ANNUAL REPORT
2024/2025

MORRISSEY

20th October 2025
1.00pm - 2.30pm
119 South Western Hwy
Glen Iris

OVERNIGHT RESPITE

DOMESTIC ASSISTANCE

DEMENTIA SPECIFIC SERVICES

SHORT TERM ACCOMMODATION

SATURDAY PROGRAMS

SCHOOL HOLIDAY PROGRAMS

SOCIAL ASSISTANCE

TRANSPORT

www.mhi..org.au

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Annual Report Year 2025

Morrissey is a not-for-profit, public benevolent organization and therefore holds an Annual General Meeting at the end of each year financial year. This gives members the opportunity to come together and share in the organisational successes and accomplishments of the year. Members are provided with an opportunity to ask questions, and to elect future members to the Board.

AGENDA

1. Welcome by Chair
2. Present
3. Apologies
4. Minutes of previous Annual General Meeting - Annexure “A”
5. Business arising from minutes - NIL
6. Presentation of Chairman’s report
7. Presentation of Accountant’s report
8. Presentation of Audited Accounts
9. Presentation of Manager’s report
10. Presentation of outgoing Board Members
11. Election of Board Members
12. Election of Life Member
13. Appointment of Auditor
14. Appointment of Accountant
15. Appointment of Patron
16. Appointment of Legal Advisor
17. Close of Meeting

A year in focus

This past year saw the passing of Mrs Phylis Barnes, Phylis was a founder member of Morrissey who, assisted by a dedicated Board secured funding to design and build the Morrissey – Bunbury site.

MCG Architects was engaged to produce updated concept site plans detailing the modifications which were as a result of community engagement of the proposed respite extensions and to further support an application for the amendment to the Greater Bunbury Amendment Scheme. Various meetings were held with WA Govt. Ministers to discuss possible options and support for the construction of the proposed Respite build.
On the 3rd June notification was received from the Department of Planning, Lands and Heritage that the submission in April 2024 to the Greater Bunbury Amendment Scheme was approved by the Minister for Planning and Lands.

In February this year Morrissey's computer server failed, and it was decided to move from a physical box to a hosted Cloud server. This allows operations to continue, accessing essential information from any location during times of acts of nature or in the event of power outages.

To ensure the Morrissey fleet of vehicles are refreshed, in February we entered into a Buy Back program where three vehicles are changed over every 9mths or 15,000kms, this means we have the ability to change cars more often to meet the changing mobility needs of clients. We also placed an order for 2 Hi-Ace Commuter vans, one fully modified with a wheelchair hoist and the other with side access modifications. Unfortunately, we received notification the Hi-Ace vehicles had sustained significant damage in Japan as they were waiting to be transported to Australia, this caused a significant delay as 2 new vehicles were required to be built. At the time of writing this, I received notification that the vans have arrived in Australia and have been sent for modifications.

Morrissey also benefitted from the Chef's Long Table funding to purchase a new Washer/Drier Combo, Microwave and Linen for our Respite Centres.

BEQUEST RECEIVED FROM MISS SHEILA MONK

Morrissey was a beneficiary of the estate of Miss Sheila Monk, Sheila attended Morrissey for several years and upon her passing, to show her appreciation and thanks she bequeathed $10,000. In recognition of the bequest a plaque was mounted on the remembrance wall which is situated around the internal atrium garden.

Community Support

Members of the community can assist Morrissey in many ways.

01. Cash for Cans

02. Battery Donations

03. Donation of over bed trays from St John of God Hospital Bunbury

04. Thermo Mix Raffle

Community Support

Members of the community can assist Morrissey in many ways.

CHEF'S LONG TABLE

Funding from the Chef's Long Table has purchased a new Washer Dryer Combo, a Microwave and Linen for our respite beds.

TRONOX

Tronox have come on board as a supporter by placing can collection points at their various operation sites where Tronox employees can discard their empty bottles and cans.

CONTINENCE AID DONATIONS

Donation of personal care aids which Morrissey forwards to clients who will benefit from the donation.

RESPITE BED SPONSORS

The Maas Family

Social Groups

Our social groups have proven to be a resounding success, growing from strength to strength with each passing week. What began as a simple social outing has blossomed into a vibrant, supportive community where connections flourish and friendships thrive. Whether you're new or returning, there's never been a better time to get involved and experience the energy for yourself!

People we supported

362
Clients assisted

10824
Respite hours

165802
Hours of services provided

8520
Department of Communities - Host Family Hrs

6915
Meals provided

3407
Domestic Assistance hours

25/ 2830 hrs
Work Placement students

65320
Transported kms

Services Included

- Transport
- Overnight Respite
- Extended Respite
- Home and Garden Maintenance
- School Holiday Programs
- Weekday community access
- Personal Care
- Social support Group
- Social Support
- Short Term Accommodation
- Saturday community access

Collaboration & Partnerships

- Australian Government Department of Health and Aged Care
- National Disability Insurance Agency
- Department of Communities
- Carers WA
- Cancer Council
- South West Health Campus Discharge Team
- South West Community Care
- Tronox
- ATC Work Smart
- South Regional TAFE

Quality Audits & Advisory Bodies

SUCCESSFUL NDIS RECERTIFICATION AUDIT

CONSUMER ADVISORY BODY – CONSISTING OF CLIENTS, CARERS AND CHAIRPERSON **HELD QUARTERLY**

QUALITY CARE ADVISORY BODY – CONSISTING OF CLIENTS, DIRECT SUPPORT STAFF AND KEY PERSONNEL **HELD TWICE YEARLY**

Consumer Advisory Body gives Clients additional opportunities to help fix problems and improve care. They allow you a way to talk about care, service quality and share with the provider's governing board.
The Quality Care Advisory Body, the role of this advisory body is to support and inform the Morrissey Board, help with problem solving and suggest improvements.

Income Streams and Percentages

35%
Private & Brokered

9%
HCP

14%
CHSP

20%
Aged Care Fees

7%
Kitchen, Fundraising & Other

16%
NDIS

Our Board

Chairperson - Christine Morgan

Christine joined the board in 2021 accepting the role of Chairperson in 2022. Christine has extensive experience in the field of Dementia care and is a founding member of the Bunbury Alzheimer's Association. Christine managed the Home and Community Care program, National Respite for Carers Program and Aged Care Packages under the Auspice of the Bethanie Group.

