration, Diploma of Engineering
Date joined MSWA Inc:	27 October 2021
Date joined MSWA Limited:	6 September 2023
Experience and expertise:	Jason is a visionary senior executive with a focus on serving the West Australian community. Currently CEO of the Pharmacy 777 Group of companies, Jason oversees 100 plus stores (and growing) Australia wide, supporting independent community pharmacy. Jason's career spans various industry sectors including senior engineering roles and appointments in WA government, WA Police, major carrier industry bodies and various allied health verticals. With an established record as a leader and business transformation specialist, Jason has specialist skills in joint venture, alliance, and strategic commercial partnerships to deliver commercial and legal objectives. Jason is a collaborative leader who listens and delivers upon strong ethical principles. An energetic leader with a passion for people, culture development and strategic thinking; Jason is known for retaining top talent with an ability to effectively lead highly complex corporate environments and deliver financial outcomes against stringent targets.

Name:	Ms. Kate Gatti
Title:	Non-Executive Director
Qualifications:	Registered Nurse with several post graduate qualifications, Master of Business Administration, Graduate of Australian Institute Company Directors
Date joined MSWA Inc:	20 October 2022
Date joined MSWA Limited:	06 September 2023
Experience and expertise:	Kate was an executive director with the South Metropolitan Health Service, a \$2.5b business providing health services to the south metropolitan region for 13 years. Kate brought constructive and strategic thinking to the corporate and clinical areas for which she was responsible, as well as operational accountability. Her portfolio included the management of public community subacute services across Metropolitan Perth and the management of SMHS clinical planning and strategy for the Peel, Rockingham, Murray Districts, Fremantle, Fiona Stanley Hospitals and associated community services. Kate was also responsible for the strategic oversight of mental health, Aboriginal Health, public health services, in addition to the management of Human Resources, Industrial Relations and Medical Workforce teams in an organisation of more than 11,000 people. Kate is currently exploring a number of new and diverse opportunities. Kate is a Graduate of the Australian Institute of Company Directors.

Name:	Mr. Benjamin Jardine
Title:	Non-Executive Director and Chair of Quality and Client Services Committee
Qualifications:	Bachelor of Science (Honours), Master of Business Administration (Distinction), Associate Fellow of the Australasian College of Health Service Management, Fellow of the Australian Institute of Management
Date joined MSWA Inc:	20 October 2022
Date joined MSWA Limited:	6 September 2023
Experience and expertise:	As a former executive manager of both Ability Centre Australasia and the Activ Foundation, Benjamin has extensive experience working with the National Disability Insurance Scheme. In addition to this depth of knowledge, Benjamin brings a wealth of experience from his long history in the Aged Care and Health sectors working for the Silver Chain Group. Moving into health management as CEO of the Type 1 Diabetes Family Centre, Benjamin views his role on the MSWA Board as an opportunity to give back to the disability sector and see the vital work of MSWA grow and thrive. Benjamin currently serves as a board member and founding member of the Social Impact Measurement Network of Australia (SIMNA) and was a former member of the University of Western Australia's Senate. Benjamin is a member of the Australian Institute of Company Directors.

Name:	Mr. John Patmore
Title:	Non-Executive Director and Chair of Audit, Risk and Finance Committee
Qualifications:	AAT (Association of Accounting Technicians) Intermediate Level
Date joined MSWA Inc:	20 October 2022
Date joined MSWA Limited:	6 September 2023
Experience and expertise:	John is a technology executive with over 20 years ICT experience gained across various industries, including financial services, government and education. His experience spans application and systems development, digital transformation, strategy and risk management. John has held a number of leadership roles with Keystart in his 12-year tenure with the organisation, including Systems Development Manager, Executive Manager of Product Delivery to his current position as Chief Information Officer. Originally from the UK, John also held a number of technology roles for companies in London, working with a variety of clients across Europe and North America. John is a graduate of the Australian Institute of Company Directors.

Name:	Prof. William (Bill) Carroll
Title:	Non-Executive Director
Qualifications:	Member of the Order of Australia, Bachelor of Medicine, Bachelor of Surgery, Doctor of Medicine, Fellow of the Royal Australasian College of Physicians, Fellow of the Royal College of Physicians (Edinburgh)
Date joined MSWA Inc:	20 November 1996
Date joined MSWA Limited:	6 September 2023
Experience and expertise:	William is a leading neurologist with more than 30 years' experience and the immediate past President of the World Federation of Neurology. His sub-specialties include epilepsy, motor neurone disease and nerve conduction studies. Professor William is also a member of the steering committee of the International Progressive MS Alliance (IPMSA), Board member of the European Charcot Foundation and Patron of the Pan Asian Committee for Research and Treatment of MS (PACTRIMS). In 2019, he was recognised in the Queen's Birthday Honours for outstanding service to the community, inducted as a Member of the Order of Australia for his contribution to neurological medicine and to people living with multiple sclerosis (MS). Professor William conducts regular MS clinics at the Perron Institute, Sir Charles Gairdner Hospital and in private practice. He also undertakes research as a member of the Demyelinating Diseases Research group at the Perron Institute. Professor Carroll's principal research activity has been in demyelinating disease, both multiple sclerosis and of the biology of demyelination and remyelination in experimental optic neuropathy.

