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Subject: AM2026/10 - Cross examination of Nathan Quinlivan

Dear Associate,

Please find attached a copy of Kirinari's statutory statement for FY 2025 for which the unions may take Mr Quinlivan to in cross-examination today. I have also provided this separately to the solicitors acting for Kirinari.

The other parties to this proceeding are copied into this correspondence.

Kind regards



Jonathan Matthews (he/him)

National Industrial Officer

e: jonathanm@hsu.net.au



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kirinari

Kirinari Community Services Ltd

ABN 34 090 653 946

Statutory statements

For the year ended 30 June 2025

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DIRECTORS' REPORT

The Directors present their report together with the financial statements of Kirinari Community Services Ltd ('the Company') for the year ended 30 June 2025 and the auditor's report thereon.

Directors

The names and details of the Directors of the Company in office at any time during or since the end of the financial year are:

Janette Wyatt-Brown
Chairperson from 29/11/2010
Age: 77
Occupation: Retired School Principal
Appointed: 27/10/2004

Christopher Green
Age: 56
Occupation: Business Principal
Appointed: 28/07/2022

Steven Martin
Age: 46
Occupation: Engineer
Appointed: 30/08/2022

Peter Edwards
Age: 75
Occupation: Business Director
Appointed: 24/02/2021

Peter de Koeyer
Age: 64
Occupation: Retired CEO
Appointed: 3/10/2023

All Directors are considered independent, non-executive Directors.

Company Secretary

Mr Nathan Quinlivan (CAANZ) is the current Company Secretary appointed on 26 April 2022 and continues to act in this position as at and since the end of the financial year.

Corporate information

Kirinari Community Services Ltd ("the Company") is a company limited by guarantee domiciled in Australia.

The Company has a principal place of business located at Northpoint Tower, Level 1, 366 Griffith Road, Lavington, New South Wales, Australia.

Principal activities

The principal activities of the Company in the course of the financial year were those of operating and managing residential and other support services for people with disability and/or special needs.

There were no significant changes in the nature of the activities of the Company during the year.

The principal activities assist in achieving the short- and long-term objectives of the Company by;

- Providing services to the community;
- Providing non-financial outcomes in response to funding body agreements; and
- Providing turnover and cash flow to meet the financial objectives of the Company.

DIRECTORS' REPORT (CONTINUED)

Objectives of the Company

The Company's Vision is:

'Individuals have equity and choice to achieve the potential in their lives.'

Our Mission is:

To enrich the lives of our customers through individualised solutions and choices by providing:

- ***High quality services***
- ***High quality support***
- ***Great places to live***

Our vision for the future means that we aim to:

- Be recognised as a **provider of choice** for individuals and their families to access support;
- Undertake **person centred and individualised** planning with a lifespan approach;
- Build **responsive services** that reflect the **diverse needs** of our communities;
- Initiate **collaborative relationships** and partnerships with a range of service providers to improve our mutual ability to address community needs;
- Improve **service accessibility** by promoting **community inclusion** for our diverse client group; and
- Be recognised as an **employer of choice** that supports, equips and develops our staff.

Indicators of success in achieving this vision will be:

- **Growth in service provision** through an increase in the number of funding bodies, agencies and individuals choosing the Company;
- **Innovative approaches** are being introduced into the Company through targeted planning, and with appropriate resources, funding and support;
- Being recognised as an **'employer of choice'** with success in recruitment and retention of highly skilled staff due to an emphasis on training and development; and
- Our service is being supported by our community through shared partnerships and **increased community inclusion** of our clients.

Short Term Objectives of the Company

- Strengthen organisational culture, structure and practice through **investing in our human resources** to achieve operational excellence;
- Develop and mature our **quality management systems** to reflect our policy, procedure and practice;
- To meet **industry and outcome standards** required under funding agreements with our funding bodies including quality certification;
- To meet **financial viability and accountability** requirements which in turn result in higher productivity and longer-term sustainability; and
- To provide a **workplace that is compliant** with industry safety standards and the Fair Work Act.

DIRECTORS' REPORT (CONTINUED)

Long Term Objectives of the Company

- Foster and build on **Organisational relationships** with our service users, co-service providers, funding bodies and other stakeholders, thereby impacting the actions, policies and attitudes of government, business and the community; and
- Ensure **stakeholders are able to receive what they need** from the Company via flexible, person-centered and innovative service provision.