Deputy Chair- Sheryl Sala

Sheryl became a member of the Board in 2022, she has lived in Bunbury for the past 45 years, Sheryl has a background as a Technical Training with Tronox. Sheryl previously managed an Aged Care service when the permanent Manager had an extended leave of absence. Sheryl has since retired from her professional life and joined the Board. Sheryl has been involved for a number of years with the Great Cycle Challenge – to raise funds to help fight kids' cancer. Lives by the motto 'Have the best life!

Annette Whitelaw

Annette joined the Board in 2016. Annette is passionate about people having choice and being treated with dignity and respect.Annette, previously was the Manager at Morrissey between 1986 – 2009 she was awarded Life Membership to Morrissey in 2018 and in recognition and honour of Annette's dedication to the service the Respite Wing was named "The Annette Whitelaw Wing

Geoffrey Klem

Geoff joined the Board in 2020 bringing a wealth of experience. Geoff is a qualified Town Planner and Project Manager. A former Principal Advisor to the Deputy Premier, Policy Director in the Department of the Premier and Cabinet, a member of the WA Planning Commission and the Disability Services Commission.

Our Board

Marg Robertson

Commenced on the Board in 2021. Margaret is a retired librarian and worked in the industry for over 40 years. Marg is an active member of the Rotary Club – Bunbury, awarded Rotarian of the Year 2018, previously holding positions of Treasurer and President.

Amelia Harrington

Amelia joined the Board in 2023 with a background in the mining industry before moving into the maritime industry in recent years. Amelia has a varied professional background. With a strong business acumen and analytical mind, Amelia has held several financial roles, including Business Manager of their successful family business, before moving into her most recent role of Revenue Analyst.

Paul Diggins

Paul joined September 2024. Paul has an extensive background management, marketing, promotions and finances. Paul is the Dealer Principal for the Southwest Vehicle Group. He has a Master of Business Administration and a Bachelor of Business (Marketing) He is a member of the Rotary Club of Bunbury/Greater Bunbury and Bunbury Aero Club.

Del Ambrosius

Del became a member of Morrissey Board in 2024. Del has worked as a Communications Officer for the City of Bunbury, at the Bunbury Library Local Studies Collections Officer, a journalist for the South Western Times, Government Media Office and ABD radio presenter & producer. Del enjoys spending time with her grandchildren.

Hayden Reid

Hayden is the newest member of the Board. He is a Bunbury local and graduated from Bunbury Senior High before studying Physiotherapy at Curtin University, finishing in 2018. He spent three years in private practice in Perth, followed by a role as an Onsite Physiotherapist at a Pilbara mine site.
Hayden has been back in Bunbury for two years, working across onsite roles in the South West and private practice. Outside of work, he enjoys playing Pickleball, going to the footy, and spending time fishing and camping.

Our Patron

Rowland Blades

Served on the Morrissey Board since 2016 as a Community Member prior to accepting the role of Chairman in 2018, retiring in June 2020.

Rowland's connection to Morrissey expands beyond his position on the Board when he was Morrissey's Home and Community Care Program Project Manager at which time, he was instrumental in securing the additional funds for the development of our Leschenault premise.
Rowland's expertise in community development and contract management in the Aged sector has been invaluable to the Board.

Management Leadership Team

Lisa Malatesta - General Manager

Commenced at Morrissey in 1995 as an Administration trainee, during her employment Lisa had many position changes from client assistant, maintenance, cook, driver, finance officer, Assistant Manager which Lisa believes has assisted her in her role as the General Manager.

Michelle Ferguson - Assistant Manager

Joined the Morrissey team in 2006 as a part time Activity Assistant. Her talents were recognised and she was appointed to Supervisor and Senior Supervisor. During her employment she has also held positions for Program Development Coordinator, Aged Care Liaison moving to her current position of Assistant Manager in 2019.

With the introduction of the New Act 2024 (Aged Care) and the new Support at Home Program commencing 1st November 2025, transition for existing Home Care Package and Commonwealth Home Support Program over the next couple of years, Management have made a number of changes to ensure systems and processes accommodate necessary compliance. As a result, the Hierarchy chart was modified and a new role "Leadership Coordinator" was appointed.

Administration Team

Finance Officer: Lisa Soulos

Administration Assistant Jnr: Amber Malatesta

Administration: Penny Day

Leadership Team

Leadership Coordinator: Curtis Bransby

Care Partner Respite: Desley Baker

Care Partner Services: Kylie Lloyd-Murray

Care Partner Scheduler: Tina Myles

Services Supervisor: Parae Pitman

Our Staff

Our commitment to clients is the ongoing development of staff skills. This year staff undertook various refresher training and additional training in areas to ensure Morrissey is a leader in service delivery, maintaining status of a fully compliant organisation.

We welcomed a full-time trainee, who is completing Cert III in Ageing and Cert III in Disability. By the end of 2025 it is my intention to offer a new traineeship to complete dual qualifications.

Morrissey staff demonstrate on a daily basis the Morrissey values where clients are and remain the priority of the organisation.

We love to receive your Feedback (I am happy to say majority are positive), this gives a great boost to staff and recognition of their dedication to Clients. We also appreciate negative feedback, this gives us cause to review systems in place, identify training opportunities and overall improve on what we do.

Training the workforce for the future

Morrissey works alongside a number of local Registered Training Organisations to provide placement opportunities to complete hours and cement skills they have learnt in the classroom, to obtain qualification in Aged Care and/or Disability. Inducting and arranging student placements are one of the roles Tina looks after.