Name:	David Jones
Title:	Non-Executive Director
Qualifications:	Bachelor of Science  Juris Doctor Certificate of Governance and Risk  Advanced Diploma of Performing Arts, Music
Date joined MSWA Inc:	20 October 2009
Date joined MSWA Limited:	6 September 2023 - end of term 03 September 2024
Experience and expertise:	David graduated in science from the University of Western Australia and classical performance from the Conservatorium of Music before completing a Juris Doctor, graduating with first class merit honours. David spent seven years working for the State Crown on complex and contentious commercial and public law matters before being called to the Bar in 2016. Currently a barrister at Francis Burt Chambers, David's practice spans a broad range of legal areas and regularly represents major corporate entities. He appears in all courts in Western Australia, with a special interest in complex criminal defence.

Name:	Clare van Drunen
Title:	Non-Executive Director
Qualifications:	Bachelor of Commerce, Bachelor of Laws (with Distinction), admitted to the Supreme Court of Western Australia, admitted to the High Court of Australia, Graduate of the Australian Institute of Company Directors (GAICD).
Date joined MSWA Inc:	N/A
Date joined MSWA Limited:	1 May 2025
Experience and expertise:	Clare is a practising lawyer with extensive experience in corporate, real estate and employment law, as well as working in a senior executive team. Through her current role as General Counsel at My Place, an established not-for-profit NDIS provider, she witnesses firsthand the impact of ongoing reform in the disability and health sectors on people's lives and their support networks. Prior to her current professional position, Clare practised law for more than eight years at Clayton Utz. Clare is passionate about sound corporate governance and has a great interest in people with neurological conditions to be substantively supported so they can maintain their independence and be in the community. Clare is a graduate of the Australian Institute of Company Directors.

Name:	Lorraine Driscoll
Title:	Non-Executive Director
Qualifications:	Certified Practising Accountant (CPA), Chartered Management Accountant (ACMA) and a graduate of the Australian Institute of Company Directors (GAICD).
Date joined MSWA Inc:	N/A
Date joined MSWA Limited:	1 May 2025
Experience and expertise:	Lorraine is an experienced senior executive with more than 30 years' experience in private organisations, state and local government leading diverse teams. Her expertise lies in finance, corporate governance, strategy, digital transformation and leading commercial initiatives. With a previous tenure spanning 19 years at Lotterywest, Lorraine now holds a position as Director Corporate & Commercial at the City of Canning. Prior to making Australia home she was the CFO of The Body Shop Ireland. She is highly motivated, and a passionate executive leader focussed on delivering outcomes for the betterment of the community and possesses a high level of personal integrity and self-awareness. Lorraine is a graduate of the Australian Institute of Company Directors.

### Contributions on winding up

In the event of MSWA Limited being wound up, ordinary members are required to contribute a maximum of \$10 each.

The total amount that members of the MSWA are liable to contribute if it was wound up is \$1,390 based on 139 current members.

### Company Secretary

Ms Khatiza Brown was appointed to the position of Company Secretary in June 2023 and resigned in June 2025. Ms Khatiza Brown has over 20 years of experience working as a corporate governance, corporate services, finance executive working within health, manufacturing, mining and service sectors in Australia, South Africa and the UK.

Ms Neha Amin was appointed to the position of Company Secretary in June 2025. Neha has over 18 years legal experience working across both private practice and in-house environments, specialising in complex commercial contracting, compliance and corporate governance matters, litigation, privacy and data management and company secretariat and board support. Neha is admitted to practice law in Western Australia and the High Court of Australia, having obtained a First Class Honours Law degree from the University of Technology, Sydney.

### Meetings of directors

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

Directors	Board		Audit, Risk & Finance Committee		People & Governance Committee		Quality & Client Services Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Horst Bemmerl	10	10	4	3	-	3	-	4
Liam Roche	10	9	4	4	5	5	-	-
Michael Fay	10	9	-	-	-	-	4	4
Jason Brotherson	10	7	-	-	5	5	-	-
Kate Gatti	10	9	4	4	-	-	-	-
Benjamin Jardine	10	10	-	-	5	5	4	4
John Patmore	10	10	4	4	-	-	4	2
Prof. William (Bill) Carroll	10	8	-	-	-	-	-	-
David Jones*	2	2	-	-	1	1	-	-
Clare van Drunen**	2	2	-	-	-	-	-	-
Lorraine Driscoll**	2	2	1	1	-	-	-	-

\* End of term 3 September 2024

\*\*Appointed 1 May 2025

### 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 on page 12.

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



**Horst Bemmerl**  
Board Chairperson  
24 September 2025

## Statement by The Board of Directors

In the opinion of the Board of Directors of MSWA:


- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, the Australian Accounting Standards - Simplified Disclosures, the *Australian Charities and Not-for-profits Commission Act 2012*) and associated regulations and other professional reporting requirements;
- attached financial statements and notes thereto gives a true and fair view of the financial position of MSWA as at 30 June 2025 and its performance for the financial year ended;
- at the date of this statement, there are reasonable grounds to believe that MSWA will be able to pay its debts as and when they become due and payable; and
- MSWA is collecting monies and goods and dispersing those monies and goods in accordance with MSWA objectives.

