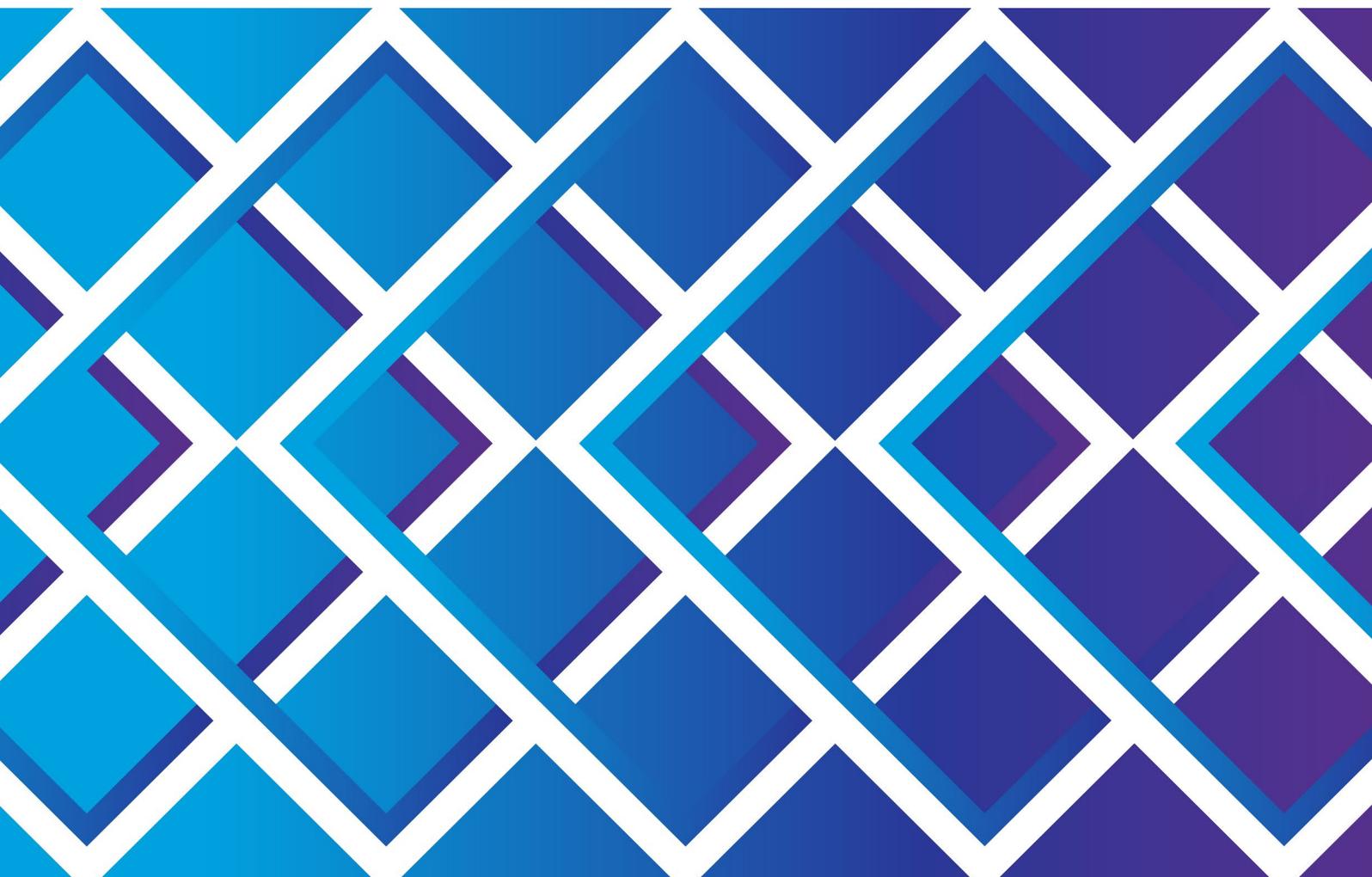


Private Healthcare Australia Limited

Annual Report 2024-2025



Private Healthcare Australia
Better Cover. Better Access. Better Care.

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About Private Healthcare Australia

Private Healthcare Australia represents 22 Australian health funds with a combined coverage of over 14.8 million Australians, or 98% of the sector on membership.

Private Healthcare Australia members for FY25



The Year in Numbers



Private hospital sector in Australia shows steady recovery in admissions

Private hospital admissions funded by private health insurers continued to grow in the year to June 2025, increasing by 2.5% (+99,007 admissions) to exceed 4.13 million. This follows a 4.5% uplift (+174,414 admissions) in the previous year, highlighting sustained upward momentum in privately insured utilisation of private hospitals.¹



Health funds have paid 3.4% more on average in hospital benefits paid per insured person compared to the previous year

	2023-24	2024-25	Change
Hospital benefits per insured person (\$) ¹	\$1,472	\$1,522	+3.4% increase



Health funds provided cover to a record number of Australians this year¹



55.2% or 15.22 million

Australians have private health insurance, up from 14.89 million in 2023-24.



12.53 million

have hospital treatment cover, up 2.4%.



15.2 million

have general treatment (extras) cover, up 2.2%.



Health funds paid record high member claims in 2024-25 and above pre-COVID levels, paying:



\$25.9 billion

in total fund benefits paid for hospital and general treatment claims, up 6% from \$24.4 billion in 2023-24.



108.5 million

allied health (ancillary) services, up 4.4% from 103.9 million in 2023-24.



5.12 million

hospital treatment episodes², up 2.2% from 5.01 million in 2023-24.

1. APRA quarterly private health insurance statistics for June 2025.

2. Includes hospital substitute treatment episodes, as per APRA's reporting of hospital treatment episodes.



Health funds provided significant ongoing support to members impacted by COVID-19:

All funds returned COVID-19 claims savings to members since the start of the pandemic, with COVID-19 relief packages now totalling more than \$4.8 billion.



Private health insurance pays for³:



4 out of 5

hospital admissions in private hospitals.



2 out of 5

hospital admissions (public and private hospitals combined).



Around 2 out of 3

elective surgeries (public and private hospitals combined).



78%

of all hospital admissions for rehabilitation care.



56%

of all joint replacements.



53%

of all hospital admissions for mental health care.

Source: AIHW



2024-2025

With long delays and accessibility issues in the public system, health funds continue to pay out more for a range of essential allied health (extras) services.



Dental is the largest area of expenditure for private health insurance under extras cover, making up 55% of extras claims⁴



\$1 in every \$7

(14.4%) paid out by health funds on member healthcare claims is for dental services.



\$54.89 million

was paid in dental services (annual record high) in 2024-25, versus \$51.95 million in 2023-24.



1 in 2

(53%) Australians have some form of private health insurance cover for dental expenses.



\$3.74 billion

in benefits paid for dental services (annual record high) in 2024-25 versus \$3.47 billion in 2023-24, an 8% claims expenditure increase on the previous year.



Demand for mental health services continues to increase across all age groups



Around 1 in 7

hospital claims for PHI members aged under 30 was for hospital treatment and care of patients with psychiatric, mental health, addiction or behavioural disorders in 2024-25.



#1

cause of hospitalisation for PHI members up to age 58 in 2024-25 was for hospital treatment and care of patients with psychiatric, mental health, addiction or behavioural disorders, compared to it being #2 in 2017-18.