OUR TEAM

TRAINEES

The ‘smiles say it all’

Annual General Meeting

21st of October 2024 at 1pm
123 South Western Highway, Glen Iris

Minutes

1. Welcome by Chair – Mrs Christine Morgan

2. Present: as per attendance list

3. Apologies: Kath Keeffe, Megan William – Jones, Rowland Blades, Del Ambrosius

4. Minutes of previous Annual General Meeting

   MOTION: That the minutes be accepted as a true and correct record of the 2023 AGM meeting.
   Moved: Philip Smith **Seconded: Lyndall Rogers**

5. Business arising from minutes - Nil

6. Presentation of Chairman's report – Mrs Christine Morgan
   MOTION: That the Chairman's Reports be accepted.
   Moved: Lyndall Rogers **Seconded: Sheryl Sala**

7. Presentation of Accountants and Audited Accounts Report: Lisa Soulos – Finance Officer - Annexure "A"
   MOTION: That the Accountants Report & Audited Accounts be accepted.
   Moved: Philip Smith **Seconded: Geoff Klem**

8. Presentation of Manager's report – Lisa Malatesta
   MOTION: That the Managers Report be accepted.
   Moved: Caroline Nicholls **Seconded: Lyndall Rogers**

Annual General Meeting

21st of October 2024 at 1pm
123 South Western Highway, Glen Iris

Minutes continued

9. Endorsement of new members
   Del Ambrosius 3 year term 2023/2026, Paul Diggins 3 year term 2024/2027 and Geoff Klem 1 year term 2024/2025.
   MOTION: Del Ambrosius and Paul Diggins be endorsed for three-year term (2023/2026) and Geoff Klem be endorsed to for a one-year term (2024/2025).
   Moved: Annette Whitelaw **Seconded: Caroline Nicholls**

10. Appointment of Auditor
    MOTION: That AMD Chartered Accountant be appointed as MHI's Auditor for the 2024/2025 Financial Year.
    Moved: Philip Smith **Seconded: Caroline Nicholls**

11. Appointment of Accountant
    MOTION: That Nomad Accounting be appointed as MHI's Accountant for the 2024/2025 Financial Year.
    Moved: Philip Smith **Seconded: Caroline Nicholls**

12. Appointment of Patron
    - Rowland Blades current Patron be appointed for the 2023/2024 year.
    MOTION: That Rowland Blades be appointed as Patron for 2024/2025 year
    Moved: Margaret Roberston **Seconded: Lyndall Rogers**

13. Appointment of Legal Advisor
    MOTION: That Paul Lander of Lander Lawyers be endorsed as MHI's legal representative 2024/2025 year.
    Moved: Philip Smith **Seconded: Sheryl Sala**

14. General Business - Nil

15. Close of Meeting at 1.20pm

Chairmans Report

Good afternoon and thank you for attending the 2025 Annual General Meeting of Morrissey Homestead Inc.
2025 has been another year of great activity by all involved in our organisation and I thank you for your dedicated and hard work.

Upon preparing this report I reflected in the values of the organisation and strongly believe that as an organisation we sincerely aim to deliver upon these at every decision point and interaction.
We strive to be:

- Committed
- Respectful
- Caring
- Adaptable

We have had another full and successful year working together to continue to make a difference in the lives of our clients. Congratulations to all, on the successful outcome of the NDIS recertification. The work that goes on in the background to make this a reality is Huge and my sincere thanks go to all – especially I must say a big THANK YOU to Lisa and Michelle for all the dedicated hours that they put in to achieve these outcomes.

Supporting our clients and their families in their needs is the key reason for our existence. In order to do this, we are committed to meeting and exceeding expected levels of service.
This has been a year fraught with challenges due to the Government Aged Care and NDIS Reforms continually being placed on hold, leaving services providers and consumers alike trying to work their way through the changes.

I would like to specifically call out the tremendous efforts of our care, kitchen, grounds and administrative staff throughout the year and the consistent over and above support to our clients – THANK YOU – we cannot do what we do without this effort and commitment you do on a daily basis.

We continue to work hard on increasing our respite service and bring our much-proposed new respite facility to fruition.
In conclusion, the past year has been marked by both challenges and triumphs. I choose to focus on the triumphs and the incredible people I work with and meet in my role

Thank you
Christine Morgan
Chairperson

Accountants Report

The audited financial statements for the year ending 30 June 2025 include the financial results for Morrissey Homestead Inc (MHI) and are formally incorporated into the Annual General Meeting (AGM) Report.

💰 Funding Sources

Funding for the 2025 financial year remained stable, with continued support from:

- The National Disability Insurance Scheme (NDIS)
- Aged Care programs
- Commonwealth Home Support Program

In addition, MHI received client fees from self-funded and brokered private clients, which also included income from kitchen sales.

📦 New Support Measures

Home Care Packages (HCP) introduced new package management fees during the year, providing valuable financial support to the organisation.

📊 Cost Structure and Key Expenditures

As a provider of personal services, wages continue to be the organisation's largest expense. Other major costs include:

- Transport services to and from the centre
- Community outings and support for clients purchasing essential items
- Administration, general maintenance, and insurance

🏕️ Respite Services

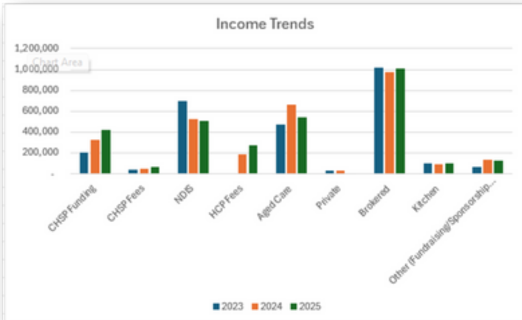
Respite care remains a vital part of MHI's service offering and continues to contribute positively to financial outcomes. It will be a key area of focus in the 2026 financial year.

📈 Financial Performance

It is encouraging to report a stronger surplus this year. This means MHI has more funds available to reinvest in infrastructure and assets—ultimately supporting better services and outcomes for clients.

Regards
Megan Williams-Jones
Accountant

THE CHANGES OVER THE LAST 3 YEARS ARE REFLECTED BELOW:



Income Trends

Major Cost Trends

General Managers Report

During the year 2024 - 2025 we continued to see positive growth in client services and in line with the organisational Strategic Plan. This was directly reflected in this year's Independent audited End of Year Financial reports with a surplus just shy of $100,000. The surplus shows the strategies, streamlining of procedure has been worth the effort. You will have noticed, we commenced refreshing the fleet of Morrissey vehicles, we listened to clients to ensure the most suitable vehicles were purchased. We entered into a Buy Back program where three vehicles are changed over every 9mths or 15,000kms, this means we have the ability to change cars more often to meet the changing mobility needs of clients. This also has the added benefit of reducing maintenance costs for those vehicles.