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



Horst Bremmel \_\_\_\_\_ Director



John Patmore \_\_\_\_\_ Director

Dated this the 24 day of September 2025



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## DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF MSWA LIMITED

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 of MSWA Limited for the year ended 30 June 2025.

Jackson Wheeler  
Director

BDO Audit Pty Ltd  
Perth  
24 September 2025



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## INDEPENDENT AUDITOR'S REPORT

To the members of MSWA Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of MSWA Limited (the registered entity), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the responsible entities' declaration.

In our opinion the accompanying financial report of MSWA Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i) 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
- ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our 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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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.

#### Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' report, 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 on the other information obtained prior to the date of this auditor's report, 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.



#### Other matter

The financial report of MSWA Limited, for the year ended 30 June 2024 was audited by another auditor who expressed an unmodified opinion on that report on 26 September 2024.

#### Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities 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, responsible entities 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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit Pty Ltd

Jackson Wheeler

Director

Perth, 24 September 2025

# Statement of comprehensive income

For the year ended 30 June 2025

	Note	2025 \$	2024 \$
<b>OPERATIONAL ITEMS</b>			
<b>Revenue</b>	4	117,494,468	111,847,158
<b>Expenses</b>			
Research		5,742,020	5,600,000
Prizes		17,338,807	17,644,453
Advertising		8,153,411	6,194,184
Event Expenses		356,914	377,443
Postage & Printing		482,016	461,392
Facility Expenses		5,070,110	5,240,226
Finance & Consulting		1,635,471	2,338,468
ICT Expenses		3,698,381	3,017,603
Staffing Expenses		62,861,359	60,287,331
Other Expenses		2,859,380	2,493,493
<b>Total Expenses</b>		108,197,869	103,654,593
<b>Surplus from operational items</b>	5	9,296,599	8,192,565
<b>NON-OPERATIONAL ITEMS</b>			
Net gain on financial assets at fair value through profit or loss		782,557	573,629
<b>Income tax expense</b>	3	-	-
<b>Surplus after income tax expense for the year</b>		10,079,156	8,766,194
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income for the year</b>		10,079,156	8,766,194

The accompanying notes form part of these financial statements

# Statement of financial position

As at 30 June 2025

	Note	2025 \$	2024 (restated) \$
<b>Current Assets</b>			
Cash and cash equivalents	6	66,538,973	68,439,390
Trade and other receivables	7	6,156,261	5,199,158
Inventories	8	13,513,681	11,804,041
Financial assets at amortised cost	9	505,120	714,058
<b>Total Current Assets</b>		86,714,035	86,156,647
<b>Non-Current Assets</b>			
Financial assets at fair value through profit or loss	9	11,247,075	9,998,960
Inventories	8	6,398,071	6,402,833
Property, plant and equipment	10	52,538,517	46,703,374
Right of use assets	11	839,408	1,515,214
<b>Total Non-Current Assets</b>		71,023,071	64,620,381
<b>Total Assets</b>		157,737,106	150,777,028
<b>Current Liabilities</b>			
Trade and other payables	12	4,863,335	4,525,493
Provisions	13	11,990,021	8,904,111
Employee benefits	14	7,069,637	6,103,249
Contract liabilities	15	9,851,151	16,657,043
Lease liabilities		394,554	484,089
<b>Total Current Liabilities</b>		34,168,698	36,673,985
<b>Non-Current Liabilities</b>			
Provisions	13	366,320	163,546
Employee benefits	14	1,756,812	1,688,531
Lease liabilities		494,336	1,379,182
<b>Total Non-Current Liabilities</b>		2,617,468	3,231,259
<b>Total Liabilities</b>		36,786,166	39,905,244
<b>Net Assets</b>		120,950,940	110,871,784
<b>Equity</b>			
Retained Earnings			
Capital Investment Reserve	16	11,752,195	10,713,018
<b>Restricted Reserve</b>		11,752,195	10,713,018
<b>Retained Surplus</b>		109,198,745	100,158,766
<b>Total Equity</b>		120,950,940	110,871,784