53%

of all mental health care separations in Australian hospitals were funded by PHI.⁵



573,853 (annual record high)

psychology/group therapy services under ancillary or extras cover at a cost of \$48 million (annual record high) in 2024-25, versus 568,056 at a cost of \$45.2 million in 2023-24.⁶



Increased medical device use in device-dependent hospital treatments is putting upward pressure on premiums and healthcare affordability⁶



\$2.42B

benefits paid for medical devices, including human tissue product items in 2024-25
↑ 0.8% from \$2.4B in 2023-24.



\$193.34

medical device benefits paid per insured person with hospital cover in 2024-25
↑ 4.3% since 2018-19 (average annual growth ↑ 0.7%).



18.8% increase in device utilisation since 2018-19

compared to:

- In-hospital medical services ↑ 7.3% (surgical, anaesthetic, pathology, diagnostic care).
- Hospital episodes ↑ 9.5%.

Chair's Message



“

This past year has demonstrated PHA's growing capability, credibility, and effectiveness – particularly in the face of complex challenges and aggressive campaigns against our sector.

”

It is a great privilege to deliver my first Chair's message for Private Healthcare Australia (PHA), following the outstanding leadership of the Hon John Hill over the past six years. I step into this role at a time when the importance of a strong, united health insurance sector has never been clearer.

Australia's private health system plays a critical role in ensuring access, choice and affordability for millions of Australians. As Chair, I am committed to helping advance the work of this vital organisation as it continues to deliver on behalf of health funds and their members.

This past year has demonstrated PHA's growing capability, credibility, and effectiveness – particularly in the face of complex challenges and aggressive campaigns against our sector. From fending off Brookfield's misleading advertising to pushing back on the NSW and ACT governments' revenue raising, PHA has shown it will stand up for the industry and for the Australians who rely on it.

At the same time, PHA has continued to deepen its role as a constructive policy voice. The organisation maintains a solid working relationship with the Albanese Government, and is engaging meaningfully with ministers, departments and advisers on long-term system improvements – including around maternity care, specialist fees, and medical device pricing reform.

This constructive engagement is only possible because of the deep expertise within PHA's team, which I have seen firsthand since taking on the role. The organisation is now home to a highly skilled group of policy, research, media and government affairs professionals, all of whom are deeply committed to improving the private health system for consumers. Their work is not only technically sound but strategically focused, delivering tangible results and building PHA's credibility in Canberra and beyond.

I also commend the CEO, Dr Rachel David, for her bold and tireless leadership. Her ability to advocate forcefully when required – while also being a collaborative and credible voice at the policy table – is one of PHA's greatest assets. Under her leadership, and with the backing of our 22 member funds, PHA has become one of the most effective peak bodies in the Australian health system.

None of this would be possible without the support of our member funds and their ongoing input into our work. Having visited some of you in my first months as Chair, I have been greatly impressed by the way you deliver value to members, improve the health system and contribute to the broader community.

Looking ahead, there is still much to do. Costs across the system are rising, access to care is under pressure, and consumer expectations are evolving rapidly. PHA is well positioned to help shape the next wave of reform, ensuring that private health insurance continues to deliver value, access and choice for Australians in a changing environment.

As Chair, I look forward to supporting this work, championing strong and collaborative relationships with government, and helping build on the strong foundation that has been established over the past decade.

Thank you to our members for your ongoing support and commitment to a better, stronger health system for all.

The Hon John Brumby AO
Independent Chair
Private Healthcare Australia

CEO's Message



“

Over the past year, even under extraordinary pressure from powerful vested interests, we have defended the sector, secured policy wins, and strengthened our voice across media and government.

”

As I mark a decade at the helm of Private Healthcare Australia (PHA), I'm proud of how far our organisation has come – and what we've delivered for the 15 million Australians who invest in private health insurance. Over the past year – even under extraordinary pressure from powerful vested interests – we have defended the sector, secured policy wins, and strengthened our voice across media and government.

Delivering tangible savings

Reducing the growth of medical device costs remains one of our most important achievements. Since 2016, we have fought for better compliance, a more stringent assessment process, and price cuts. While there is more to be done, we have curbed runaway costs. Without our intervention, Australians would have paid at least \$5 billion more for medical devices over the past nine years.

In 2024-25 alone, our detailed analysis and persistent scrutiny has saved health funds – and their members – at least \$3 million. This comes on top of \$30 million saved through reduced demand for spinal cord stimulators this year thanks to our high-profile patient safety campaign about their dangers.

This work is technical, complex, and often thankless, but it's delivering real value. Beyond the bottom line, this sends a clear message: the current inflationary, closed-market approach to the Prescribed List of Medical Devices and Human Tissue Products must be reformed. We continue to push for a system where pricing is transparent and fair, while maintaining relentless oversight of new listings, usage trends, and outdated items.

Defending the sector from opportunistic attacks

This year, we mounted a strong defence against two major campaigns targeting our industry.

Brookfield's "Protect Your Hospitals" campaign, in the final days of its Healthscope ownership, used paid advertising and misleading claims to accuse health funds of underpaying hospitals and exploiting consumers. In response, PHA launched a national counter-offensive – including a targeted advertising and media campaign as well as high-profile opinion pieces – to expose the truth. We made it clear: Australian families shouldn't be asked to subsidise a \$1.4 trillion foreign private equity fund that made poor business decisions at the expense of Australian patients. The result? No bailout. No political sympathy. It was widely recognised by independent commentators that Brookfield's tactics backfired.

The NSW Government's opportunistic plan to increase its public hospital bed rates and health insurance tax – designed to fill a state budget hole at the expense of our members – required a bold public campaign. When months of behind-the-scenes negotiations failed, we went public, starting with a Daily Telegraph front-page exclusive, followed by newspaper, radio, and digital ads urging the public to oppose the plan via our "StopTheHealthTax.com.au" website.

We even hit the streets of marginal electorates to hear from everyday Australians who featured in our social media content. We also had our ads translated into Cantonese, Mandarin, Vietnamese, Hindi and Punjabi to ensure we were reaching our diverse customers. While the NSW Government proceeded with its revenue raising via the higher public hospital room rate only, we secured support from the NSW Opposition and made it clear that we will fight to protect affordability for our members, most of whom earn less than \$90,000 per year.

Policy leadership on maternity, specialist fees and affordability

The rapid closure of Healthscope maternity units in Hobart and Darwin exposed significant geographic vulnerabilities in our private system requiring government intervention. PHA stepped in early to support our members, governments and consumers, as replacement services were negotiated. Ben Harris led stakeholder engagement in the Northern Territory and Tasmania to help maintain relationships and the reputation of health funds in these regions.

Meanwhile, we are actively contributing to the Albanese Government's CEO Forum process, putting forward a bold proposal for a bundled maternity care model – offering families greater choice, continuity of care, and affordability through access to midwives, GPs, and specialists under a single fixed-price system. This work, assisted by Mandala, is being taken seriously by the Government as it works through options to increase the viability of private maternity care.

We also made serious inroads into the issue of rising specialist fees, a major barrier for consumers to access the private health system. Our Reducing Out-of-Pocket Costs report with Mandala triggered renewed national debate and was reinforced by research from the Grattan Institute and Patients Australia. In response, the Government committed \$7 million to upgrade the Medical Costs Finder website, expanding fee transparency to over 11,000 doctors. This is a strong start, but we're preparing further research and advocacy to keep the momentum going.