The New Aged Care Act 2024 was passed through the Australian Parliament on the 25th of November 2024. The new Act will start from the 1st of November 2025 and will align with the launch of the new Support at Home program. With the introduction of the Act and the new Support at Home program, reforms within the National Disability Insurance Scheme updating of Morrissey system procedures, practices, documents and staff training has been a priority and work continues. This is essential, not only to ensure Morrissey continues to be a fully accredited and compliant organisation with the Aged Care Quality and Safety Commission and the Quality and Safety Commission, however also, to reassure clients' carers and families the services you are receiving are of a high standard.

The hierarchy structure has been updated to reflect those changes and with the introduction of a new Leadership Coordinator role. Curtis Bransby was successful in his application and therefore was appointed. This role will oversee the Leadership Team consisting of Care Partners – Respite, Services, Scheduler, Building and Vehicles.

General Managers Report Cont.

A major achievement for Morrissey this year included receiving a successful outcome of our application to the Greater Bunbury Amendment Scheme – Planning Minister to allow for a section of the adjacent open land be rezoned for the development of a new wing to the Bunbury site. I make a special mention to Board member Geoff Klem who was instrumental in keeping the project progressing to completion over the past 3 years.
This will consist of the construction of 3 additional units, which can be independent or interconnected, allowing staff and clients to transverse between units. This building will increase the number of respite beds for clients to access from the current 1 client, increasing to 7 clients. The building has been designed to allow adaptability should future changes be required. It will also have a well-appointed training kitchen, and laundry allowing clients to have the opportunity to learn necessary skills in a supported environment with a goal of transitioning into independent living.

This year the organization was audited by Citation (an approved NDIS Auditor) for re certification by the Quality and Safety Commission. This was completed over a period of a few days, Clients, Carers, Staff, Volunteers, Board members and Management play an integral role, providing information and feedback.
Morrissey received a great assessment report, meeting each item within the Quality Standards.
I, as always are especially thankful for the support provided by Michelle Ferguson – Assistant Manager. Michelle's abilities and knowledge are complimentary to my own, which has created a dynamic Management Team dedicated to Morrissey, working tirelessly to ensure Morrissey reaches higher potential, year after year!
Kind regards

Lisa Malatesta
General Manager

Presentation of retiring Board Members

Retiring Members

Geoff Klem
Community Representative
Member of the Board 2020 -2025

Election of Board Members

Returning members for endorsement

Annette Whitelaw
Community Representative
1 year term
2025/2026

Margaret Robertson
Community Representative
2 year term
2025/2027

Del Ambrosius
Community Representative
3 year term
2023/2026

Paul Diggins
Community Representative
3 year term
2024/2027

Sheryl Sala
Community Representative
1 year term
2025/2026

Amelia Harrington
Community Representative
3 year term
2023/2026

Christine Morgan
Community Representative
2 year term
2025/2027

New Member for Endorsement

Hayden Reid
Community Representative
2 year term
2025/2027

Election of Life Member

THANK YOU FOR YOUR ONGOING SUPPORT

As we reflect on the journey so far, we want to take a moment to express our sincere gratitude to everyone who makes what we do possible.

To our dedicated staff – thank you for your hard work, passion, and unwavering commitment. Your efforts are the foundation of everything we achieve.

To our valued clients – we deeply appreciate your trust, loyalty, and continued partnership. Your support drives us to keep improving and delivering our best every day.

To our community – your encouragement and involvement mean the world to us. Thank you for standing with us, sharing in our vision, and helping us grow.

Together, we've accomplished so much, and we're excited for what the future holds. Thank you for being part of this journey.

With heartfelt appreciation,

Lisa Malatesta
General Manager

More Information About Services You Can Contact Us

PHONE :

97254699

EMAIL :

info@mhi.org.au

WEBSITE :

www.mhi.org.au

ADDRESS :

119 South Western Hwy, Glen Iris 6230

Annexure “A”

MORRISSEY HOMESTEAD INC.
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2025

MORRISSEY HOMESTEAD INC.

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

Morrissey Homestead Incorporated

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		$	$
Revenue	2	2,936,088	2,850,089
Other income	2	135,068	134,600
Employee expenses	3	(2,415,400)	(2,462,148)
Operational expenses	3	(164,571)	(161,465)
Depreciation expense	3	(88,388)	(81,921)
Advertising and promotion expenses		(9,017)	(14,713)
Occupancy expenses		(99,893)	(94,417)
Administration expenses	3	(193,897)	(163,976)
Current year surplus		99,990	6,046
Income tax expense	4	-	-
Net current year surplus		99,990	6,049
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value gains on financial assets		-	-
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		99,990	6,049

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025	2024
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	836,649	1,388,034
Financial assets	7	851,565	1,227,813
Accounts receivable and other debtors	8	179,400	238,555
Other current assets	9	120,894	148,347
TOTAL CURRENT ASSETS		1,988,508	3,002,749
NON-CURRENT ASSETS			
Financial assets	7	-	-
Property, plant and equipment	10	340,667	351,098
TOTAL NON-CURRENT ASSETS		340,667	351,098
TOTAL ASSETS		2,329,175	3,353,847
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	11	216,482	290,924
Contract liability	11(b)	253,401	1,305,049
Employee provisions	12	199,633	206,805
TOTAL CURRENT LIABILITIES		669,516	1,802,778
NON-CURRENT LIABILITIES			
Employee provisions	12	53,688	45,088
TOTAL NON-CURRENT LIABILITIES		53,688	45,088
TOTAL LIABILITIES		723,204	1,847,566
NET ASSETS		1,605,971	1,505,981
EQUITY			
Reserves	13	292,725	292,725
Retained surplus		1,313,246	1,213,256
TOTAL EQUITY		1,605,971	1,505,981