Performance Measurement

The Company uses various indicators to measure performance in seven key result areas that are specified in the strategic plan;

- Client service delivery
- Workforce
- Governance and leadership
- Relationship and partnerships
- Service development and sustainability
- Infrastructure and technology
- Quality and compliance

The performance measurement in each key result area is reported and reviewed by management and Directors in accordance with periodic timeframes as detailed in the strategic plan.

Operating and financial review

Kirinari's surplus for the year ended 30 June 2025 was \$3,063,403, following a loss of \$2,451,122 in the 2024 financial year.

Approximately half of the reported profit was driven by non-recurring items, including a \$0.7 million Community Housing grant, a \$0.3 million gain on Community Housing funding acquittal, and \$0.3 million of interest earned on CHSP available funding. The remaining profit was generated from underlying operations, with the majority of operational gains recognised in the second half of the year.

Indemnification and insurance of Directors and Officers

The Company has indemnified all Directors and certain Executive Officers in respect of liabilities to other persons (other than the Company or a related body corporate) that may arise from their position as Directors or Executive Officers of the Company. The Company has not indemnified its auditors.

Directors' meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director are as follows:

Director	Board of Directors Meetings	
	A	B
Jan Wyatt-Brown	6	6
Peter Edwards	5	6
Christopher Green	5	6
Steven Martin	6	6
Peter de Koeyer	6	6

DIRECTORS' REPORT (CONTINUED)

Directors' meetings (continued)

A – number of meetings attended

B – reflects the number of meetings the Director was eligible to attend during the year

Committee duties were conducted as full Board matters at scheduled Board Meetings in the financial year.

Membership Details

Membership Class	No. Of Members	Individual Members Contribution on Winding Up of the Company	Total Members Contribution on Winding Up of the Company
Ordinary Member	6	\$10.00	\$60.00
Family Member	-	-	-
Life Member	2	-	-

Dividends

The Company is a company limited by guarantee and therefore has not declared or paid any dividend during the financial year, nor is it recommended that any dividend should be declared or paid from the operating result disclosed in the financial statements.

State of affairs

In June 2025, Kirinari Community Services Limited wound up its merger with Homes Out West and deregistered the incorporated entity. At 30 June 2025, Homes Out West is no longer a subsidiary of the consolidated entity.

In July 2025, a Memorandum of Understanding was developed between Kirinari Community Services Ltd and LiveBetter Services Ltd regarding a proposed merger. Following the due diligence conducted in July and August 2025, a merger deed was drafted and signed by the Kirinari Board on 12 September 2025. Effective 15 September 2025, the former LiveBetter Board was dissolved, and an existing Kirinari Board was appointed to oversee the LiveBetter entities. The LiveBetter CEO resigned on the same date and the Kirinari Board and CEO assumed full control of decision making thereafter.

Other than the above, there has been no significant change in the state of affairs that has occurred during the financial year and there have been no additional matters or circumstances that have arisen since the end of the financial year that has 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 subsequent financial years.

Events subsequent to balance date

Except for the merger with LiveBetter, there has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' REPORT (CONTINUED)

Likely developments

Kirinari Community Services Limited intend to finalise its merger with LiveBetter and wind up the entity during the 2026 financial year, once all assets, liabilities and agreements are transferred to Kirinari Community Services Limited, however, completion of these processes may extend into the following financial year.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 7 and forms part of the Directors' report for the financial year ended 30 June 2025.

Directors' benefits

During or since the end of the financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration paid or payable to the Directors as shown in the general-purpose financial statements) by reason of a contract entered into by the Company with:

- a Director,
- a firm of which a Director is a member, or
- an entity in which a Director has a substantial financial interest.

Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

Dated at Lavington on this 28th day of October 2025.

Signed in accordance with a resolution of the Directors.



Janette Wyatt-Brown



Peter Edwards



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**LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012**

To: The Directors of Kirinari Community Services Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2025 there have been:

- no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

[REDACTED]
CROWE ALBURY

[REDACTED]
JASON GILBERT
Partner

Dated at Albury on this 28th day of October 2025.