Investing in our reputation and collective strength

We are now turning more attention to protecting and enhancing the social licence of private health insurance. In 2025, we launched a new Public Relations and Government Affairs Community of Interest to align efforts across our member funds, improve storytelling, and amplify our voice.

A stronger, more unified sector

PHA now represents 22 health funds and more than 15.4 million Australians – a record high in membership after five years of consecutive growth. That gives us more than just numbers – it gives us a powerful, unified voice.

Much of our strength today stems from critical governance reforms, including the appointment of an independent chair with political acumen, and a more sophisticated approach to policy, research, and media. In FY25, PHA featured in more than 7,000 mainstream media reports, demonstrating our growing reach.

This year, we welcomed The Hon John Brumby as Chair, following The Hon John Hill's outstanding six-year tenure. I'm thrilled to have such an experienced and respected leader guiding us into our next phase of influence and growth.

Looking ahead

PHA has come a long way in the past decade, but the work ahead is just as important. With rising costs, shifting consumer expectations, and political pressure, we must continue to fight for affordability, access, and value for every Australian who holds private health insurance.

Thank you for your continued support and leadership across the sector.



Dr Rachel David
CEO
Private Healthcare Australia

The Director of Policy Report



This year has seen some of the most intense focus on private health in decades. The private hospital viability report, the Minister convening a CEO Forum, and a new willingness of hospital peak groups to attack health funds and governments has made the year challenging for policy development. Much of our work has been reactive, although we have continued to push a positive agenda for health fund members in the face of destructive and misleading rhetoric from some other stakeholders.

All this with a federal election in May 2025, and new frontiers opening up in a dispute with the NSW Government's tax grab from people in that state with private health insurance.

The importance of a member focus, with the interests of 15 million people with private health insurance paramount, has served us well. We have undertaken significant research with polling and focus groups, analysed data and followed the international literature on health system reform, which we adapted to Australian conditions.

Our member funds have had their shoulders to the wheel, assisting PHA in developing policy, providing input for submissions, as well as passing on valuable advice. I thank member funds for their contributions and support.

PHA also published major policy documents during the year, including [Reducing Out of Pocket Costs for Healthcare Consumers](#) (March 2025) and a [white paper on bundled maternity care](#) (April 2025). We have also been promoting existing policy positions and taking a solution-oriented approach to some of the challenges in the sector. For example, PHA has promoted improved scope of practice for [nurse practitioners in private hospitals](#) and [midwives coordinating private maternity care](#).

The most visible policy work we do is submissions to government. In 2024-25, we contributed more than 30 formal [submissions](#) as well as more than a dozen responses to consultations. We averaged around one submission a week, covering diverse areas such as medical device reform, competition issues in the sector, data protection, the use of the title "surgeon", and allied health reforms.

We have also been active in promoting policy ideas to governments, professions, other providers and policy makers through letters, in meetings, and by participating in conferences and workshops.

Disappointingly, a higher proportion of our work this year has been defending health funds against misinformation and deceptive data. We are no longer in an environment where facts are agreed by all parties and policy solutions debated on their merits. Whether it is a state government continuing to insist there are more health funds than registered with the Australian Prudential Regulatory Authority (APRA), or hospital groups determining their own data rather than relying on previously established APRA data, PHA has been required to respond to misinformation in a manner not previously experienced. To combat this, we established a [fact check page](#) on our website.

Our work is based on sound research, including regular polling of consumers, strong data analysis and innovative thinking around some of the key issues affecting consumers and private health care.

This work makes a real difference. Our early focus on specialist out-of-pocket costs is now being reflected in significant consumer concern and government attention. Highlighting the drop in initial specialist consultations across the community, for example, is reframing discussions around private hospital viability. Our deep dive into the data and innovative proposals on private maternity models is also challenging some deeply held beliefs, which could lead to more choices for women giving birth.



Ben Harris
Director of Policy and Research
Private Healthcare Australia

2024-2025 Highlights



Exposing soaring specialist fees

Healthcare

How specialist fees of \$900 per visit are hurting private hospitals

Australians are paying hundreds of dollars to see a doctor that they cannot claim back on health insurance.

Jun 4, 2025 | Michael Smith



In March, PHA released 'Reducing Out-of-Pocket Costs for Australian Healthcare Consumers', a Mandala report revealing that:

- Out-of-pocket costs for private medical services jumped 12% in 2023, compared to just 1% a year over the previous nine years.
- This surge is driven by a lack of competition and price transparency, as well as workforce shortages, with the ACT being the worst affected region of Australia.
- Without reform, Australians face \$1.6 billion in out-of-pocket costs by 2030, with the cost of common procedures, such as hip replacements, becoming prohibitively expensive.

The report turbo-charged PHA's ongoing campaign on specialist costs and was echoed by the Grattan Institute and Patients Australia data released in 2025. Health Minister Mark Butler described specialists' fees as a "barbeque stopper" for Australians during the federal election campaign and has vowed to work on potential solutions.



Advocacy win: \$7 million to fix the Medical Costs Finder website

Thanks to PHA's advocacy, the Albanese Government committed \$7 million to upgrade the Medical Costs Finder website so Australians can finally see average fees charged by 11,000 specialists – not just the 70 who had voluntarily listed them. This reform will give consumers and GPs the

transparency they need to discuss fees more and will allow people to shop around before initial appointments. Health funds will also report more information to the site.



Scrutinising the impacts of early release of superannuation

PHA continued to highlight the rapid increase in people accessing their superannuation early to pay for dental care and other medical treatment – an inflationary trend driving up the cost of some services for all Australians.

The trend is lining the pockets of some doctors and dentists, and unscrupulous agencies that assist people to access their super for nose jobs, hair transplants, IVF, and expensive dental implants, among other services. These agencies charge a fee for navigating the paperwork, which most people can do themselves.

PHA continued to call for the Government to tighten rules for early access to superannuation and for stronger action against 'dodgy' providers. In May 2025, the Dental Board of Australia issued a warning to dentists about providing misleading information to the Australian Taxation Office to support a patient's request to withdraw super while it investigates complaints.

“

This is robbing people of their retirement savings, and it is driving up the cost of healthcare for all Australians. When people access big lump sums of money like this, surgeons and dentists think they can charge more. That's exactly what's happened over the past five years. We've seen the cost of some procedures skyrocket in line with the release of this money.

- Dr Rachel David

”



Proposing new models of care

Health insurance body calls for new funding model

MATERNITY OVERHAUL

Rob Inglis

The peak body for the Australian private health insurance industry has called for a sweeping overhaul of the way maternity services are funded across the country as concerns mount over the imminent closure of facilities at Hobart Private Hospital by North American operator Healthscope.

STORY, PAGE 5



PHA released its white paper 'Empowering through choice: How a bundled model can transform private maternity care' for consultation. The report, prepared with the assistance of Mandala, outlines the challenges for private maternity units and potential solutions that would improve choice for families and make private maternity care more viable into the future.

PHA's call for a new model of private maternity care was reported widely by News Corp and Nine publications including the Hobart Mercury, Sydney Morning Herald, The Australian, Cairns Post, and the Australian Financial Review. This is now the subject of a specific working group set up as part of the Federal Government's CEO Forum process.