The accompanying notes form part of these financial statements

## Statement of changes in equity

For the year ended 30 June 2025

	Capital Investment Reserve \$	Retained Surplus \$	Total Equity \$
<b>Balance at 1 July 2023</b>	9,631,727	92,473,863	102,105,590
Surplus after income tax expense for the year	-	8,766,194	8,766,194
Transfer to capital investment reserve	1,081,291	(1,081,291)	
<b>Balance at 30 June 2024</b>	10,713,018	100,158,766	110,871,784
<b>Balance at 1 July 2024</b>	10,713,018	100,158,766	110,871,784
Surplus after income tax expense for the year	-	10,079,156	10,079,156
Transfer to capital investment reserve	1,039,177	(1,039,177)	-
<b>Balance at 30 June 2025</b>	11,752,195	109,198,745	120,950,940

## Statement of cash flows

For the year ended 30 June 2025

Note	2025 \$	2024 \$
<b>Cash Flow from Operating Activities</b>		
Receipts from fundraising, donations and other income	64,229,546	64,722,148
Grant receipts	43,582,701	50,481,869
Payments to suppliers and employees	(103,219,223)	(100,019,654)
Interest paid	(39,806)	(95,945)
<b>Net cash flows provided by operating activities</b>	4,553,218	15,088,418
<b>Cash Flow from Investing Activities</b>		
Proceeds from sale of property, plant and equipment	2,629,776	2,578,740
Payments for property, plant and equipment	(10,814,631)	(6,196,094)
Interest received	2,083,560	1,914,304
Dividends/distributions received	432,351	508,781
Proceeds from sale of investments	1,033,520	1,719,808
Payments for investments	(1,290,140)	(2,227,469)
<b>Net cash flows used in investing activities</b>	(5,925,564)	(1,701,930)
<b>Cash Flow from Financing Activities</b>		
Lease payments	(528,071)	(425,948)
<b>Net cash flows used in financing activities</b>	(528,071)	(425,948)
Net increase in cash and cash equivalents held	(1,900,417)	12,960,540
Cash and cash equivalents at the beginning of the financial year	68,439,390	55,478,850
<b>Cash and cash equivalents at the end of the financial year</b>	21 66,538,973	68,439,390

## 1. Summary of Material Accounting Policy Information (cont.)

The principal 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.

### New, revised or amending Accounting Standards and Interpretations adopted

MSWA Limited (MSWA) has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

### 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'), the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations and the *Corporations Act 2001*, as appropriate for not-for-profit oriented entities.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

### 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 MSWA'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.

### Accounting Policies

#### (a) Revenue

##### (i) Marketing and fundraising

Marketing and fundraising revenue are derived from lottery and raffle ticket sales, fundraising events, donations, and bequests.

##### *Lottery and raffle ticket sales and fundraising events*

Revenue is recognised in profit or loss when MSWA satisfies the performance obligations stated within the terms and conditions of the lottery, raffle, or fundraising events. Contribution received will be recognised in the statement of financial position as a liability until those conditions are satisfied.

##### *Donations and bequests*

Income recognised at the time MSWA obtains control of the contributions or the contractual right to the contribution. Except for when a donation or bequest gives rise to related amounts of a contribution by owners, lease liability, financial liability, or a provision.

##### (ii) Government grants

Government grants are derived from services and programs performed on behalf of the State, Commonwealth and Local governments, whereby MSWA has an obligation to deliver such services and programs. Government grant revenue is recognised in profit or loss when MSWA satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant that must be satisfied before MSWA 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. Funds or grants that compensate MSWA for the cost of an asset are recognised in the statement of comprehensive income as revenue when the conditions attached to the funds received are substantially satisfied.

##### (iii) Other revenue

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

##### (iv) Finance income

Finance income comprises interest income on funds invested, dividends and income, and managed funds distributions. Interest revenue is recognised as interest accrued 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

## 1. Summary of Material Accounting Policy Information (cont.)

life of the financial asset to the net carrying amount of the financial asset. Dividend income and distributions are recognised on the date that MSWA's right to receive payment is established.

##### (v) Volunteer services

MSWA has elected not to 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.

##### (vi) Capital grants

Capital grants are recognised as income when (or as) it satisfies its obligations under the transfer. Capital grants are types of grants where MSWA receives a financial asset to acquire or construct a non-financial asset to identified specifications; retains control of the non-financial asset (i.e., for its own use); and the transaction is enforceable.

All revenue is stated net of the amount of goods and services tax (GST).

#### (b) 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 MSWA'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 current when: it is expected to be settled in the normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

#### (c) Current Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, less bank overdrafts if any. Longer-term investments with original maturities of over three months are classified as financial assets held at amortised cost.

#### (d) Trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

#### (e) Other current assets

Other current assets include prepayments and inventories related to monies paid for lottery prizes and are recognised at amortised cost.

#### (f) 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 MSWA 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 fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

## 1. Summary of Material Accounting Policy Information (cont.)

Financial assets at fair value through profit or loss are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. If applicable all other financial assets at fair value through profit or loss are classified as current assets. These assets are restricted.