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

	Note	2025 \$	2024 \$
Revenue	3a	115,134,185	107,602,204
Other income/(loss)	3b	56,360	(29,239)
Total revenue and income		115,190,545	107,572,965
Employee expenses		(82,840,319)	(84,443,123)
Depreciation	4	(2,579,626)	(2,677,961)
Administration costs		(2,898,599)	(3,038,923)
Workers compensation insurance		(3,514,854)	(2,932,545)
Occupancy expenses		(7,914,125)	(6,373,268)
Repairs and maintenance		(1,154,379)	(1,138,902)
Motor vehicles and transport		(1,144,937)	(1,135,633)
Services Purchased		(5,598,681)	(2,347,172)
Other expenses		(4,514,299)	(5,320,092)
Total expenses		(112,159,819)	(109,407,619)
Result from operating activities		3,030,726	(1,834,654)
Financial income		397,585	200,633
Financial expense		(364,907)	(317,102)
Unrealised movement in fair value of investments		(1)	(499,999)
Net financial income / (expense)		32,677	(616,468)
Profit / (Loss) for the period		3,063,403	(2,451,122)
Other comprehensive Income			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Gain / (loss) on the revaluation of land and buildings		-	2,563,147
Total comprehensive result for the period		3,063,403	112,025

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

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

	Retained Earnings	Asset Revaluation Reserve	Total Equity
	\$	\$	\$
Balance at 1 July 2023	27,428,229	3,996,848	31,425,077
Total comprehensive income for the period			
Profit / (Loss) for the period	(2,451,122)	-	(2,451,122)
Other comprehensive income	-	2,563,147	2,563,147
Total comprehensive result for the period	(2,451,122)	2,563,147	112,025
Contributions from Homes Out West	2,009,047	-	2,009,047
Balance as at 30 June 2024	26,986,154	6,559,995	33,546,149

	Retained Earnings	Asset Revaluation Reserve	Total Equity
	\$	\$	\$
Balance at 1 July 2024	26,986,154	6,559,995	33,546,149
Total comprehensive income for the period			
Profit / (Loss) for the period	3,063,403	-	3,063,403
Other comprehensive income	-	-	-
Total comprehensive result for the period	3,063,403	-	3,063,403
Balance as at 30 June 2025	30,049,557	6,559,995	36,609,552

The statement of changes in equity is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
CURRENT ASSETS			
Cash and cash equivalents	5	7,659,408	4,415,911
Trade and other receivables	6	9,410,237	6,786,499
Investments	7	16,291,096	3,905,383
Other assets	8	54,795	172,100
TOTAL CURRENT ASSETS		33,415,536	15,279,893
NON-CURRENT ASSETS			
Trade and other receivables	6	-	1
Investments	7	-	1
Property, plant and equipment	9a	30,976,170	31,491,242
Right-of-use assets	10	2,789,575	3,654,846
TOTAL NON-CURRENT ASSETS		33,765,745	35,146,090
TOTAL ASSETS		67,181,281	50,425,983
CURRENT LIABILITIES			
Trade and other payables	11	17,638,262	4,363,881
Employee benefits	12	7,792,981	6,922,981
Lease liabilities	13	1,381,283	1,341,317
TOTAL CURRENT LIABILITIES		26,812,526	12,628,179
NON-CURRENT LIABILITIES			
Employee benefits	12	1,943,740	1,502,933
Lease liabilities	13	1,617,075	2,503,488
Borrowings	14	198,388	245,234
TOTAL NON-CURRENT LIABILITIES		3,759,203	4,251,655
TOTAL LIABILITIES		30,571,729	16,879,834
NET ASSETS		36,609,552	33,546,149
EQUITY			
Reserves	17	6,559,995	6,559,995
Retained earnings	16	30,049,557	26,986,154
TOTAL EQUITY		36,609,552	33,546,149

The statement of financial position is to be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Cash receipts in the course of operations		125,726,113	110,813,119
Cash payments in the course of operations		(107,830,737)	(105,598,278)
Interest received		397,585	200,633
Interest paid		(364,907)	(317,102)
Net cash flows provided by operating activities	15	17,928,054	5,098,372
Cash flows from investing activities			
Payments for property, plant and equipment		(975,521)	(3,298,380)
Payments for investments		(12,385,711)	(2,604,031)
Proceeds from sale of investments		-	-
Proceeds from sale of property, plant and equipment		56,727	40,451
Net cash flows provided by / (used in) investing activities		(13,304,506)	(5,861,960)
Cash flows from financing activities			
Repayment of borrowings		(46,846)	(199,692)
Repayment of lease liabilities		(1,333,205)	(1,382,802)
Net cash flows used in financing activities		(1,380,051)	(1,582,494)
Net increase/(decrease) in cash held		3,243,497	(2,346,082)
Cash at the beginning of the financial year		4,415,911	5,568,269
Contributions from Homes Out West – cash		-	1,193,724
Cash at the end of the financial year	5	7,659,408	4,415,911

The statement of cash flows is to be read in conjunction with the accompanying notes.