Protecting patients from low-value care

PHA's campaign on the risks of spinal cord stimulators saw:

- The Therapeutic Goods Administration cancel 12 devices from the Australian Register of Therapeutic Goods and impose conditions on 70 more.
- A 39% drop in spinal cord stimulation procedures between May and December 2024, protecting hundreds of patients and saving more than \$30 million.

Our ongoing work on medical devices also contributed to the Federal Court fining Medtronic \$22 million in September for supplying unlisted spinal surgery products – a warning to the whole sector.



Australian patients, clinicians and health funds should not have to rely on media reports to trigger the removal of ineffective and harmful medical devices.

- Dr Rachel David



Defending members from state and territory revenue raids



PHA mounted a hard-hitting media and advertising campaign against the NSW Government's plan to target people with health insurance to repair its budget. We secured Opposition support, exposed the impact in key marginal seats and sent a clear message that we will fight to keep health insurance affordable.

When the ACT Government increased its ambulance levy for people with health insurance public hospital room rates in June 2025, PHA launched a similar campaign to alert Canberrans to the revenue raid that will drive up premiums in the territory. At the time of writing, our campaign had reached more than 1 million people and garnered Opposition support. We established that any additional revenue raised by the ACT will impact on its share of the GST in future, undermining the rationale of its plan.



Advocacy win: Natural therapies return to health insurance

Following PHA advocacy, the Federal Government announced health funds can cover seven natural therapies including yoga, pilates and tai chi, in FY2026 after an independent review of their effectiveness. PHA’s General Treatment Community of Interest has created a schedule for the modalities for health funds to adopt if they choose to.



Standing up to Brookfield’s hospital bailout push



When Brookfield (former owner of Healthscope) launched its ‘Protect Your Hospitals’ ad campaign accusing health funds of underpaying hospitals and ripping off consumers, PHA fought back. We ran mainstream media ads arguing Australians with health insurance should not bankroll a foreign private equity firm with \$1.4 trillion in assets.

Our counter-advertising campaign and mainstream media work, including opinion pieces such as ‘Five reasons health funds should not bail out private hospitals’ in the Australian Financial Review, helped neutralise Brookfield’s push. Brookfield did not receive a bailout, nor did it receive political sympathy for its poor business decisions in Australia.



Demonstrating the value of health insurance

In January, our High Claims Report revealed the largest hospital claims over \$10,000 including for infants and young people. It was prominently covered by Nine publications.



COVID and long COVID continue to hospitalise people for long periods and affect private health insurance premiums.

- Ben Harris



Busting myths: PHA Fact Check



We launched a dedicated Fact Check page on our website to correct misinformation about private health insurance coming mostly from vested interests. Journalists and other stakeholders now use it as a go-to reference.



Amplifying our voice in an election year

Private health funds can't be treated like cash cows

Healthcare: To keep health insurance affordable, the next federal government must focus on reforms that put consumers' interests before vested interests.



It's hard to believe that private health insurance has remained profitable for so long. The NPS government's private hospital group, including its ownership by a foreign private equity firm, have to be treated as cash cows in their own right. The current government's approach to private health insurance is a deliberate lack of acknowledgment that private health funds are not a source of profit for their members. When you take away the profit, private health funds have to pay more for their members.



As a result of this, it's not a surprise that we will force private health funds to stop operating or even to merge with the public system. This is a necessary step to ensure that the public system is not overwhelmed by the costs of private health insurance. This is a necessary step to ensure that the public system is not overwhelmed by the costs of private health insurance. This is a necessary step to ensure that the public system is not overwhelmed by the costs of private health insurance.

In an election year, PHA ramped up its national engagement with journalists, politicians, and policymakers. We increased face-to-face meetings with MPs – including Independents like Dai Le (pictured) – and delivered tailored electorate briefings across the country. We provided in-depth backgrounders to media on key issues and published a series of opinion pieces highlighting critical policy challenges facing our sector.



In February, we broke new ground by incorporating video and audio into our media release on the premium rise. This innovation drove a 195% increase in PHA mentions in the media coverage year-on-year, ensuring consumers received clearer, more contextual information from our sector about the price rise.

Rachel David's LinkedIn profile has grown by 74% over the past 12 months, reaching 11,500 followers. Her content received over 500,000 impressions and 7,132 engagements. PHA's LinkedIn page grew by 50% in the past 12 months (now at 4,632 followers) and earned 260,000 impressions, contributing to strong reach among key stakeholders.



Learning together: PHA 2024 Conference



In October, more than 100 people attended PHA's conference on empowering consumers in a cost-of-living crisis. Speakers covered new models of care, overdiagnosis, obesity treatments and more – and Olympian Jess Fox inspired us with her story.



The Board



The Hon John Brumby AO
Independent Chair



Dr Lachlan Henderson
Deputy Chair



Mr Jon Goodgame



Mr Brad Joyce



Rohan Mead



Mr Milosh Milisavljevic



Ms Lorraine Thomas



Ms Sharon Waterhouse



Ms Kate Williams



Private Healthcare Australia

Financial Statements

Private Healthcare Australia Ltd

ABN 35 008 621 994

Financial Statements - 30 June 2025

**Private Healthcare Australia Ltd
Directors' report
For the year ended 30 June 2025**

The Directors present their report, together with the financial statements of Private Healthcare Australia Ltd (the **Company** or **PHA**) for the year ended 30 June 2025.

Information on Directors

The Hon. John HILL



Appointment:

Independent Chair of PHA from 3 May 2019 to 3 May 2025
Audit and Risk Committee member from November 2020 to May 2025

Experience and expertise:

Fellow – Australian Institute of Company Directors
Bachelor of Law
Bachelor of Arts
Minister of Government of South Australia 2002-2013
(portfolios including Minister for Health)
Chancellor – University of South Australia
Chair – JamFactory Contemporary Craft & Design Incorporated
Director – Bellberry Ltd

The Hon. John BRUMBY



Appointment:

Independent Chair of PHA since 4 May 2025
Audit and Risk Committee member from May 2025

Experience and expertise:

Fellow – Australian Institute of Company Directors
Graduate (Advanced) - Australian Institute of Superannuation Trustees
Bachelor of Commerce
Graduate Diploma of Education
Professor of Business and Economics (Honorary)
Premier of Victoria 2007-2010
Treasurer of Victoria 2000-2007
Chancellor – La Trobe University
Chair – Victorian Convention and Event Trust
Chair – BioCurate Pty Ltd
Chair – In2Science
Order of Australia (2017)

Sheena JACK



Appointment:

Non-Executive Director of PHA from 24 November 2017 to 30 June 2025
Deputy Chair from 29 November 2019 to 30 June 2025
Audit and Risk Committee member from November 2021 to June 2025

Experience and expertise:

Group Managing Director and CEO – Hospitals Contribution Fund of Australia Limited (HCF) to 30 June 2025
Bachelor of Arts (Accounting)
Director – Business Council of Cooperatives and Mutuals
Graduate – Institute of Chartered Accountants
Graduate – Australian Institute of Company Directors
Member – Chief Executive Women

Chris CARROLL



Appointment:

Non-Executive Director of PHA from 15 March 2022 to 21 October 2024

Experience and expertise:

