Adelaide Primary Health Network Limited

ABN 18 155 472 067

Annual Report - 30 June 2026

Adelaide Primary Health Network Limited
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30 June 2026

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Adelaide Primary Health Network Limited
Directors' report
30 June 2026

The Directors present their report, together with the financial statements, on the Company for the year ended 30 June 2026.

Directors

Mr Thomas (Tom) Symonds	Completed the maximum 9-year tenure on 27/10/2025
Dr Melanie Smith	
Mr Scott Williams	
Mr Shane Mohor	
Dr Olga Polikina	
Ms Tamara Cavenett	Resigned 25/08/2025
Dr Peter Del Fante	
Ms Claudia Goldsmith	
Ms Linda Abrams-South	
Ms Mary Patetsos	Appointed 27/10/2025
Prof. Lorraine Sheppard	Appointed 27/10/2025

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Directors are appointed in accordance with the Constitution of Adelaide Primary Health Network Limited, which provides for a term of approximately 3 years from the annual general meeting at which the Director is elected. A Director may serve a maximum of 3 consecutive terms (approximately 9 years), after which a three-year break is required before becoming re-eligible for election.

Directors

Mr Thomas (Tom) Symonds	Director since November 2016; completed the maximum tenure in October 2025
Qualifications & Professional Associations	BSc (Hons), MBA (Health), GAICD Previous Chair, August 2020 to 27 October 2025
Dr Melanie Smith (Chair)	Director since November 2021
Qualifications & Professional Associations	BSc, MBBS, FRACGP, DCH, CHIA, AICGG, MAICD Chair since 27 October 2025 Previous Chair, Commissioning Oversight Committee Previous Member, Board Selection Committee
Mr Scott Williams (Deputy Chair)	Director since November 2019
Qualifications & Professional Associations	B. Nursing, MBA, Grad Dip NLP, Company Directors Course, GAICD Deputy Chair since February 2026 Chair, Governance & Remuneration Committee Member, Board Selection Committee
Mr Shane Mohor	Director since November 2022
Qualifications & Professional Associations	B.Nursing, Masters Deg. Bus Admin, AICD NFP Training, AMDRAS Accredited Mediator, Resolution Institute Professional. Previous Member, Finance, Risk & Audit Committee Member, Governance & Remuneration Committee
Dr Olga Polikina	Director since November 2022
Qualifications & Professional Associations	MBBS, MD, PhD, FRACGP, AFRACMA, GAICD, AICGG Member, Finance, Risk & Audit Committee
Ms Tamara Cavenett	Director since November 2022, resigned August 2025
Qualifications & Professional Associations	B.Behav.Sci (Hons), M. Psych (Clin), GAICD Member, Governance & Remuneration Committee

Dr Peter Del Fante	Director since November 2022
Qualifications & Professional Associations	BSc, DipCompSc, MBBS (Hons), MSc (Public Health), FRACP, FAFPHM FAIDH GAICD Previous Member, Governance & Remuneration Committee Member, Commissioning Oversight Committee
Ms Claudia Goldsmith	Director since November 2023
Qualifications & Professional Associations	GAICD, CPA, PG Dip Acc, B.A Social Sciences Chair, Finance, Risk & Audit Committee
Ms Linda Abrams-South	Director since November 2023
Qualifications & Professional Associations	BAppSc (CompInfSc), MComLaw, MProfAcc, GradDipBus, FGIA, FIML, FCHSM, CHE, GAICD Chair, Commissioning Oversight Committee
Ms Mary Patetsos	Director since October 2025
Qualifications & Professional Associations	BSW, MSoc, MA, FUni SA, MAICD,JP Member, Governance & Remuneration Committee
Prof. Lorraine Sheppard	Director since October 2025
Qualifications & Professional Associations	BAppSc (Physiotherapy), MBA, PhD, Clin Effect (Harvard) FAICD, CA, AI Fluency (Sydney) Member, Finance, Risk & Audit Committee

Company Secretary
The following person held the position of Company Secretary at the end of the financial year:

Ms Paula Davies has been the Company Secretary since 15 May 2023.

Principal activities
During the financial year the principal continuing activities of the Company consisted of:
- Increasing the efficiency and effectiveness of health services for people, particularly those at risk of poor health outcomes.
- Improving the coordination of health services and increasing access and quality support for people.

No significant changes in the nature of the Company's activity occurred during the financial year.