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

1. MATERIAL ACCOUNTING POLICY INFORMATION

Kirinari Community Services Ltd (“the Company”) is a company limited by guarantee domiciled in Australia and has its principal place of business located at Northpoint Tower, Level 1, 366 Griffith Road, Lavington, New South Wales, Australia.

The principal activities of the Company for the year ended 30 June 2025 were the operating and managing of residential and other support services for people with disability and/or special needs.

The financial statements were authorised for issue by the Directors on the 28th day of October 2025.

(a) Statement of Compliance

These financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Simplified Disclosures *the Australian Charities and Not-for-profits Commission Act 2012*.

(b) Basis of Preparation

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

Where necessary comparative information has been reclassified to achieve consistency in disclosure with current year amounts and other disclosures.

In June 2025, Kirinnari Community Services Ltd wound up its merger with Homes Out West and deregistered the incorporated entity. At 30 June 2025, Homes Out West is no longer a subsidiary of the consolidated entity. The comparative financial information includes Homes Out West as a subsidiary of the consolidated entity.

Not-for-profit status

The Company has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate the Company has elected to apply options and exemptions within the Australian Accounting Standards that are applicable to not-for-profit entities.

(c) Critical accounting estimates and judgements

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described in the following notes:

- **Note 6 – Trade and other receivables** – regarding expected credit loss assessment;
- **Note 7 – Investments** – fair value assessment of shares in unlisted company;
- **Note 9 – Property, plant and equipment** – fair value assessment and estimation of useful lives used in depreciation calculations;
- **Note 10 – Right-of-use assets** – including lease term and discount rate;
- **Note 12 – Employee entitlements** – regarding inputs into long service leave provision calculation; and
- **Note 13 – Lease liabilities** – including lease term and discount rate.

(d) Revenue recognition

Government grants

Revenues from grants and subsidies are recognised when received or due for receipt, unless there is a performance obligation contractually attached to those monies from external parties. Where there is a contractual performance obligation attached to monies, AASB 15 *Revenue from Contracts with Customers* applies, and unspent funds are held as contract liabilities and included in Note 11.

Client Fees

Client fee revenue is recognised when or as the performance obligations are satisfied under AASB 15, which is usually when the service is provided. A contract liability is recognised where fees have been received but the Company has not yet satisfied its performance obligations.

Revenue in the scope of AASB 1058 *Income for Not-for-Profit Entities* is recognised on receipt unless it relates to a capital grant which satisfies certain criteria, in this case the grant is recognised as the asset is acquired or constructed.

Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset. Interest revenue is included under financial income.

Donations and other revenue

Revenue is recognised on receipt of cash or at the time a receivable is recorded, if earlier.

Sale of property, plant and equipment

The gain or loss on sale of an asset is recognised as other income and is determined when control of the asset has irrevocably passed to the buyer. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

Volunteer services

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

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

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Leases

The Company as a lessee:

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

The Company has chosen not to apply AASB 16 *Leases* to leases of intangible assets. The right-of-use asset is measured using the cost model, depreciated over the lease term on a straight-line basis, and assessed for impairment in accordance with the impairment of assets accounting policy.

Exceptions to lease accounting:

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets (defined by The Company as \$10,000). The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term and 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.

(g) Trade and other receivables

Trade and other receivables are stated at their cost less any allowance for expected credit losses.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure expected credit losses, accounts receivable and other debtors have been grouped based on days overdue.

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

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(h) Property, plant and equipment

All property, plant and equipment is stated at cost (or deemed cost) less depreciation and impairment losses, except for land and buildings which is stated at fair value.

Items of property, plant and equipment are initially recorded at their cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Revaluation to fair value:

Land and buildings have been revalued to fair value at the date of the revaluation as outlined in Note 9. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset class. Thereafter the decrements are taken to profit or loss.

Depreciation:

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Buildings	40 years
Furniture and Fittings	2-10 years
Motor Vehicles	2-10 years

(i) Investments

Investments are initially measured at fair value.