CEO, Bupa UK Insurance
Board of Directors – Bupa Turkey
Bachelor of Business
Post Graduate - Executive Finance
Graduate - Australian Institute of Company Directors

Lachlan HENDERSON



Appointment:

Non-Executive Director of PHA since 24 November 2023

Experience and expertise during appointment:

Chief Executive Officer – HBF Health Limited
Graduate - Australian Institute of Company Directors
Master of Health Services Management
Graduate Certificate Sports Medicine
Bachelor of Medicine
Bachelor of Surgery
Director - Cricket Australia

Brad JOYCE



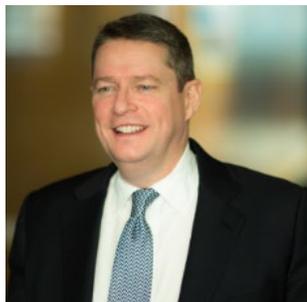
Appointment:

Non-Executive Director of PHA since 23 November 2022

Experience and expertise during appointment:

Group Chief Executive Officer – Teachers Health Group
Fellow of The Australian Institute of Company Directors
Fellow of CPA Australia
Bachelor of Commerce (Accounting)
Director - Members Health Fund Alliance
Director - Australian Health Service Alliance Ltd
Member - International Federation of Health Plans' Council of Management

Rohan MEAD



Appointment:

Non-Executive Director of PHA since 10 June 2021

Experience and expertise during appointment:

Group Managing Director & CEO – Australian Unity Limited
Chair - Business Council of Co-Operatives and Mutuals Limited
Chair - Business Council of Australia: Health & Care Economy Committee
Director - The Centre for Independent Studies

Milosh MILISAVLJEVIC



Appointment:

Non-Executive Director of PHA since 8 February 2023

Experience and expertise during appointment:

Group Lead, Chief Customer Officer - Medibank Private Limited
Master of Business Administration
Bachelor of Engineering (Honours)
Bachelor of Commerce

Rob SELJAK



Appointment:

Non-Executive Director of PHA from 19 July 2005 to 30 June 2025
Chair of the Audit and Risk Committee from November 2021 to June 2025

Experience and expertise:

Chief Executive Officer – Queensland Teachers' Union Health Fund Limited
Bachelor of Arts
Bachelor of Law
Master of Business
Fellow of the Australian Institute of Company Directors
Fellow of the Australian Institute of Management
Director – Australian Health Services Alliance Ltd
Director – Members Health Fund Alliance
Director – TUH Healthcare Services Pty Ltd
Director – NORTEC Pty Ltd
Director - Sunshine Coast Grammar School Foundation

Sharon WATERHOUSE



Appointment:

Non-Executive Director of PHA since 28 August 2023
Private Health Insurance Code of Conduct Compliance Committee
Audit and Risk Committee member since November 2023

Experience and expertise:

Chief Executive Officer – Phoenix Health Fund Limited
Bachelor of Economics
Master of Business Administration
Master of Business Research
Fellow of the Australian Institute of Company Directors
Director – Members Health Fund Alliance

Kate WILLIAMS



Appointment:

Non-Executive Director of PHA since 21 October 2024

Experience and expertise:

Managing Director, Bupa Health Insurance, Australia
Bachelor of Arts
Bachelor of Commerce
Master of Business Administration
Board Director – Bupa Health Insurance AU

Information on Company Secretaries

Rachel DAVID



Title:

Chief Executive Officer and Company Secretary since 16 January 2016

Experience and expertise:

Bachelor of Medicine
Graduate of the Australian Institute of Company Directors
Master of Business Administration

Camilla MILAZZO



Title:

Company Secretary since 1 June 2020

Experience and expertise:

Bachelor of Arts (Hons)
Juris Doctorate
Graduate Diploma of Legal Practice
Certificate of Corporate Governance
Certificate in Governance and Risk Management

Meetings of Directors

The number of Board meetings (including meetings of Committees of the Board) held during the year ended 30 June 2025 and the number of meetings attended by each Director were:

Board Meetings	Attended	Eligible to attend
HILL, J	5	5
BRUMBY, J	1	1
JACK, S	5	6
CARROLL, C	1	2
HENDERSON, L	5	6
JOYCE, B	5	6
MEAD, R	6	6
MILISAVLJEVIC, M	5	6
SELJAK, R	5	6
WATERHOUSE, S	6	6
WILLIAMS, K	3	4

Audit and Risk Committee Meetings	Attended	Eligible to attend
HILL, J	5	5
BRUMBY, J	-	-
SELJAK, R	5	5
JACK, S	2	5
TROUP, H	5	5
WATERHOUSE, S	5	5
CLOSE, E	-	-
JOYCE, B	-	-

Eligible to attend: represents the number of meetings held during the time the Director held office.

Results from operations

The Company incurred a net deficit after tax for the FY25 year of \$1,048,270 (compared to FY24 net deficit after tax of \$132,438).

Private Healthcare Australia's (PHA) revenue for the FY25 year was \$7,609,204 compared to \$6,508,720 for the prior year. The membership base changed slightly from 22 to 23 Members as PHA welcomed HCl Health Insurance as a member. Conference income of \$119,175 was generated in FY25, compared to \$100,290 in FY24.

Expenses for the FY25 year were higher than the prior year. This was due to event related issues causing increased spend on consultants and special projects, including a media campaign in response to the NSW Ambulance Levy, the issues surrounding Healthscope and political activities leading up to the Federal election.

Revenue and expenditure is closely monitored by Management, the Audit and Risk Committee and the Board in line with the cash reserve policy.

Principal activities

As an industry association, the Company's short-term and longer-term objectives are focused on advancing the interests of its members by fostering strong relations with government, media, and other stakeholders involved in the health care sector. These objectives are met through the provision of information and advice, and through maintaining ongoing relationships with other industry associations. During the year there was no significant change in the nature of the Company's objectives or activities.

Short and Long-term objectives

The objectives of the Company are to advocate for the advancement of the Australian private health insurance industry to government, political, media and industry organisations and to advance the collective interests of its members and their policy holders. The Company is currently focused on securing a favourable outcome for its members and their policy holders from Federal Government reviews on private health insurance policy.

Strategy for achieving the objectives

The Company works to achieve these objectives by implementing strategies to:

- provide an effective forum for industry dialogue on policy and strategic issues relevant to private health insurance;
- facilitate strong engagement with relevant decision-makers;
- build a comprehensive data, information and policy basis; and
- utilise effective communication practices to promote the industry's preferred position on key issues.

Performance measures

The Board of the Company reviews progress on its objectives and consults regularly with management on the effectiveness and relevance of the Company's activities and on the performance of the management team in implementing agreed strategies.

The Chief Executive Officer is responsible for the overall implementation of the Board's agreed strategies for meeting the Company's objectives. Board meetings are held regularly throughout the year to monitor progress and provide further direction where necessary. The Chief Executive Officer is issued with Key Performance Indicators (KPI) each year. The Board conducts an annual performance review through the Chair in which performance against the KPIs are assessed.

Six of the Director positions are subject to elections every two years, with the two largest members each entitled to appoint a Director ex-officio, and the Independent Chair being appointed by the Board for a two-year term. This structure ensures each Director is incentivised to ensure the Company works effectively to meet its objectives and deliver value for members.

Contributions on winding up

The Company is incorporated under the *Corporations Act 2001* and is a public company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company.