Review of operations
The Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Objectives and strategy
Adelaide PHN is dedicated to improving the health of people living in the Adelaide metropolitan region, with a focus on seven national priority areas. These are:

- Mental Health
- Aboriginal & Torres Strait Islander Health
- Population Health
- Health Workforce
- Digital Health
- Aged Care
- Alcohol and other drugs.

The aim of the Adelaide PHN is to understand the health care needs of communities through broad engagement and consultation, collaborative analysis, planning and working in partnership. Adelaide PHN aims to implement innovative approaches to address identified gaps and avoid duplication and maximise efficiencies. Adelaide PHN is driven by a set of national and locally assessed needs. Adelaide PHN is working closely with the wider Adelaide community as well as public and private stakeholders, to identify, analyse and prioritise their primary health care needs.

Major commissioning achievements
Adelaide PHN expanded access to primary care through commissioning, strategic partnerships and innovative service models. During the financial year ended 30 June 2026, 167 new contracts were awarded to 90 providers, including 52 general practices participating in initiatives such as Multidisciplinary Team Care, Refugee Ready and place-based programs.

Key achievements included:

- 86% of accredited practices registered for MyMedicare
- 80 practices registered for the Bulk Billing Incentive Program
- 234 practices adopted Primary Sense

The Urgent Care Clinic network expanded to six clinics, recording almost 80,000 presentations this year and nearly 180,000 since commencement. Partnerships with Flinders University, support for 27 research proposals, the Prescriptions for Connection program, and engagement with 262 stakeholders through the Needs Assessment further strengthened local health planning and service delivery.

Mental Health and AOD outcomes

Mental health remained Adelaide PHN's largest investment area, supporting significantly more people across all levels of care. Youth mental health programs reached more than 5,000 young people, with priority population participation meeting or exceeding national benchmarks.

High consumer satisfaction and strong outcome measures were maintained, while a five-year regional mental health plan was launched in partnership with SA Health and metropolitan LHNs. Suicide prevention efforts engaged 84 stakeholders through 13 collaborative co-design sessions.

AOD services expanded to support people experiencing or at risk of homelessness, while specialist addiction medicine support strengthened general practice capacity to respond to AOD-related issues.

Aboriginal health outcomes

Adelaide PHN continued to strengthen culturally safe care through Aboriginal Cultural Respect Training and targeted practice support, delivering 142 capacity-building visits and 12 training sessions attended by 237 primary care professionals.

Aboriginal and Torres Strait Islander people represented 3% of Urgent Care Clinic presentations, 10% of primary mental health service users and almost 9% of headspace clients.

Aged care initiatives

Adelaide PHN supported older people and vulnerable community members through outreach, care coordination and improved access to aged care services.

Engagement was maintained with all Residential Aged Care Homes across the region through peak body partnerships, direct communications, newsletters and ongoing consultation activities.

Performance measures
Adelaide Primary Health Network Limited is bound by the key performance measures required by the Commonwealth Department of Health, Disability and Ageing under the Primary Health Network Deed for Funding and the various additional schedules attached to same.

Members' guarantee
Adelaide Primary Health Network Ltd is a public company limited by guarantee. In the event of, and for the purpose of winding up the company, each Member undertakes to contribute an amount not exceeding $10 to the assets of the Company if the Member is a Member at the commencement of the winding up or ceased to be a Member within one year before the commencement of the winding up, subject to the provisions of the company's constitution. At 30 June 2026 the collective liability of members was $ NIL (2025: $ NIL).

Operating results and review of operations for the year
The deficit for the financial year amounted to $122,690 (2025: surplus of $363,066). However, after accounting for other comprehensive income, total comprehensive loss was $112,872 (2025: total comprehensive income of $499,469).

Adelaide Primary Health Network Limited
Directors' report
30 June 2026

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Matters or circumstances arising after the end of the year

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

Adelaide PHN will continue to focus on improving the effectiveness and efficiency of primary health care services and strengthening coordination across the health system.

During the next financial year, the Company expects to continue commissioning and supporting services aligned with its priority areas, including Mental Health, Aboriginal and Torres Strait Islander Health, Digital Health, Aged Care and Alcohol and Other Drugs programs and the Medicare Urgent Care Clinic Program.