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 at amortisation cost

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

This relates to the Company's term deposit investments – disclosed in Note 7.

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

1. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Trade and other payables and contract liabilities

Trade and other payables are measured at amortised cost and are not discounted.

Contract liabilities (i.e. income in advance) generally represent the unspent grant monies received on the condition that specified services are delivered or conditions are fulfilled.

(k) 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.

(l) Employee benefits

A provision is recognised for employee benefits in respect of service up to the reporting date.

Wages, salaries and annual leave

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

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. 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. Where the Company does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

Other employee entitlements

A provision is recognised when there is a legal obligation as a result of a past event and it is possible that a future sacrifice of economic benefits will be required to settle the obligation, the timing of which is uncertain. These events relate primarily to the increases in award rates, notified after the original period of payment.

(m) Income tax

The Company is exempt from the payment of income tax as it has Public Benevolent Institution Status.

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

2. NEW ACCOUNTING STANDARDS ADOPTED

There were no changes to accounting standards which occurred during the current financial year.

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

	2025 \$	2024 \$
3. (a) REVENUE		
Government grants	94,817,635	91,200,486
Client fees	12,566,857	10,305,539
Other	7,749,693	6,096,179
Total revenue	<u>115,134,185</u>	<u>107,602,204</u>
Government grants by source		
Commonwealth government		
National Disability Insurance Agency	78,145,264	80,172,671
Department of Health and Aged Care	7,512,739	3,102,395
Primary Health Network	962,486	670,635
	<u>86,620,489</u>	<u>83,945,701</u>
State Government		
Dept of Communities and Justice NSW	7,025,833	6,132,274
Transport for NSW	724,962	750,057
Department of Education NSW	446,351	341,021
Land and Housing Corporation NSW	-	31,433
	<u>8,197,146</u>	<u>7,254,785</u>
	<u>94,817,635</u>	<u>91,200,486</u>
(b) OTHER INCOME/(LOSS)		
Donations	43,015	40,504
Profit/(loss) on sale of non-current assets	13,345	(69,743)
Total other income	<u>56,360</u>	<u>(29,239)</u>
4. EXPENSES		
Profit/(Loss) from operating activities has been arrived at after charging the following:		
Defined contribution superannuation expense	7,884,324	7,869,167
Auditors' remuneration – audit services (1)	46,450	54,000
Termination payments	287,098	96,801
Depreciation		
- Property, plant and equipment	1,227,596	1,440,487
- Right-of-use asset	1,352,030	1,237,474
	<u>2,579,626</u>	<u>2,677,961</u>

(1) This includes financial statement preparation assistance. No other services were provided during the reporting period. This included an \$11,000 Homes Out West audit fee in 2024.

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

	2025 \$	2024 \$
5. CASH AND CASH EQUIVALENTS		
Business account	7,656,405	4,411,940
Cash on hand	3,003	3,971
	<u>7,659,408</u>	<u>4,415,911</u>
6. TRADE AND OTHER RECEIVABLES		
Current		
Trade and other receivables	11,476,215	7,999,541
Provision for impairment (1)	(2,065,978)	(1,213,042)
	<u>9,410,237</u>	<u>6,786,499</u>
Non-current		
Loan receivable	-	1
	<u>-</u>	<u>1</u>
<p>(1) The loss allowance is calculated and disclosed under the expected credit loss regime as per Note 1(g).</p>		
7. INVESTMENTS		
Current		
Term deposits	16,291,096	3,905,383
	<u>16,291,096</u>	<u>3,905,383</u>
Non-Current		
Shares in unlisted company – Good Human	-	1
	<u>-</u>	<u>1</u>
8. OTHER ASSETS		
Prepayments	54,795	172,100
	<u>54,795</u>	<u>172,100</u>

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

	2025 \$	2024 \$
9. PROPERTY, PLANT AND EQUIPMENT		
<i>Land</i>		
At valuation	11,168,000	11,168,000
	<u>11,168,000</u>	<u>11,168,000</u>
<i>Buildings</i>		
At valuation	19,832,041	19,297,710
Less accumulated depreciation	(1,640,364)	(1,154,911)
	<u>18,191,677</u>	<u>18,142,799</u>
<i>Furniture and fittings</i>		
At cost	3,671,292	3,596,174
Less accumulated depreciation	(3,046,024)	(2,794,373)
	<u>625,268</u>	<u>801,801</u>
<i>Motor vehicles</i>		
At cost	4,504,726	4,342,549
Less accumulated depreciation	(3,650,911)	(3,335,491)
	<u>853,815</u>	<u>1,007,058</u>
<i>Capital Works in progress</i>		
At cost	137,410	371,584
	<u>137,410</u>	<u>371,584</u>
Total property, plant and equipment	<u>30,976,170</u>	<u>31,491,242</u>