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained Surplus $	Future Sustainability Reserve $	Total $
Balance at 1 July 2023		1,207,207	292,725	1,499,932
Comprehensive income				
Net surplus for the year		6,049	-	6,049
Other comprehensive income for the year		-	-	-
Total comprehensive income		6,049	-	6,049
Transfers to / (from) reserves		-	-	-
Balance at 30 June 2024		1,213,256	292,725	1,505,981
Balance at 1 July 2024		1,213,256	292,725	1,505,981
Comprehensive income				
Net surplus for the year		99,990	-	99,990
Other comprehensive income for the year		-	-	-
Total comprehensive income		99,990	-	99,990
Transfers to / (from) reserves				
Balance at 30 June 2025		1,313,246	292,725	1,605,971

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Recurrent Grants and Government Fee Contributions		(562,217)	(690,814)
Client Contributions		2,571,817	2,565,685
Interest Received		66,811	86,429
Payments to Employees (excluding leave entitlements)		(2,267,963)	(2,392,664)
Payments to Suppliers		(678,697)	(466,864)
Net cash (used in) operating activities	**17**	(870,249)	(898,229)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for Plant and Equipment		(77,957)	(72,789)
Proceeds from disposal of assets		20,573	10,020
Transfer from (to) financial assets		376,248	1,227,902
Net cash provided by investing activities		318,864	1,165,133
Net (decrease) /increase in Cash Held		(551,385)	266,904
Cash at the beginning of the Financial Year		1,388,034	1,121,130
Cash as the end of the Financial Year	6	836,649	1,388,034

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Morrissey Homestead Incorporated is an Association incorporated in Western Australia and operating pursuant to the *Associations Incorporation Act (WA) 2015* and the *Australian Charities and Not-for-profits Commission Act 2012.*

The financial statements were authorised for issue on [insert date] by the members of the Board.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Associations Incorporation Act (WA) 2015,* the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. **Income Tax**

The Australian Taxation Office has endorsed Morrissey Homestead Incorporated as a Public Benevolent Institution which is eligible for the following concessions:

i) GST concession;

ii) FBT exemption;

iii) Income taxation exemption.

Morrissey Homestead Incorporated is endorsed as a Deductible Gift Recipient (DGR).

No change in the Association's tax status as a result of activities undertaken during the year is likely.

b. **Fair Value of Assets and Liabilities**

The Association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, information is extracted from the most advantageous market available to the Association at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the Association's own equity instruments may be valued, where there is no observable market price in relation to the transfer of an identical or similar financial instrument, by reference to observable market information where identical or similar instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

statements.

c. **Property, Plant and Equipment**

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

The cost of fixed assets constructed by the Association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Capitalisation Threshold

Fixed assets purchased at a cost for less than $1,000 are expensed in the year of purchase.

Depreciation

The depreciable amount of all fixed assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	**Depreciation Rate**
Motor Vehicles	10-33%
Computer Equipment	20-50%
Plant and Equipment	10-20%
Centre Equipment	10-25%
Office Equipment	15-20%
Leasehold Improvements	10-35%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss when the item is derecognised.

d. **Leases**

The Association as lessee

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Association to further its objectives (commonly known as peppercorn/concessionary leases), the Association has adopted the temporary relief under AASB 2019-8 and measures the right of use assets at cost on initial recognition.

e. **Financial Instruments**

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Association commits itself to either the purchase or the sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liability is subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- it is part of a portfolio where there is an actual pattern of short-term profit taking; or
- it is a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principle amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principle amount outstanding on specified dates; and
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The entity initially designates a financial instrument as measured at fair value through profit and loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the Association was documented appropriately, so as the performance of the financial liability that was part of an entity's financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Association made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Association's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Association no longer controls the asset (ie no practical ability to make unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The entity uses the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Association assesses whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Association measures the loss allowance of the financial instrument at an amount equal to the lifetime expected credit losses; and
- there is no significant increase in credit risk since initial recognition, the Association measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss, (ie diversity of its customer base, appropriate groupings of its historical loss experience etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or originations), the Association measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- where a lender has granted to the borrower a concession, due to borrower's financial difficulty, that the lender would not otherwise consider;
- where it is probable the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Association assumes that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the Association applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Association recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial asset that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

f. **Impairment of Assets**

At the end of each reporting period, the Association reviews the carrying amounts of its tangible and intangible assets 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

g. **Employee Provisions**

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages and salaries are recognised as part of current accounts payable and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

h. **Cash on Hand**

Cash on hand includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

original maturities of three months or less, and bank overdrafts.

i. **Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

j. **Revenue**

Revenue recognition

Operating Grants, Client Related Income, Donations and Bequests

When the Association receives operating grant revenue, client related income, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Association:
– identifies each performance obligation relating to the grant;
– recognises a contract liability for its obligations under the agreement; and
– recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Association:

– recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9. AASB 16, AASB 116 and AASB 138);

– recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and

– recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest Income

Interest income is recognised using the effective interest method.

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

k. **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 Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

l. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

m. **Provisions**

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

n. **Critical Accounting Estimates and Judgements**

The Board evaluates estimates and judgments 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 the Association.

Key estimates

(i) *Impairment*

The Association assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using calculations which incorporate various key assumptions.

(ii) *Estimation of useful lives of assets*

The estimation of useful lives of assets has been based on historical experience as well as lease terms for leasehold improvements. In addition, the condition of the asset is assessed at least once per year and considered against the remaining useful life.

Key judgements

(i) *Performance obligations under AASB 15*

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/value, quantity and the period of transfer related to the goods or services promised.

(ii) *Employee benefits*

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Association expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

New and amended accounting policies adopted by the Association

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

– *AASB 18: Presentation and Disclosure in Financial Statements*

AASB 18 replaces AASB 101 as the standard describing the primary financial statements and sets out requirements for the presentation and disclosure of information in AASB-compliant financial statements. Amongst other changes, it introduces the concept of the "management-defined performance measures" to financial statements and requires the classification of transactions presented within the statement of profit or loss within one of five categories – operating, investing, financing, income taxes, and discontinued operations. It also provides enhanced requirements for the aggregation and disaggregation of information.