As of 30 June 2025 the total amount that members of the Company are liable to contribute if the Company wound up is \$230 (2024: \$220). The Company has 23 members (2024: 22 members).

Events occurring after the reporting date

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

Auditor's independence declaration

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

This report is made in accordance with a resolution of Directors, pursuant to *section 298(2)(a)* of the *Corporations Act 2001*.

On behalf of the Directors



J Brumby
Chair

16 October 2025

Auditor's Independence Declaration
To the Board of Directors of Private Healthcare Australia Ltd
ABN: 35 008 621 994

I declare that to the best of my knowledge and belief, during the year ended 30 June 2025 there have been no contraventions of:

- i. The auditor's independence requirements as set out in the *Corporations Act 2001*; and
- ii. Any applicable code of professional conduct in relation to the audit.



Melissa Alexander
Partner

Pitcher Partners
Sydney

16 October 2025

Private Healthcare Australia Ltd

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General information

The financial statements cover Private Healthcare Australia Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Private Healthcare Australia Ltd's functional and presentation currency.

Private Healthcare Australia Ltd is a company limited by guarantee, incorporated and domiciled in Australia. The Company is a not-for-profit entity for the purpose of preparing the financial statements under Australian Accounting Standards. Its registered office and principal place of business are:

'Chifley Tower' Suite
30 Level 17, 2 Chifley Square
Sydney NSW 2000

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 16 October 2025. The Directors have the power to amend and reissue the financial statements.

Private Healthcare Australia Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue	3	7,609,204	6,508,720
Finance income		75,338	59,005
Expenses			
Consultancy expenses		(3,187,894)	(2,544,037)
Employee benefits expense	4	(2,736,069)	(2,363,452)
Administration expenses		(1,040,934)	(877,170)
Advertising and marketing expenses		(895,425)	(149,214)
Conference activities		(451,563)	(398,440)
Other expenses		(168,175)	(116,514)
Travel activities		(134,309)	(121,565)
Occupancy expenses		(82,603)	(55,912)
Depreciation and amortisation expense	4	(34,232)	(74,856)
Finance costs	4	(1,796)	(2,597)
Deficit before income tax benefit		(1,048,458)	(136,032)
Income tax benefit	5	188	3,594
Deficit after income tax benefit for the year		(1,048,270)	(132,438)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		<u>(1,048,270)</u>	<u>(132,438)</u>

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

Private Healthcare Australia Ltd
Statement of financial position
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	6	4,852,838	8,210,070
Trade and other receivables	7	2,706	314,142
Prepayments		256,617	154,255
Other assets		26,148	67,775
Financial assets	8	3,000,000	-
Total current assets		<u>8,138,309</u>	<u>8,746,242</u>
Non-current assets			
Property, plant and equipment	9	23,194	35,009
Right-of-use assets	10	24,133	22,053
Deferred tax assets	5	2,235	2,047
Total non-current assets		<u>49,652</u>	<u>59,109</u>
Total assets		<u>8,187,871</u>	<u>8,805,351</u>
Liabilities			
Current liabilities			
Trade and other payables	11	1,164,703	1,139,749
Contract liabilities	12	7,875,938	7,500,893
Lease liabilities	13	20,615	20,709
Employee benefits	14	256,947	254,642
Total current liabilities		<u>9,318,203</u>	<u>8,915,993</u>
Non-current liabilities			
Lease liabilities	13	3,598	1,650
Employee benefits	14	77,763	51,131
Total non-current liabilities		<u>81,361</u>	<u>52,781</u>
Total liabilities		<u>9,399,564</u>	<u>8,968,774</u>
Net liabilities		<u>(1,211,693)</u>	<u>(163,423)</u>
Equity			
Accumulated deficit		<u>(1,211,693)</u>	<u>(163,423)</u>
Total deficiency in equity		<u>(1,211,693)</u>	<u>(163,423)</u>

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

Private Healthcare Australia Ltd
Statement of changes in equity
For the year ended 30 June 2025

	Accumulated deficit	Total deficiency in equity
	\$	\$
Balance at 1 July 2023	(30,985)	(30,985)
Deficit after income tax benefit for the year	(132,438)	(132,438)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year	<u>(132,438)</u>	<u>(132,438)</u>
Balance at 30 June 2024	<u>(163,423)</u>	<u>(163,423)</u>
	Accumulated deficit	Total deficiency in equity
	\$	\$
Balance at 1 July 2024	(163,423)	(163,423)
Deficit after income tax benefit for the year	(1,048,270)	(1,048,270)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year	<u>(1,048,270)</u>	<u>(1,048,270)</u>
Balance at 30 June 2025	<u>(1,211,693)</u>	<u>(1,211,693)</u>

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

Private Healthcare Australia Ltd
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Operating activities			
Receipts from members (inclusive of GST)		7,936,045	7,985,518
Payments to suppliers and employees (inclusive of GST)		<u>(8,344,174)</u>	<u>(7,332,092)</u>
		(408,129)	653,426
Interest received		75,338	59,005
Interest paid		<u>(1,796)</u>	<u>(2,597)</u>
Net cash (used in)/from operating activities		<u>(334,587)</u>	<u>709,834</u>
Investing activities			
Payments for property, plant and equipment	9	(2,092)	(3,430)
Purchase of financial assets - term deposits		(5,500,000)	-
Term deposits transferred to cash and cash equivalents		<u>2,500,000</u>	<u>2,500,000</u>
Net cash (used in)/from investing activities		<u>(3,002,092)</u>	<u>2,496,570</u>
Financing activities			
Payment of lease liabilities		<u>(20,553)</u>	<u>(59,231)</u>
Net cash used in financing activities		<u>(20,553)</u>	<u>(59,231)</u>
Net (decrease)/increase in cash and cash equivalents		(3,357,232)	3,147,173
Cash and cash equivalents at the beginning of the financial year		<u>8,210,070</u>	<u>5,062,897</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>4,852,838</u></u>	<u><u>8,210,070</u></u>

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

Note 1. Material accounting policy information

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

New or amended Accounting Standards and Interpretations adopted

The 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. The adoption of the new or amended accounting standards didn't have a material impact on the financial statements of the Company.

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') and the *Corporations Act 2001*.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Directors believe that it is reasonably foreseeable that the company will continue as a going concern and that it is appropriate to adopt the going-concern basis in the preparation of the financial report after consideration of the following factors:

- The Company has a cash balance of \$4,852,838 and term deposits of \$3,000,000;
- The Company has contract liabilities of \$7,875,938 as at 30 June 2025. Contract liabilities are annual membership fees paid in advance from members. According to the articles of association of Private Healthcare Australia, these membership fees are not refundable once paid. The treatment of contract liabilities is done in this manner under accepted accounting concepts to demonstrate the monthly revenue recognition of these membership fees.

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.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been considered.