Valuations

As at 30 June 2024, land and buildings were independently revalued by Preston Rowe Paterson. This resulted to an increase to the carrying value of land and buildings of \$2,563,147. The Company has reviewed the carrying amount of land and buildings against their estimated fair value, including assessing recent market data and comparable property sales since the date of independent revaluation, and concluded that fair values have not materially changed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

9 (a) PROPERTY PLANT AND EQUIPMENT (CONTINUED)

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	Land	Buildings	Furniture and Fittings	Motor vehicles	Capital Works in progress	Total
	\$	\$	\$	\$	\$	\$
Balance at 30 June 2023						
Carrying amount at beginning of year	8,807,273	14,806,148	1,118,850	1,397,249	197,642	26,327,162
Transfer from Homes out west	114,000	584,232	59,328	92,784	2,890	853,234
Additions	819,000	2,034,377	25,992	246,951	172,060	3,298,380
Revaluation	1,427,727	1,135,420	-	-	-	2,563,147
Transfers	-	-	-	-	-	-
Disposals	-	-	-	(109,186)	-	(109,186)
Written off to P&L	-	-	-	-	(1,008)	(1,008)
Depreciation	-	(417,378)	(402,369)	(620,740)	-	(1,440,487)
Balance at 30 June 2024	11,168,000	18,142,799	801,801	1,007,058	371,584	31,491,242
Balance at 1 July 2024						
Carrying amount at beginning of year	11,168,000	18,142,799	801,801	1,007,058	371,584	31,491,242
Additions	-	18,091	75,118	380,632	501,680	975,521
Revaluation	-	-	-	-	-	-
Transfers	-	516,240	-	-	(516,240)	-
Disposals	-	-	-	(43,383)	-	(43,383)
Written off to P&L	-	-	-	-	(219,614)	(219,614)
Depreciation	-	(485,453)	(251,651)	(490,492)	-	(1,227,596)
Balance at 30 June 2025	11,168,000	18,191,677	625,268	853,815	137,410	30,976,170

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

	2025 \$	2024 \$
10. RIGHT-OF-USE ASSET		
Land and buildings – right-of-use – initial recognition	5,819,270	5,435,799
Less: Accumulated depreciation	<u>(3,029,695)</u>	<u>(1,780,953)</u>
	<u>2,789,575</u>	<u>3,654,846</u>

Additions to the right-of-use assets during the year were \$486,758 (2024: \$1,884,242) and depreciation charged to profit or loss was \$1,352,030 (2024: \$1,237,474).

Nature of the leasing activities

The Company has leases over a number of premises for administration and provision of service purposes. The lease terms generally range from 3 to 5 years and include options for extensions where it is reasonably certain this will be exercised.

11. TRADE AND OTHER PAYABLES

Trade and other payables	1,467,458	793,653
Accruals	2,628,183	1,943,484
Other	9,636	9,724
Contract liabilities ⁽¹⁾	<u>13,532,985</u>	<u>1,617,020</u>
	<u>17,638,262</u>	<u>4,363,881</u>

⁽¹⁾ Contract liabilities have increased during the year primarily due to unspent Commonwealth Home Support Programme (CHSP) funding. The increase reflects funding received during the year that was not fully spent in accordance with program requirements. The unspent portion of \$10.9M will be returned to the Commonwealth.

12. EMPLOYEE BENEFITS

Current

Annual leave	4,308,785	4,107,071
Long service leave	1,592,537	1,315,762
Other employee entitlements	<u>1,891,659</u>	<u>1,500,148</u>
	<u>7,792,981</u>	<u>6,922,981</u>

Non-current

Long service leave	<u>1,943,740</u>	<u>1,502,933</u>
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	2025 \$	2024 \$
13. LEASE LIABILITIES		
Current		
Lease liabilities	1,381,283	1,341,317
Non-current		
Lease liabilities	1,617,075	2,503,488
	<u>2,998,358</u>	<u>3,844,805</u>

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1-5 years	> 5 years	Total
2025	1,562,241	1,428,079	532,991	3,523,312
2024	1,573,661	2,413,926	687,089	4,674,676

	2025 \$	2024 \$
Short term lease payment recognised in the statement of profit or loss and other comprehensive income	<u>3,765,474</u>	<u>3,501,294</u>
Minimum lease commitments payable but not recognised in the financial statements:		
Within one year #	<u>1,385,644</u>	<u>1,153,140</u>

The Company are party to several lease agreements that are considered short term due to a lease term of 12 months or less at the commencement date. As such, at the end of the current reporting period the minimum lease payment committed to is \$1,385,644.