The Association plans on adopting the amendment for the reporting period ending 30 June 2029. Management is currently assessing the impact the amendment will have on the financial statements once adopted.

– *AASB 2024-2: Amendments to the Classification and Measurement of Financial Instruments*

AASB 2024-2 amends AASB 9 Financial Instruments and AASB 7 Financial Instruments: Disclosures to clarify how the contractual cash flows from financial assets should be assessed when determining their classification. The amendment also clarifies the derecognition requirements of financial liabilities that are settled through electronic payment systems.

The Association plans on adopting the amendment for the reporting period ending 30 June 2027. The amendment is not expected to have a material impact on the financial statements once adopted.

No other new and amended accounting standards not yet adopted are expected to have a material effect on the entity and will be adopted as required.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

NOTE 2: REVENUE AND OTHER INCOME	**2025**	**2024**
	$	**$**
Revenue:		
CHSP Funding	422,788	323,515
Other Funding	500	4,545
Client Fees	2,416,070	2,426,715
Kitchen Income	96,730	95,314
Total revenue	2,936,088	2,850,089
Other income:		
Donations received	13,858	716
Fundraising	24,113	8,352
Sponsorship	1,500	-
Insurance Refund	7,156	-
Use of facilities	12,628	7,228
Training Subsidy	6,565	5,974
Miscellaneous income	185	5,426
Disposal of Assets	20,573	10,020
Interest income	48,490	96,884
Total other income	135,068	134,600
Total revenue and other income	**3,071,156**	**2,984,689**

The ongoing operation of the services provided by Morrissey Homestead Incorporated is dependent upon the continued receipt of funds from the Department of Health and other funding providers.

NOTE 3: SURPLUS FOR THE YEAR

	2025	2024
	$	$
Employee expenses:		
Direct wages, salaries and superannuation	1,435,198	1,530,229
Direct employee leave provisions	(15,149)	49,184
Direct employee workers compensation insurance	35,668	38,134
Total direct employee expenses	1,455,716	1,617,547
Indirect wages, salaries and superannuation	908,544	799,615
Indirect employee leave provisions	16,578	9,001
Indirect employee workers compensation insurance	22,570	18,956
Other employment expenses	11,992	17,029
Total indirect employee expenses	959,684	844,601
	2,415,400	2,462,148
Operational expenses:		
Kitchen expenses	48,467	46,496
Centre and client expenses	6,602	9,217
Motor vehicle expenses	109,502	105,752
	164,571	161,465
Depreciation expense:		
Motor vehicles	28,541	24,928
Leasehold improvements	36,135	35,071
Plant and equipment	23,712	21,922
	88,388	81,921
Administration expenses:		
Accounting and audit expenses	45,827	44,484
Debtor impairment	32,415	6,862
Computer and IT expenses	43,585	28,547
Consulting expenses & professional fees	7,115	17,653
Insurance – business	20,074	19,917
Telephone expenses	8,961	8,206
Office expenses	11,776	9,350
Subscriptions	9,300	4,604
Other expenses	14,845	24,353
	193,897	163,976

NOTE 4: INCOME TAX EXPENSE

The Australian Taxation Office has endorsed Morrissey Homestead Incorporated as a Public Benevolent Institution which is eligible for the following concessions:

i) GST concession;

ii) FBT exemption; and

iii) Income taxation exemption

Morrissey Homestead Incorporated is endorsed as a Deductible Gift Recipient (DGR).

No change in the Association's tax status as a result of activities undertaken during the year is likely.

NOTE 5: AUDITOR'S FEES

	2025	2024
	$	$
Remuneration of the auditor of the Association for:		
– auditing or reviewing the financial statements	17,700	16,120
– taxation services	-	-
– other services	-	-
	17,700	16,120

NOTE 6: CASH AND CASH EQUIVALENTS

	Note	2025	2024
		$	$
Cash on hand			
Cash at bank – unrestricted		836,649	1,388,034
	18	836,649	1,388,034

The effective interest rate on short-term bank deposits was 3.8% (2024: 3.8%); these deposits have an average maturity of 185 days (2024: 173) days.

NOTE 7: FINANCIAL ASSETS

	Note	2025	2024
		$	$
CURRENT			
Financial assets at amortised cost			
-Term deposits	18	851,565	1,227,813
		851,565	1,227,813

NOTE 8: ACCOUNTS RECEIVABLE AND OTHER DEBTORS	Note	2025 $	2024 $
CURRENT			
Trade receivable		109,933	175,917
Provision for impairment		-	-
		109,933	175,917
Other debtors and accrued income		54,609	41,615
Provision for impairment		-	-
GST receivable		14,858	21,023
		69,467	62,638
Total current accounts receivable and other debtors	18	179,400	238,555

The following table shows the movement in lifetime expected credit loss that has been recognised for accounts receivable and other debtors in accordance with the simplified approach set out in AASB 9.

a. **Lifetime Expected Credit Loss – Credit Impaired**

	Opening balance 1 July 2024 $	Net measurement of loss allowance $	Amounts written off $	Closing balance 30 June 2025 $
(i) Trade debtors	Nil	32,415	(32,415)	Nil
(ii) Other debtors and accrued income	-			
	Nil	32,415	(32,415)	Nil

The Association applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2024 and 30 June 2025 is determined as follows. The expected credit losses below also incorporate forward-looking information.

	Current	>30 days past due	>60 days past due	>90 days past due	Total
2024					
Expected Loss rate					0%
Gross carrying amount	155,952	15,242	812	3,911	175,917
Loss allowing provision	-	-	-	-	-
2025					
Expected Loss rate					0%
Gross carrying amount	96,595	2,400	3,438	7,500	109,933
Loss allowing provision					

b. **Credit Risk**

The Association has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties.

The Association measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Association writes off an accounts receivable amount when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

Collateral held as security

No collateral is held as security for any of the accounts receivable or other debtor balances.