### (f) Investments and other financial assets (cont.)

#### *Impairment of financial assets*

MSWA 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 MSWA'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 based on the probability-weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

#### *Financial liabilities*

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

### (g) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost, less where applicable, accumulated depreciation and impairment losses.

#### *Property*

Freehold land and buildings are measured on the cost basis.

#### *Plant and Equipment*

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

#### *Depreciation*

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is recognised in profit or loss. Land is not depreciated.

The depreciation rates used for each class of depreciable asset are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2-2.5 %
Leasehold improvements	4-25 %
Plant and equipment	13-27 %
Motor vehicles	22.5 %

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

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to MSWA. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

## 1. Summary of Material Accounting Policy Information (cont.)

#### *Impairment of non-financial assets*

At each reporting date, MSWA reviews the carrying values of its tangible assets (non-financial) to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, MSWA estimates the recoverable amount of the cash-generating unit to which the asset belongs.

No impairment has been recognised for the year ended 30 June 2025.

### (h) 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 MSWA 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.

The MSWA 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.

### (i) Trade and other payables

These amounts represent liabilities for goods and services provided to MSWA 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.

### (j) Provisions

Provisions are recognised when MSWA has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Liabilities relating to research grants are provided for in order to recognise MSWA's obligation to pay grants to external agencies as a result of a legal or constructive obligation to pay these funds per an agreed time frame. MSWA has recognised a current liability for research grants payable within the next 12 months, as a provision in the statement of financial position at balance date. There are no research grant liabilities extending beyond one year.

### (k) Employee Benefits

#### *Short-term employee benefits*

Liabilities for wages and salaries, bonuses including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

## 1. Summary of Material Accounting Policy Information (cont.)

### (l) Contract liabilities

Contract liabilities represent MSWA's obligation to transfer a service or program to a customer on behalf of the State, and or Commonwealth Government (the provider) and are recognised when the provider pays consideration, or when MSWA recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before MSWA has transferred the service or program to the customer.

### (m) Lease liability

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, MSWA'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.

### (n) 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 principle 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 interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### (o) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

### (p) Fund accounting

On occasions MSWA may receive resources restricted for purposes or set aside amounts for designated or special purposes. To facilitate observance of these limitations, the financial statements list separately those funds which are restricted or special purpose and those funds which are unrestricted.

Currently MSWA maintains the following funds:

#### *Capital Investment reserve (restricted)*

Funds designated by the Board of Directors, arising from the sale proceeds and interest earned on proceeds, from the former ownership of and investment in retirement villages. These funds are currently designated as funds for future investment as approved by the Board or for future capital expenditure by MSWA at the discretion of the Board of Directors.

#### *Unrestricted funds*

Those funds presently available for use by MSWA at the discretion of the Board of Directors.

### (q) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in the presentation for the current financial year. (Note 23)

## 1. Summary of Material Accounting Policy Information (cont.)

### (r) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by MSWA for the annual reporting period ended 30 June 2025.

AASB 18 will replace AASB 101 Presentation of Financial Statements and becomes mandatory for not-for-profit entities for annual reporting periods commencing on or after 1 January 2028. MSWA will adopt this standard for the financial year beginning 1 July 2028. AASB 18 requires income and expenses to be classified in profit or loss as one of five categories being investing, financing, income taxes, discontinued operations and operating. There are also two mandatory sub-totals:

- Operating profit or loss
- Profit or loss before financing and income taxes, which comprises operating profit or loss and all investing income and expenses.

AASB 18 also requires disclosures related to management-defined performance measures in the notes to the financial statements.

When this standard is first adopted on 1 July 2028, subtotals in the Statement of Profit or Loss and Other Comprehensive for the year ended 30 June 2029 may differ, including restated comparatives for the year ended 30 June 2028. However, there will be no change to net profit or loss after taxation in either period.

There may also be changes in the way interest and dividend cash inflows and outflows are presented in the Statement of Cash Flows, which may impact the subtotals for cash generated or utilised from operating activities, investing activities and financing activities. The Company will implement the necessary changes to ensure compliance and transparency in future financial reporting.

## 2. Critical Accounting Judgements, Estimates and Assumptions

The Board evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within MSWA.

### *Impairment of non-financial assets*

MSWA assesses impairment on non-financial assets at each reporting date by evaluating conditions specific to MSWA and to the particular assets that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

No impairment has been recognised for the year ended 30 June 2025.

### *Determining whether a grant contains enforceable and sufficiently specific obligations*

The interaction between AASB 15 Revenue from Contracts with Customers and AASB 1058 *Income of Not-for-Profit Entities* require the management to assess whether the government grants received need to be accounted for under AASB 15 or AASB 1058. Key to this assessment is whether the government grants contain:

- a contract with a customer that creates 'enforceable' rights and obligations, and
- the contract includes 'sufficiently specific' performance obligations.