Private Healthcare Australia Ltd
Notes to the financial statements
30 June 2025

Note 3. Revenue

	2025	2024
	\$	\$
<i>Revenue from contracts with customers</i>		
Membership levies	7,478,761	6,399,216
Conference income	119,175	100,290
	<u>7,597,936</u>	<u>6,499,506</u>
<i>Other revenue</i>		
Other revenue	11,268	9,214
	<u>11,268</u>	<u>9,214</u>
Total Revenue	<u><u>7,609,204</u></u>	<u><u>6,508,720</u></u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2025	2024
	\$	\$
<i>Geographical regions</i>		
Australia	7,597,936	6,499,506
<i>Timing of revenue recognition</i>		
Services transferred over time	7,478,761	6,399,216
Services transferred at a point over time	119,175	100,290
	<u>7,597,936</u>	<u>6,499,506</u>

Accounting policy for revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

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

Membership levy income

The Directors approve the administration budget in advance of each financial year. Levy income receivable is recorded when the likelihood of the member remaining is probable. As the levy entitles members to services and benefits during the membership period, this levy income is recognised as unearned income. This unearned income is then recognised on a straight-line basis so that over the duration of the membership, it reflects the timing, nature and value of the benefits provided.

Conference income

Conference income is recognised at a point in time when performance obligations are satisfied.

Other revenue

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

Private Healthcare Australia Ltd
Notes to the financial statements
30 June 2025

Note 4. Expenses

	2025 \$	2024 \$
Deficit before income tax includes the following specific expenses:		
<i>Depreciation and amortisation expenses</i>		
Office equipment	2,895	5,447
Furniture and fixtures	83	86
Office equipment under lease	10,928	10,928
Right-of-use assets	20,326	58,395
	<u>34,232</u>	<u>74,856</u>
<i>Employee benefits expense</i>		
Superannuation expense	245,800	213,669
Employee benefits expense excluding superannuation	2,490,269	2,149,783
	<u>2,736,069</u>	<u>2,363,452</u>
<i>Finance costs</i>		
Interest expense on lease liabilities	1,796	2,597
<i>Leases</i>		
Short-term leases	82,602	44,983

Note 5. Tax

	2025 \$	2024 \$
<i>Income tax benefit</i>		
Deferred tax - origination and reversal of temporary differences	(188)	(3,594)
Aggregate income tax benefit	<u>(188)</u>	<u>(3,594)</u>
<i>Numerical reconciliation of income tax benefit and tax at the statutory rate</i>		
Deficit before income tax benefit	(1,048,458)	(136,032)
Tax at the statutory tax rate of 25%	(262,114)	(34,008)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	262,302	30,414
Income tax (benefit)	<u>(188)</u>	<u>(3,594)</u>

Private Healthcare Australia Ltd
Notes to the financial statements
30 June 2025

Note 5. Tax (continued)

	2025 \$	2024 \$
<i>Deferred tax asset</i>		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	2,241	1,961
Property, plant and equipment	(168)	(149)
Leases	162	143
Accrued expenses	-	92
Deferred tax asset	<u>2,235</u>	<u>2,047</u>
Movements:		
Opening balance	(2,047)	(1,547)
Credited to profit or loss	188	3,594
Closing balance	<u>2,235</u>	<u>2,047</u>

As at 30 June 2025 the Company has carry forward tax losses of \$8,887,942 (2024: \$8,267,606). Provided the Company satisfies the tests as prescribed by income tax legislation, these losses will be available to offset this year's as well as future years' taxable expense. A deferred tax asset has been brought to account on the temporary differences arising from tax adjustments, however a deferred tax asset has not been recognised on the accumulated tax losses as it is not considered probable that future taxable income will be in excess of taxable losses.

Accounting policy for income tax

The Company is an entity subject to the principle of mutuality, whereby funds contributed to the incorporated body by its members do not constitute income of the body, and the return of any excess funds to members is not assessable to members. Expenses that relate to members are generally not deductible for taxation purposes and general expenses are apportioned based on the proportion of income derived from members compared to non-members. In the case of the Company, the mutuality principle applies to receipts from members.

Expenses incurred in deriving these receipts and expenditure incurred in providing services to members will therefore not be deductible to the Company.

Note 6. Cash and cash equivalents

	2025 \$	2024 \$
<i>Current assets</i>		
Cash at bank	<u>4,852,838</u>	<u>8,210,070</u>

Accounting policy for cash and cash equivalents

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

Note 7. Trade and other receivables

	2025 \$	2024 \$
<i>Current assets</i>		
Trade receivables	233	193,363
Other receivables	2,473	120,779
	<u>2,706</u>	<u>314,142</u>

Accounting policy for trade and other receivables

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

The 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.

Note 8. Financial assets

	2025 \$	2024 \$
<i>Current assets</i>		
Term deposits	<u>3,000,000</u>	<u>-</u>

Accounting policy for financial instruments

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.

Non-derivative financial assets

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

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 amortised cost comprise term deposits.

Note 9. Property, plant and equipment

	2025 \$	2024 \$
<i>Non-current assets</i>		
Leasehold improvements (King Street) - at cost	109,278	109,278
Less: Accumulated depreciation	(91,587)	(80,660)
	<u>17,691</u>	<u>28,618</u>
Furniture & fixtures - at cost	24,484	24,002
Less: Accumulated depreciation	(23,254)	(23,171)
	<u>1,230</u>	<u>831</u>
Office equipment - at cost	112,377	110,767
Less: Accumulated depreciation	(108,104)	(105,207)
	<u>4,273</u>	<u>5,560</u>
Software - at cost	3,384	3,384
Less: Accumulated depreciation	(3,384)	(3,384)
	<u>-</u>	<u>-</u>
	<u>23,194</u>	<u>35,009</u>

Reconciliations

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

	Leasehold improvements	Furniture and fixtures	Office equipment	Total
	\$	\$	\$	\$
Balance at 1 July 2024	28,618	831	5,560	35,009
Additions	-	482	1,609	2,091
Depreciation expense	(10,927)	(83)	(2,896)	(13,906)
Balance at 30 June 2025	<u>17,691</u>	<u>1,230</u>	<u>4,273</u>	<u>23,194</u>

Accounting policy for property, plant and equipment

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

The depreciable amount of all fixed assets is depreciated on a diminishing value basis (except leasehold improvements and software) as indicated below. Depreciation is calculated on a straight-line basis to write off the net cost of leasehold improvements over their expected useful lives. Software is depreciated either on a diminishing value basis or on a straight-line basis.

Fixed asset class

Leasehold improvements
Furniture and fittings
Office equipment

Useful life/Diminishing value

Over the lease term or useful life whichever is shorter
8% - 100% rate based on diminishing value basis
25% - 100% rate based on diminishing value basis

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

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 10. Right-of-use assets

	2025 \$	2024 \$
<i>Non-current assets</i>		
Office buildings	47,856	183,874
Less: Accumulated depreciation	<u>(23,723)</u>	<u>(161,821)</u>
	<u>24,133</u>	<u>22,053</u>

Reconciliations

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

	Office buildings \$
Balance at 1 July 2024	22,053
Additions	22,406
Depreciation expense	<u>(20,326)</u>
Balance at 30 June 2025	<u>24,133</u>

The Company leases two buildings for its offices under agreements of between 1.25 to 4 years, in some cases, with an option to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Accounting policy for leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Right-of-use assets 1.25 - 4 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expensed on a straight-line basis over the lease term.