Note 9: Other Current Assets

	2025	2024
	$	$
Prepayments	118,504	127,636
Accrued interest	2,390	20,711
	120,894	148,347

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	2025	2024
	$	$
Centre equipment:		
At cost	168,223	168,223
Accumulated depreciation	(132,121)	(118,421)
	36,102	49,802
Motor vehicles:		
At cost	522,342	705,555
Accumulated depreciation	(289,424)	(516,488)
	232,918	189,067
Office equipment:		
At cost	47,023	47,023
Accumulated depreciation	(42,895)	(39,655)
	4,128	7,368
Plant and equipment:		
At cost	88,161	88,161
Accumulated depreciation	(78,918)	(76,734)
	9,243	11,427
Computer equipment:		
At cost	108,042	65,991
Accumulated depreciation	(96,879)	(52,435)
	11,163	13,556
Leasehold improvements:		
At cost	329,124	329,124
Accumulated depreciation	(289,418)	(253,286)
	39,706	75,838
Website:		
At cost	8,080	4,040
Accumulated depreciation	(673)	-
	7,407	4,040
	340,667	351,098

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Centre Equipment	Motor Vehicles	Office Equipment	Plant and Equipment	Computer Equipment	Leasehold Improvements	Website	Total
	$	$	$	$	$	$	$	$
Balance at 1 July 2023	41,674	185,179	10,603	7,540	18,128	97,107	-	360,231
Additions	19,703	28,817	-	6,485	-	13,746	4,040	72,789
Disposals (net)	-	-	-	-	-	-	-	-
Depreciation expense	(11,575)	(24,929)	(3,235)	(2,598)	(4,572)	(35,015)	-	(81,922)
Carrying amount at 30 June 2024	49,802	189,067	7,368	11,427	13,556	75,838	4,040	351,098
Additions	-	72,393	-	-	2,214	-	4,040	78,647
Disposals	-	-	-	-	-	-	-	-
Depreciation expense	(13,700)	(28,542)	(3,240)	(2,184)	(4,607)	(36,132)	(673)	(89,078)
Carrying amount at 30 June 2025	36,102	232,918	4,128	9,243	11,163	39,706	7,407	340,667

NOTE 11: ACCOUNTS PAYABLE AND OTHER PAYABLES

	Note	2025 $	2024 $
CURRENT			
Unsecured liabilities:			
Accounts payable		129,188	154,469
Accrued expenses		59,922	49,043
Contract liabilities		253,401	1,305,049
Payroll liabilities		27,330	87,412
		469,841	1,595,973

a. **Financial liabilities at amortised cost classified as accounts payable and other payables**

	Note	2025	2024
Accounts payable and other payables:			
– total current		469,841	1,595,973
– total non-current		-	-
		469,841	1,595,973
Less contract liabilities		(253,401)	(1,305,049)
Financial liabilities as accounts payable and other payables	18	216,440	290,924

The average credit period on accounts payable and other payables is 30 days.

b. **Contract liabilities**

	2025 $	2024 $
Amounts related to contracts	164,970	1,150,475
Amounts received in advance of services	88,431	154,574
Total contract liabilities	253,401	1,305,049

Contract liabilities as at 30 June 2024 included unspent contractual HACC and CHSP funding. The reduction in contract liabilities from 2024 to 2025 related to the repayment of unspent contractual CHSP funding which had accumulated over a number of years. These funds were held in financial assets and were recorded as a contract liability as at 30 June 2024. The CHSP funds were repaid within the 30 June 2025 financial year. Therefore, there is a significant reduction in ongoing liability or other requirements associated with this previous contractual funding arrangement.

NOTE 12: EMPLOYEE PROVISIONS

	2025	2024
	$	$
CURRENT		
Employee provisions – annual leave entitlements	127,954	153,224
Employee provisions – long service leave	71,679	53,581
	199,633	206,805
NON CURRENT		
Employee provisions – long service leave	53,688	45,088
	253,321	251,893
Analysis of employee provisions – annual leave entitlements		
Opening balance at 1 July 2024	251,893	193,708
Additional provisions	183,231	217,703
Amounts used	(181,803)	(159,518)
Balance at 30 June 2025	253,321	251,893

NOTE 12: EMPLOYEE PROVISIONS

Employee provisions – annual leave and long service entitlements

The provision for employee benefits represents amounts accrued for annual leave and long service leave entitlements.

Based on past experience, the Association does not expect the full amount of annual leave to be settled wholly within the next 12 months. However, the amount must be classified as a current liability because the Association does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

NOTE 13: FUTURE SUSTAINABILITY RESERVES

The Morrissey Homestead Incorporated Board believes the principles of financial sustainability are central to the long-term security and viability of the association. To achieve its strategy, the Board approved the establishment of a Future Sustainability Reserve within the 2018/2019 financial year. This reserve may be utilised to meet non-funded capital expenditure, the capacity to undertake strategic research and innovation, or the ability to meet unforeseen expenditure that cannot legitimately be absorbed by funding without compromising service delivery.

The balance of to the Future Sustainability Reserve as at 30 June 2025 was $292,725. This amount represents own source funds resulting from fundraising undertaken by Morrissey Homestead Incorporated.

The Future Sustainability Reserve is administered by the Board and requires approval, in all instances to support the expenditure of these funds. All spending from the Future Sustainability Reserve requires a clear rationale for approving the expenditure and a clear demonstration that alternative financial solutions cannot be procured from traditional sources.

NOTE 14: COMMITMENTS

a. **Lease Commitments**

City of Bunbury

A lease agreement has been entered into for the lease of Lot 65 (123) South Western Highway, Bunbury. The term of this lease is 1 July 2011 to 30 June 2026. The lease agreement was signed on 15 September 2011.

A Deed of Variation was signed January 2019 to extend the lease area.

Shire of Harvey

Morrissey Homestead Inc. has entered into a lease agreement with the Shire of Harvey to occupy Lot 42 Clifton Close, Australind with the term of the lease being 1 December 2022 to 30 November 2027. No further lease has been signed at the time of this report.

b. **Capital Commitments**

As at 30 June 2025 Morrissey Homestead Incorporated had no capital commitments (2024: Nil).

NOTE 15: EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant events since the end of the reporting period.

NOTE 16: RELATED PARTY TRANSACTIONS

a. **Key Management Personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly, including its committee members, is considered key management personnel.