Critical judgement was applied by management in assessing whether a promise is 'sufficiently specific', taking into account facts and circumstances and any conditions specified in the arrangement (whether explicit or implicit) regarding the promised goods or services, including conditions regarding:

- the nature or type of the goods or services
- the cost or value of the goods or services
- the quantity of the goods or services
- the period over which the goods or services must be transferred.

Refer to Note 4.

## 2. Critical Accounting Judgements, Estimates and Assumptions (cont.)

### *Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such rate is based on what the MSWA estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment (Refer to Note 11).

### *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 MSWA'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. MSWA 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 (Refer to Note 11).

### *Lease make good provision*

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss (Refer to Note 13).

### *Employee entitlement provision*

In determining the level of provision required for employee entitlements MSWA has made judgements in respect of the expected future payments under the various requirements of the applicable collective agreements and awards. The provision is based on estimates made from historical data (Refer to Note 14).

## 3. Income Tax

MSWA is exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

## 4. Revenue

	2025 \$	2024 \$
Government revenue (including grants)		
<i>Commonwealth government</i>		
Department of Health and Aged Care	4,993,079	4,631,073
Department of Social Services	637,712	519,081
National Disability Insurance Agency	35,661,646	35,576,133
	<u>41,292,437</u>	<u>40,726,287</u>
<i>State Government</i>		
Department of Communities	1,106,225	1,737,743
Disability Department of Mines, Industry Regulation and Safety	4,719	28,128
Department of Health Western Australia(a)	7,656,544	2,087,816
Insurance Commission Of Western Australia	536,136	336,208
Department of Training and Workforce Development	-	5,100
	<u>9,303,624</u>	<u>4,194,995</u>
<b>TOTAL</b>	<u><u>50,596,061</u></u>	<u><u>44,921,282</u></u>
Other Revenue		
Marketing & fundraising income	62,961,968	63,038,192
Corporate services - Other	8,950	245
Other Income	1,459,981	1,133,487
Gain on sale of non-current fixed assets	155,572	241,631
Investment dividends/distributions	432,351	508,781
Interest	1,879,585	2,003,540
	<u>66,898,407</u>	<u>66,925,876</u>

(a) \$6,560,289 revenue recognised is part of non-recurring capital grant received from Department of Health Western Australia. (Note 15)

MSWA conducts the Mega Home Lottery and car raffles in-house and maintains effective internal controls, prior to the recording of this revenue in its financial records.

### *Disaggregation of revenue*

All revenue is earned in the Geographical region of Australia.

## 5. Surplus of the year

	2025 \$	2024 \$
The surplus for the year has been determined after:		
Depreciation of property, plant & equipment	(2,042,333)	(2,727,742)
Depreciation of right of use assets	(432,270)	(446,494)
Gross salaries and wages expense	(47,250,859)	(45,159,099)

**6. Cash and Cash Equivalents**

	2025	2024
	\$	\$
Cash on hand	961	1,340
Cash on hand	961	1,340
Cash on hand	961	1,340
Cash at bank (a)	22,538,012	28,456,338
Cash on deposit at financial institutions	44,000,000	39,981,712
	<u>66,538,973</u>	<u>68,439,390</u>

Restrictions on cash at bank

(a) Cash at bank includes restrictions on \$8,995,779 (2024: 15,644,239) received from the Department of Health WA to construct a high support accommodation centre at Shenton Park as per the building grant deed dated 18 February 2021 (refer to note 15 (a)). Cash also includes \$620,000 (2024: \$2,797,680) as security for a bank guarantee issued to the Department of Racing, Gaming and Liquor. This amount is not available for general operational use (refer to note 19).

**7. Trade and Other Receivables**

	2025	2024
	\$	\$
Trade and other receivables	3,172,404	2,908,065
Prepayments	2,001,129	1,394,405
GST receivable	982,728	896,688
	<u>6,156,261</u>	<u>5,199,158</u>

**8. Inventories**

	2025	2024
		Restated(a)
Prize inventory	13,513,681	11,804,041
Total current inventories	<u>13,513,681</u>	<u>11,804,041</u>
<b>Non-current</b>		
Prize Inventory	6,398,071	6,402,833
Total non-current inventories	<u>6,398,071</u>	<u>6,402,833</u>
Total inventories	<u>19,911,752</u>	<u>18,206,874</u>

Inventories relate to the cost of mega home lottery prizes under construction and completed packages for future lotteries. These properties are expensed as prize costs when the relevant mega home lottery is drawn. Non-current inventory represents properties that are not expected to be realised within 12 months of the reporting period.