The Company will continue to work closely with the Australian Government, SA Health, primary care providers and community stakeholders to identify areas of current need and improve access to high-quality health services for the selected community.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board Committee held during the year ended 30 June 2026, and the number of meetings attended by each Director were:

	Board		Finance, Risk & Audit		Governance & Remuneration		Commissioning Oversight		Board Selection	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
Mr Thomas (Tom) Symonds	3	3								
Dr Melanie Smith	10	10					2	2	1	1
Mr Scott Williams	10	9			4	3			1	1
Mr Shane Mohor	10	10	3	2	2	2				
Dr Olga Polikina	10	10	5	5						
Ms Tamara Cavenett	1	-			1	-				
Dr Peter Del Fante	10	10			2	2	2	2		
Ms Claudia Goldsmith	10	10	5	5						
Ms Linda Abrams-South	10	9					4	4		
Ms Mary Patetsos	7	6			2	2				
Prof. Lorraine Sheppard	7	6	2	2						
External Member							4	3		
External Member									2	2
External Member									2	2

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

Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Auditor's independence declaration

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

Adelaide Primary Health Network Limited
Directors' report
30 June 2026

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

Ms. Claudia Goldsmith
Director

Dr. Melanie Smith
Director

28 September 2026

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Auditor's Independence Declaration

To the Directors of the Adelaide Primary Heath Network Ltd.:

As lead auditor for the audit of the Adelaide Primary Heath Network Ltd. for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

i) no contraventions of the independence requirements as set out in section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

ii) no contraventions of any applicable code of professional conduct in relation to the audit.

PKF Adelaide

Jasmine Tan CA, RCA
Audit Partner
Lvl 9, 81 Flinders Street,
Adelaide SA, 500

Date: 28 September 2026

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Adelaide Primary Health Network Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue			
Grant Revenue	3	91,699,610	87,695,052
Other revenue	4	4,432,079	2,966,936
		96,131,689	90,661,988
Total revenue		96,131,689	90,661,988
Expenses			
Employee benefits expense		(11,829,263)	(11,210,890)
Subcontractor costs		(79,357,645)	(73,688,242)
Information Technology costs		(1,891,825)	(2,544,453)
Auditor's Remuneration	18	(31,600)	(30,410)
Other expenses		(2,523,656)	(2,180,507)
Depreciation and amortisation	5	(588,794)	(601,779)
Finance costs		(31,596)	(42,641)
Total expenses		(96,254,379)	(90,298,922)
Surplus/(deficit) for the year attributable to the members of Adelaide Primary Health Network Limited		(122,690)	363,066
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Fair value movements on investments held at FVOCI		9,818	136,403
Other comprehensive income for the year		9,818	136,403
Total comprehensive income for the year attributable to the members of Adelaide Primary Health Network Limited		(112,872)	499,469

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

Adelaide Primary Health Network Limited
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	6	39,808,160	44,238,056
Trade and other receivables	7	243,939	592,225
Financial assets at fair value through other comprehensive income	8	2,495,832	2,187,311
Other	10	34,404	200
Total current assets		42,582,335	47,017,792
Non-current assets			
Property, plant and equipment	11	220,571	175,152
Right-of-use assets	9	568,673	1,119,664
Other	10	55,758	55,757
Total non-current assets		845,002	1,350,573
Total assets		43,427,337	48,368,365
Liabilities			
Current liabilities			
Trade and other payables	12	3,571,608	3,766,853
Lease liabilities	13	720,786	693,101
Employee benefits	14	1,314,441	1,185,780
Other	15	30,123,999	34,330,371
Total current liabilities		35,730,834	39,976,105
Non-current liabilities			
Lease liabilities	13	31,651	734,269
Employee benefits	14	521,121	401,388
Total non-current liabilities		552,772	1,135,657
Total liabilities		36,283,606	41,111,762
Net assets		7,143,731	7,256,603
Equity			
FVOCI Reserve		293,479	283,661
Retained earnings		6,850,252	6,972,942
Total equity		7,143,731	7,256,603

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

Adelaide Primary Health Network Limited
Statement of changes in equity
For the year ended 30 June 2026

	FVOCI Reserves $	Retained Earnings $	Total equity $
Balance at 1 July 2024	147,258	6,609,876	6,757,134
Surplus for the year	-	363,066	363,066
Other comprehensive income for the year	136,403	-	136,403
Total comprehensive income for the year	136,403	363,066	499,469
Balance at 30 June 2025	283,661	6,972,942	7,256,603

	FVOCI Reserves $	Retained Earnings $	Total equity $
Balance at 1 July 2025	283,661	6,972,942	7,256,603
Deficit for the year	-	(122,690)	(122,690)
Other comprehensive income for the year	9,818	-	9,818
Total comprehensive income for the year	9,818	(122,690)	(112,872)
Balance at 30 June 2026	293,479	6,850,252	7,143,731