Key management personnel compensation:

	2025	2024
	$	$
- short-term employee benefits	272,200	271,028
- Post-employment benefits	30,313	27,921
- Other Long-term Benefits	33,359	26,730
	335,872	325,679

b. **Other Related Parties**

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

NOTE 17: CASH FLOW INFORMATION

	2025 $	2024 $
Reconciliation of net cash flow from operations with net surplus:		
Net surplus from ordinary activities	99,990	6,049
Adjustments for:		
Depreciation	88,388	81,921
Net loss (Gain) on disposal of assets	(20,573)	(10,020)
Change in operating assets and liabilities:		
Accounts receivable and other accruals	59,155	54,490
Other assets	27,453	(19,645)
Accounts payable and other accruals	(74,442)	78,720
Provisions	1,428	58,185
Contract Liability	(1,051,648)	(1,147,929)
	(870,249)	(898,229)

NOTE 18: FINANCIAL RISK MANAGEMENT

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, investments in listed shares, receivables and payables, and lease liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments*, as detailed in the accounting policies to these financial statements, are as follows:

	Note	2025 $	2024 $
Financial assets			
Financial assets at amortised cost			
– cash and cash equivalents	6	836,649	1,388,034
– accounts receivable and other debtors	8	179,400	238,555
– financial assets: term deposit	7	851,565	1,227,813
Total financial assets		1,867,614	2,854,402
Financial liabilities			
Financial liabilities at amortised cost:			
– accounts payable and other payables	11	216,440	290,924
Total financial liabilities		216,440	290,924

Financial Risk Management Policies

The Association's Board is responsible for, among other issues, monitoring and managing financial risk exposures of the Association. The Board monitors the Association's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held and minuted by the Board.

The overall risk management strategy seeks to ensure that the Association meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

Specific Financial Risk Exposures and Management

The main risks the Association is exposed to through its financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the Association is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

a. **Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Association.

Credit risk is managed through the maintaining of procedures (such as the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness.

NOTE 18: FINANCIAL RISK MANAGEMENT

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions).

There is no collateral held by the Association securing accounts receivable and other debtors.

The Association has no significant concentrations of credit risk with any single counterparty or group of counterparties.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality.

The Association has no significant concentrations of credit risk with any single counterparty or group of counterparties.

b. **Liquidity risk**

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the Association's financial position on a regular basis.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Association does not hold any derivative financial liabilities directly.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

NOTE 18: FINANCIAL RISK MANAGEMENT

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Accounts payable and other payables (excluding annual leave provisions and contract liabilities)	216,440	292,924	-	-	-	-	216,440	292,924
Total contractual outflows	216,440	292,924	-	-	-	-	216,440	292,924
Total expected outflows	216,440	292,924	-	-	-	-	216,440	292,924
Financial assets – cash flows realisable								
Cash and cash equivalents	836,649	1,388,034	-	-	-	-	836,649	1,388,034
Accounts receivable and other debtors	179,400	238,555	-	-	-	-	179,400	238,555
Financial assets at amortised cost	851,565	1,227,813	-	-	-	-	851,565	1,227,813
Total anticipated inflows	1,867,614	2,854,402	-	-	-	-	1,867,614	2,854,402
Net (outflow)/inflow expected on financial instruments	1,651,174	2,563,478	-	-	-	-	1,651,174	2,563,478

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

c. **Market risk**

(i) *Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Association is exposed to earnings volatility on floating rate instruments. The financial instruments that expose the Association to interest rate risk are limited to lease liabilities, listed shares and cash on hand.

The Association also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

(ii) *Sensitivity analysis*

The following table illustrates sensitivities to the Association's exposures to changes in interest rates and equity prices. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

NOTE 18: FINANCIAL RISK MANAGEMENT

	Current Surplus	Equity
Year ended 30 June 2025	$	$
+/– 2% in interest rates	16,733	16,733
+/– 2% in financial assets at amortised cost	17,031	17,031
Year ended 30 June 2024		
+/– 2% in interest rates	27,761	27,761
+/– 2% in financial assets at amortised cost	24,566	24,566

No sensitivity analysis has been performed on foreign exchange risk as the Association has no exposure to currency risk.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

	Note	2025 Carrying Amount	2025 Fair Value	2024 Carrying Amount	2024 Fair Value
		$	$	$	$
Financial assets					
Financial assets at amortised cost:					
– cash and cash equivalents[(i)]	6	836,649	836,649	1,388,034	1,388,034
– accounts receivable and other debtors[(i)]	8	179,400	179,400	238,555	238,555
Financial assets at amortised cost:					
– term deposits	7	851,565	851,565	1,227,813	1,227,813
Total financial assets		1,867,614	1,867,614	2,854,402	2,854,402
Financial liabilities – amortised cost					
Accounts payable and other payables[(i)]	11	216,440	216,440	290,924	290,924
Total financial liabilities		216,440	216,440	290,924	290,924

(i) Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Accounts payable and other payables exclude amounts relating to the provision for annual leave, which is outside the scope of AASB 139.

NOTE 19: FINANCIAL SUPPORT

The ongoing operation of the services provided by Morrissey Homestead Incorporated is dependent upon the continued receipt of funds from the Department of Health and other funding providers.

NOTE 20: ASSOCIATION DETAILS

The principal place of business is:

Morrissey Homestead Incorporated

123 South Western Highway

BUNBURY WA 6230

ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND PERFORMANCE OF INCORPORATED ASSOCIATION

STATEMENT BY MEMBERS OF THE BOARD

In accordance with a resolution of the Board of Morrissey Homestead Incorporated, we state that:

In the opinion of the Board:

1. The financial statements and notes of the Association are in accordance with the *Associations Incorporation Act (WA) 2015 and Australian Charities and Not-for-profits Commission Act 2012*, including:

   a)Giving a true and fair view of the Association's financial position as at 30 June 2025 and its performance for the year ended on that date; and

   b)Complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Associations Incorporation Act (WA) 2015 and *Australian Charities and Not-for-profits Commission Act 2012*;

2. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Chairperson:..

Board Member: ....

Dated this 15th day of September 2025