(a) Refer to Note 23

**9. Financial Assets**

	2025	2024
	\$	\$
<b>Current</b>		
Financial assets at amortised cost - Interest-bearing deposits and cash held	505,120	714,058
	<u>505,120</u>	<u>714,058</u>
<b>Non-Current</b>		
Financial assets at fair value through profit or loss - units in unlisted unit trusts	11,247,075	9,998,960
	<u>11,247,075</u>	<u>9,998,960</u>
	<u>11,752,195</u>	<u>10,713,018</u>

The investments in unlisted managed unit trusts are professionally managed investment funds, whose underlying investments are listed equities on Australian and foreign securities exchanges. Redemption values of the units in these trusts are published daily.

*Fair value measurement*

The valuation techniques and key assumptions used in measuring the fair value of financial assets measured at financial assets at fair value through profit or loss are based on quoted market prices in active markets.

**10. Property, Plant and Equipment**

	2025	2024
	\$	\$
<b>Non-Current</b>		
Land and buildings		
Cost	43,596,790	43,596,790
Accumulated depreciation	(6,294,518)	(5,632,178)
	<u>37,302,272</u>	<u>37,964,612</u>
Construction in progress		
Cost	9,506,512	2,623,467
	<u>9,506,512</u>	<u>2,623,467</u>
Leasehold land and improvements		
Cost	1,533,776	1,533,776
Accumulated depreciation	(1,499,969)	(1,444,680)
	<u>33,807</u>	<u>89,096</u>
Plant and equipment		
Cost	13,027,115	12,295,333
Accumulated depreciation	(9,836,936)	(8,620,004)
	<u>3,190,179</u>	<u>3,675,329</u>
Motor vehicles		
Cost	3,639,991	3,439,840
Accumulated depreciation	(1,134,244)	(1,088,970)
	<u>2,505,747</u>	<u>2,350,870</u>
	<u>52,538,517</u>	<u>46,703,374</u>

## Movements in Carrying Amounts

Year ended 30 June 2025	Land and buildings \$	Construction in progress	Leasehold land and improvements \$	Plant and equipment \$	Motor vehicles \$	Total \$
Balance at the beginning of the year	37,964,612	2,623,467	89,096	3,675,329	2,350,870	46,703,374
Additions	-	6,883,045	-	868,783	2,568,033	10,319,861
Disposals	-	-	-	(19,968)	(1,990,147)	(2,010,115)
Depreciation expense	(662,340)	-	(55,289)	(1,333,965)	(423,009)	(2,474,603)
Carrying amount at the end of the year	37,302,272	9,506,512	33,807	3,190,179	2,505,747	52,538,517

MSWA recognises land and building at cost (or at deemed cost based on the assets fair value at date of acquisition if acquired for nominal consideration). The balance of land and buildings includes:

- Land located at 148 Fern Road, Wilson, which was acquired and funded by the Disability Services Commission (DSC) at a cost of \$221,771. Homeswest constructed 6 units on the land at a cost of \$533,972.
- Land located at 57 Redmond Road, Hamilton Hill, was donated by the City of Cockburn. Department of Housing constructed a complex containing 6 high support accommodation units on the land at a cost of \$729,665.
- Land located at 33 Guttman Approach Shenton Park was transferred to MSWA during the year ended 30 June 2021 for nominal consideration. The fair value at the date of acquisition was determined by an independent valuer, to be \$4,660,000.

Land and buildings at Wilson, Belmont and City Beach were provided as security to MSWA's banker for bank guarantees in favour of the Department of Racing and Gaming - being security for various lottery and raffle prizes. (Refer to Note 19).

**11. Right of Use Assets**

	2025 \$	2024 \$
<b>Non-Current</b>		
Buildings	3,963,492	4,207,028
Accumulated depreciation	(3,124,084)	(2,691,814)
	839,408	1,515,214

Additions to the right-of-use assets during the year were \$231,775 (2024: \$275,530).

The depreciation disclosed in the statement of profit or loss includes \$432,270 (2024 \$466,494) for right-of-use assets.

MSWA leases land and buildings for its offices, warehouses and retail outlets under agreements of between 5-10 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

MSWA leases minor equipment under agreements of less than two years. These leases are either short-term or low-value, which amount to \$39,295 (2024: \$16,790) that have been expensed as incurred and not capitalised as right-of-use assets.

**12. Trade and Other Payables**

	2025 \$	2024 \$
<b>Current</b>		
Trade creditors	2,889,247	2,349,709
Accrued expenses and other payables	1,974,088	2,175,784
	4,863,335	4,525,493

**13. Provisions****Current**

	2025 \$	2024 \$
Provision for research	6,715,086	5,603,000
Provision for lottery prize <sup>(b)</sup>	5,065,550	3,091,726
Other	209,385	209,385
	11,990,021	8,904,111

**Non-Current**

Provision for refurbishments <sup>(a)</sup>	108,587	108,587
Provision for make good	257,733	54,959
	366,320	163,546

(a) The refurbishment provision relates to the joint venture agreement contractual obligations to cover anticipated costs of periodical repairs and maintenance. (Note 10 (a) and (b))

(b) The lottery prize provision represents the value of prizes drawn but not yet legally settled, where the risks and rewards of ownership have not transferred to the winners. As at August 2025, the provision has decreased to nil, reflecting the completion of all outstanding settlements and the transfer of ownership for previously drawn prizes.