Private Healthcare Australia Ltd
Notes to the financial statements
30 June 2025

Note 11. Trade and other payables

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Trade payables	325,704	240,071
GST payable	504,152	640,087
Accruals	204,820	201,252
Other payables	94,027	58,339
	<u>1,164,703</u>	<u>1,139,749</u>

Note 12. Contract liabilities

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Unearned income - member levies	<u>7,875,938</u>	<u>7,500,893</u>

Accounting policy for contract liabilities

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

Note 13. Lease liabilities

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Office buildings	<u>20,615</u>	<u>20,709</u>
<i>Non-current liabilities</i>		
Office buildings	<u>3,598</u>	<u>1,650</u>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	21,672	21,586
One to five years	<u>1,807</u>	<u>1,806</u>
	<u>23,479</u>	<u>23,392</u>

Accounting policy for lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Note 13. Lease liabilities (continued)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Note 14. Employee benefits

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Annual leave	192,162	159,218
Long Service leave	<u>64,785</u>	<u>95,424</u>
	<u>256,947</u>	<u>254,642</u>
 <i>Non-current liabilities</i>		
Long service leave	<u>77,763</u>	<u>51,131</u>

Accounting policy for employee benefits

Short-term employee benefits

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

Other long-term employee benefits

The liability for 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Termination benefits

Termination benefits are recognised as an expense when termination benefits are paid.

Note 15. 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:

	2025	2024
	\$	\$
Aggregate compensation	<u>1,051,713</u>	<u>991,104</u>

In addition to their salaries the Company contributes to a post-employment superannuation fund on their behalf in accordance with the Superannuation Guarantee requirements. Termination benefits are based on employee entitlements and individual contracts.

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Pitcher Partners, the auditor of the Company, its network firms and unrelated firms:

	2025	2024
	\$	\$
<i>Audit services – Pitcher Partners</i>		
Audit of the financial statements	<u>31,000</u>	<u>30,000</u>

Note 17. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2025 (30 June 2024: None).

Note 18. Commitments

As at 30 June 2025, the Company had not entered into any capital commitments (30 June 2024: Nil).

Note 19. Related party transactions

Transactions with related parties

During the financial year, Directors and their Director-related entities paid member levies to the Company on the same terms and conditions available to other members.

Directors remuneration

The Directors of the Company, with the exception of the Chair, do not receive any remuneration for the services they perform as Directors. Directors are eligible to be reimbursed for expenses on the same basis as employees.

Key management personnel

Disclosures relating to key management personnel are set out in note 15.

Note 20. Contributions on winding up

The Company is incorporated under the *Corporations Act 2001* and is a public company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company.

As at 30 June 2025 the total amount that members of the Company are liable to contribute if the Company wound up is \$230 (2024: \$220). The Company has 23 members (2024: 22 members).

Note 21. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 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.

Private Healthcare Australia Ltd
Consolidated entity disclosure statement
As at 30 June 2025

Private Healthcare Australia Ltd does not have any controlled entities and is not required by the Australian Accounting Standards to prepare consolidated financial statements. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

Directors' declaration
30 June 2025

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards - Simplified Disclosures, 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 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



J Brumby
Chair

16 October 2025

**Independent Auditor's Report
To the Members of Private Healthcare Australia Ltd
ABN 35 008 621 994**

Report on the Financial Report

Opinion

We have audited the financial report of Private Healthcare Australia Ltd ('the Company'), which comprises of the statement of financial position as at 30 June 2025, 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, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration.

In our opinion, the financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

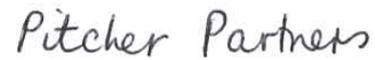
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.



Melissa Alexander
Partner

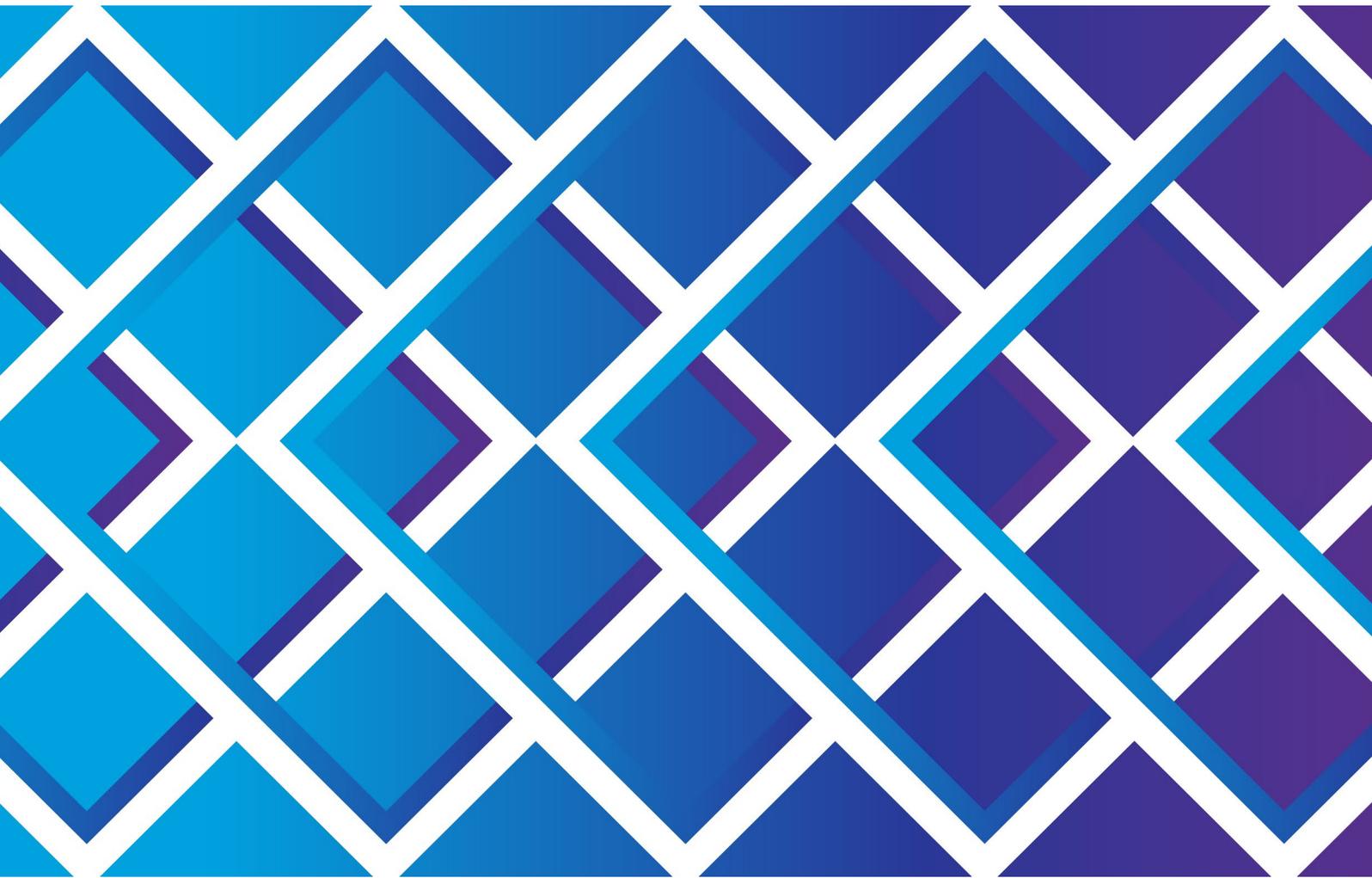


Pitcher Partners
Sydney

16 October 2025



Private Healthcare Australia
Better Cover. Better Access. Better Care.



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