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

Adelaide Primary Health Network Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from grants		87,226,152	104,951,486
Payments to suppliers and employees		(94,234,558)	(97,347,559)
Interest received		1,887,301	1,937,477
Investment income		124,771	91,438
Interest and other finance costs		(31,596)	(42,641)
Other revenue		1,620,920	3,169,358
Net (used in)/cash from operating activities		(3,407,010)	12,759,559
Cash flows from investing activities			
Payments for property, plant and equipment	11	(49,250)	(20,250)
Net investment payments		(298,703)	(567,214)
Net cash (used in) investing activities		(347,953)	(587,464)
Cash flows from financing activities			
Payment for principal portion of lease liabilities		(674,933)	(661,799)
Net cash (used in) financing activities		(674,933)	(661,799)
Net (decrease)/increase in cash and cash equivalents		(4,429,896)	11,510,296
Cash and cash equivalents at the beginning of the financial year		44,238,056	32,727,760
Cash and cash equivalents at the end of the financial year	6	39,808,160	44,238,056

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

1. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

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

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

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 South Australian legislation the Collections for Charitable Purposes Act 1939 and associated regulations and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

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

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company'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.

Revenue recognition
The company recognises revenue as follows:

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

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

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

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

Note 1. Material accounting policy information (continued)

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

Income tax
As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification
A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

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

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

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

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

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

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

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

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

Note 1. Material accounting policy information (continued)

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

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

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line and diminishing basis over the asset's useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Plant and Equipment	5 -15%
Motor Vehicles	8%
Office Equipment	10%
Computer Equipment	4%
Leasehold improvements	15%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Right-of-use assets
The company 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.

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

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company'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.

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Note 1. Material accounting policy information (continued)

Employee benefits

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

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 measured at 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. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques 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.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

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

Key estimates - impairment of property, plant and equipment
The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

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

Key estimates - revenue recognition
When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition.

Grant Funding

The determination of whether grant funding arrangements are accounted for under AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities involves significant judgement. Management assesses the terms and conditions of each funding agreement, including the nature of any obligations to transfer goods or services and whether those obligations are sufficiently specific.

Management has reviewed the Company's grant agreements, funding proposals and related contractual documentation and concluded that all grant funding arrangements contain sufficiently specific performance obligations. In particular, the agreements require the Company to deliver specified programs, activities and services, including defined outputs, deliverables, budgets and reporting requirements, which enable the Company and the funding providers to determine when the obligations have been satisfied.

Accordingly, management has concluded that the grant agreements fall within the scope of AASB 15, and grant revenue is recognised as the related performance obligations are satisfied. No grant funding arrangements were assessed as falling within the scope of AASB 1058 during the reporting period.

If management's assessment of whether the grant arrangements contain sufficiently specific performance obligations were different, the timing and pattern of revenue recognition may differ from that recognised in these financial statements.

Key judgments - committed funds
The Company recognises accruals for committed future expenditure of funding amounts received in relation to programs/deliverables which have not yet commenced or are completed as at the date of the financial report. The Company exercises judgement with regard to the amount and timing of future expenditure based on the known status of each program/deliverable at the end of the reporting period.

Key estimates - employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Key estimates - measurement of fair values
When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Information about the assumptions made in measuring fair values is included in Note 17.

Note 3. Revenue

Revenue from contract with customers

Note 4. Other revenue (continued)

	2026 $	2025 $
Revenue by funder		
Commonwealth Department of Health, Disability and Ageing	89,037,437	81,922,880
SA Health and Local Health Networks	2,141,452	5,257,471
Other Grants	490,721	514,701
	91,669,610	87,695,052

Note 4. Other revenue

	2026 $	2025 $
- Interest received	1,262,352	1,937,477
- Investment income	155,732	91,438
- Other income	64,246	381,584
- Service Provider returned funds	2,949,749	556,437
	4,432,079	2,966,936

Note 5. Depreciation and amortisation

	2026 $	2025 $
Depreciation on property, plant & equipment	37,803	51,331
Depreciation on leased assets	550,991	550,448
	588,794	601,779

Note 6. Cash and cash equivalents

	2026 $	2025 $
Current assets		
Cash on hand	987	2,072
Cash at bank	15,478,259	9,711,335
Short term deposits	24,328,914	34,524,649
	39,808,160	44,238,056

Note 7. Trade and other receivables

	2026 $	2025 $
Current assets		
Trade receivables	119,155	543,261
Net GST receivable	78,831	-
Dividends Receivable	45,953	14,992
Asset Commitments	-	33,972
	243,939	592,225