(c) Refer to Note 23

**14. Employee Benefits****Current**

	2025 \$	2024 \$
Employee entitlements	7,069,637	6,103,249

**Non-Current**

Employee entitlements	1,756,812	1,688,531
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**15. Contract Liabilities****Current**

	2025 \$	2024 \$
Contract liabilities	2,004,737	2,818,198
Contract liabilities- construction of a non-financial asset (a)	7,846,414	13,838,845
	9,851,151	16,657,043

(a) Current contract liabilities as of 30 June 2025 included grant funding received from the Department of Health WA (and interest accrued on the funding) to construct a high support accommodation centre at Shenton Park as per the building grant deed dated 18 February 2021. The funds shall be recognised through profit or loss over time as the accommodation centre is constructed and the obligations of the funding are satisfied. MSWA materially expects the funding obligations to be met by MSWA in the year ending 30 June 2026.

*Reconciliation of movement in contract liabilities- construction of a non-financial asset*

	2025 \$	2024 \$
Opening balance	13,838,845	9,299,263
Grant funding received	-	5,000,000
Interest income	567,858	573,851
Funds recognised through profit or loss	(6,560,289)	(1,034,269)
Closing balance	7,846,414	13,838,845

**16 Capital Investment Reserve**

	2025	2024
	\$	\$
Represented by:		
Interest-bearing deposits and cash held (Note 9)	505,120	714,058
Units in unlisted unit trusts (Note 9)	11,247,075	9,998,960
	<u>11,752,195</u>	<u>10,713,018</u>

**17. Remuneration of Auditors**

During the financial year, the following fees were paid or payable for services provided BDO Audit Pty Ltd, the auditor of MSWA:

	2025	2024
	\$	\$
BDO Audit Pty Ltd		
-Assurance services - audit of the financial statements	43,000	-
-Non-assurance services - attendance at lottery draws	5,000	-
RSM Australia Partners		
-Assurance services - audit of the financial statements	-	36,500
-Non-assurance services - attendance at lottery draws	-	5,000
	<u>48,000</u>	<u>41,500</u>

**Change in External Auditor**

BDO Audit Pty Ltd were appointed as the external auditor of MSWA for the financial year ended 30 June 2025, replacing RSM Australia Partners who served as auditor in the prior year. The change was approved in accordance with Section 327 of the Corporations Act 2001.

**18. Commitments**

	2025	2024
	\$	\$
Capital commitments	19,215,515	27,349,344

MSWA is committed to incur capital expenditure relating to construction of Mega Home Lottery Grand Prize Houses totalling \$563,798 (2024: \$3,611,817) and the construction of a high support accommodation centre at Shenton Park for \$18,651,717 (2024: \$23,737,527).

**19. Contingent Liabilities**

The Department of Racing Gaming and Liquor is holding Bank Guarantees totalling \$8,500,000 (2024: 6,740,000) as security for the Lottery and Raffle obligations. Cityscape Holding Pty Ltd is holding Bank Guarantees totalling \$22,000 (2023: \$22,000) as security for the Rivervale leased property.

MSWA has no other contingent liabilities as of 30 June 2025 (2024: Nil).

**20. Related Party Transactions***Transactions with related parties*

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

*Receivable from and payables 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.

*Key management personnel*

Aggregate compensation to key management personnel for the year was \$1,736,971 (2024: \$1,595,992).

**21. Cash Flow Information**

Cash and cash equivalent at the end of the year is shown in the statement of financial position as:

	2025	2024
	\$	\$
Cash on hand and at bank	22,538,973	28,457,678
Cash on deposits at financial institutions	44,000,000	39,981,712
	<u>66,538,973</u>	<u>68,439,390</u>

*Non-cash investing and financing activities*

Non-cash investing and financing activities disclosed in other notes are:

(b) Acquisition of right-of-use assets - note 11

**22. Event Subsequent to Reporting Date**

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

**23. Correction of Prior Period Treatment**

During the financial year ended 30 June 2025, MSWA identified that legal title to a lottery mega home had not been transferred to the winner as at 30 June 2024. As the risks and rewards of ownership were transferred on 20 July 2024, the asset should have remained in inventory at year-end, with a related provision for the obligation to transfer the asset recorded, these amounts were therefore understated by \$3,091,726 in the prior period. The impact of the error on the statement of financial position is present below:

	30 June 2024	Prior period	30 June 2024
	\$	\$	\$
	Reported	Correction	Restated
Statement of financial position			
Inventory	15,115,148	3,091,726	18,206,874
Provision for the lottery prize	-	(3,091,726)	(3,091,726)

This treatment has been corrected by restating the affected financial statement line items for the comparative period, in accordance with AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.



Life not limits

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