Note 8. Financial assets at fair value through other comprehensive income

	2026 $	2025 $
Current assets		
Listed shares	2,495,832	2,187,311

Note 9. Right-of-use assets

	2026 $	2025 $
Non-current assets		
Land and buildings - right-of-use	6,114,891	6,398,677
Less: Accumulated depreciation	(5,605,317)	(5,379,529)
	509,574	1,019,148
Computer equipment - right-of-use	248,913	339,748
Less: Accumulated depreciation	(201,076)	(260,147)
	47,837	79,601
Office equipment - right-of-use	63,283	63,283
Less: Accumulated depreciation	(52,021)	(42,368)
	11,262	20,915
	568,673	1,119,664

The Company has leases over a range of assets including land and buildings, office and computer equipment.

The Company has chosen not to apply AASB 16 to leases of intangible assets.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

Buildings

The Company lease land and buildings for their corporate offices. The principal office lease expires on 30 June 2027. Discussions regarding a replacement lease arrangement are currently underway.

The corporate office lease contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.

Leases for office and computer equipment are generally considered to be low value assets, except for significant items such as photocopiers and specific hardware items.

Note 9. Right-of-use assets (continued)

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

	Land and Buildings $	Computer Equipment $	Office Equipment $	Total $
Balance at 1 July 2024	1,528,722	33,631	3,825	1,566,178
Additions	-	-	129,787	129,787
Write off of assets	-	(25,853)	-	(25,853)
Depreciation expense	(509,574)	(7,778)	(33,096)	(550,448)
Balance at 30 June 2025	1,019,148	-	100,516	1,119,664
Depreciation expense	(509,574)	-	(41,417)	(550,991)
Balance at 30 June 2026	509,574	-	59,099	568,673

Extension Options

The current office lease does not contain any remaining extension or renewal option beyond 30 June 2027. The Company is currently negotiating a new lease arrangement for its corporate office premises.

The Company includes options in the leases to provide flexibility and certainty to the Company operations and reduce costs of moving premises and the extension options are at the Company's discretion.

At commencement date and each subsequent reporting date, the Company assesses where it is reasonably certain that the extension options will be exercised.

Statement of Profit or Loss and Other Comprehensive	**2026 $**	**2025 $**
The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:		
Interest expense on leased liabilities	31,596	42,641
Depreciation on leased assets	550,991	550,448
	582,587	593,089

Note 10. Other

	2026 $	**2025 $**
Current assets		
Prepayments	34,404	200
Non-current assets		
Lease bond	55,758	55,757
	90,162	55,957

Note 11. Property, plant and equipment

	2026 $	2025 $
Non-current assets		
Leasehold improvements - at cost	434,898	400,926
Less: Accumulated depreciation	(263,063)	(234,920)
	171,835	166,006
Motor vehicles - at cost	116,491	67,241
Less: Accumulated depreciation	(67,755)	(58,095)
	48,736	9,146
Computer equipment - at cost	1,277,999	1,277,999
Less: Accumulated depreciation	(1,277,999)	(1,277,999)
	-	-
Office equipment - at cost	100,224	100,224
Less: Accumulated depreciation	(100,224)	(100,224)
	-	-
	220,571	175,152

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

	Leasehold improvements $	Motor vehicles $	Computer equipment $	Office equipment $	Total $
Balance at 1 July 2024	172,147	16,778	-	17,308	206,233
Additions	20,250	-	-	-	20,250
Depreciation expense	(26,391)	(7,632)	-	(17,308)	(51,331)
Balance at 30 June 2025	166,006	9,146	-	-	175,152
Additions	33,973	49,249	-	-	83,222
Depreciation expense	(28,144)	(9,659)	-	-	(37,803)
Balance at 30 June 2026	171,835	48,736	-	-	220,571

Note 12. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	1,014,981	982,700
Committed funds	2,538,554	2,820,624
Net GST Payable	-	(36,471)
Other payables	18,073	-
	3,571,608	3,766,853

Note 13. Lease liabilities

	2026 $	2025 $
Current liabilities		
Lease liability	720,786	693,101
Non-current liabilities		
Lease liability	31,651	734,269
	752,437	1,427,370

Note 14. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	700,505	645,834
Long service leave	613,936	539,946
	1,314,441	1,185,780
Non-current liabilities		
Long service leave	521,121	401,388
	1,835,562	1,587,168

Note 15. Other

	2026 $	2025 $
Current liabilities		
Deferred Income		
Commonwealth Department of Health, Disability and Ageing	25,677,809	33,138,525
SA Health and Local Health Networks	518,565	621,391
Other	3,927,625	570,455
	30,123,999	34,330,371

Note 16. Financial Risk Management

The Company's principal financial risks comprise liquidity risk, investment market risk and concentration of revenue from government funding sources. Liquidity risk is managed through maintaining sufficient cash reserves and monitoring forecast expenditure against funding agreements. Market risk arises from the Company's listed investment portfolio carrying a value of $2.5 million (2025: $2.2 million). The Company is also economically dependent on funding received from the Commonwealth Department of Health, Disability and Ageing as disclosed in Note 22.

Note 16. Financial Risk Management (continued)

	2026 $	2025 $
Financial Assets		
Held at amortised cost		
Cash and cash equivalents	39,808,160	44,238,056
Trade and other receivables	165,108	558,253
Fair value through other comprehensive income		
Investment in share portfolio	2,495,832	2,187,311
Total financial assets	42,469,100	46,983,620

	2026	2025
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade and other payables	3,571,608	3,766,853
Lease liabilities	752,437	1,427,370
Deferred income	30,123,999	34,330,371
Total financial liabilities	34,448,044	39,524,594

Note 17. Fair Value Measurement

The Company's investment portfolio comprises listed equity securities quoted on active markets. Fair value is determined using quoted market prices at reporting date and accordingly the investments are classified at level 1 of the fair value hierarchy.

		Level 1 $	Level 2 $	Level 3 $	Total
30 June 2026					
Recurring fair value measurements					
Financial assets					
Listed shares	note 8	2,495,832	-	-	2,495,832
30 June 2025					
Recurring fair value measurements					
Financial assets					
Listed shares	note 8	2,187,311	-	-	2,187,311

Transfers between levels of the hierarchy

There were no transfers between levels of the fair value hierarchy.

Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

Note 18. Auditor's Remuneration

	2026 $	2025 $
Remuneration of the Auditor	31,600	30,410

Note 19. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2026 (30 June 2025: NIL)

Note 20. Key management personnel disclosures

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

	2026 $	2025 $
Aggregate compensation	1,292,450	1,226,060

Note 21. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 20.

Transactions with related parties
Transactions entered into during the year with related parties, their firms and associated entities are within normal terms.

Customer relationships on terms and conditions no more favourable to those available to their members and customers including payment of usual membership subscriptions and receipt of normal benefits of membership.

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

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

Note 22. Economic dependency

Approximately 93% (2025: 90%) of revenue was derived from the Commonwealth Department of Health, Disability and Ageing ("Department"). Accordingly, Adelaide Primary Health Network Ltd is dependent on the Department for the majority of its revenue used to operate the business. At the date of this report the Directors have no reason to believe the Department will not continue to support Adelaide Primary Health Network Ltd.

Note 23. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Note 24. Statutory information

The registered office and principal place of business of the company is:
Adelaide Primary Health Network Ltd
Level 1, 22 Henley Beach Road
Mile End 5031

Consolidated entity disclosure statement as at 30 June 2026

Adelaide Primary Health Network Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

Adelaide Primary Health Network Limited
Directors' declaration
30 June 2026

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and South Australian legislation the Collections for Charitable Purposes Act 1939 and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

_____ _____

Ms. Claudia Goldsmith
Director

Dr. Melanie Smith
Director

28 September 2026

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADELAIDE PRIMARY HEALTH NETWORK LIMITED

Opinion

We have audited the financial report, being a general purpose – simplified disclosure financial report, of the Adelaide Primary Health Network Limited. ('the Entity'), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the officers' declaration.

In our opinion, the accompanying financial report of the Adelaide Primary Health Network Ltd. is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

(a) giving a true and fair view of the Entity's financial position as at 30 June 2026 and of its financial performance and cash flows for the year ended; and
(b) complying with Australian Accounting Standards – Simplified Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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 Entity in accordance with 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 (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.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The Entity's responsibility also includes such internal control as the board determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Responsible entities 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 the financial report.

A further description of our responsibilities for the audit of the financial reports is located at the Audit and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independence

We confirm that the independence declaration required by *ACNC Act,* which has been given to the responsible entities of the Entity, would be in the same terms if given to the responsible entities as time of this auditor's report.

PKF Adelaide

Jasmine Tan CA, RCA
Audit Partner
Lvl 9, 81 Flinders Street,
Adelaide SA, 5000

Dated this: 28 September 2026