14. BORROWINGS

Non-Current		
Hume Bank – residential loan - secured	101,677	131,626
Hume Bank – commercial loan - secured	96,711	113,608
	<u>198,388</u>	<u>245,234</u>

The bank debt is secured by a registered first mortgage over certain freehold properties owned by the Company.

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

	2025 \$	2024 \$
15. RECONCILIATION OF OPERATING SURPLUS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Net profit/(loss)	3,063,403	(2,451,122)
Add/(less) non-cash items		
Depreciation	2,579,626	2,677,961
(Profit)/loss on sale of non-current assets	(13,345)	69,743
Write-off WIP to P&L	219,614	-
Movement in fair value of Investments	1	499,999
Write down of loan receivable and other assets	1	999,999
Net cash provided by operating activities before changes in assets and liabilities	<u>5,849,299</u>	<u>1,796,580</u>
Change in assets and liabilities during the financial period		
(Increase)/decrease in receivables	(2,623,739)	1,628,658
(Increase)/decrease in other assets	117,305	877,178
Increase/(decrease) in employee benefits	1,310,807	1,257,890
Increase/(decrease) in payables	13,274,381	(461,934)
Net cash provided by operating activities	<u><u>17,928,054</u></u>	<u><u>5,098,372</u></u>
16. RETAINED PROFITS		
Retained profits at the beginning of the reporting period	26,986,154	27,428,229
Contributions from Homes Out West	-	2,009,047
Net profit for the year	3,063,403	(2,451,122)
Retained profits at the reporting date	<u><u>30,049,557</u></u>	<u><u>26,986,154</u></u>
17. ASSET REVALUATION RESERVE		
Balance at the beginning of the reporting period	6,559,995	3,996,848
Revaluation increment	-	2,563,147
Asset revaluation reserve at the reporting date	<u><u>6,559,995</u></u>	<u><u>6,559,995</u></u>

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

18. KEY MANAGEMENT PERSONNEL AND RELATED PARTIES

Non-executive Directors

Janette Wyatt-Brown Chairperson
Peter Edwards
Christopher Green
Steven Martin
Peter de Koeyer

Executives

Diane Lynch Chief Executive Officer
Nathan Quinlivan Chief Finance Officer
Paul Vaccaro Chief Strategy Officer
Danny McGuigan Chief People Officer

Key management personnel compensation

The total remuneration paid to key management personnel of the Company is \$1,211,558 (2024: \$614,818). The number of Key Management Personnel increased from two in 2024 to four in the 2025. Total compensation for KMP has increased accordingly.

Other related party transactions

There was one other related party transaction of \$10,000 for the year (2024: nil). The transaction was for a one-off consultancy service provided by a director.

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

	2025 \$	2024 \$
19. FINANCIAL INSTRUMENTS		
Financial assets		
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents	7,659,408	4,415,911
Trade and other receivables	9,410,237	6,786,500
Investments – term deposits	16,291,096	3,905,383
	<u>33,360,741</u>	<u>15,107,794</u>
<i>Financial assets at fair value through profit or loss</i>		
Investments – shares in unlisted entities	-	1
	<u>-</u>	<u>1</u>
Financial liabilities		
<i>Financial liabilities at amortised cost</i>		
Trade and other payables	17,638,262	4,363,881
Borrowings	198,388	245,234
	<u>17,836,650</u>	<u>4,609,115</u>

20. CAPITAL COMMITMENTS

The Company had the following contractual obligations as at 30 June 2025

Commitments of capital expenditure	-	-
	<u>-</u>	<u>-</u>

21. EVENTS SUBSEQUENT TO BALANCE DATE

After 30 June 2025, Kirinari entered into an agreement to merge with LiveBetter entities. Due diligence was completed during July and August 2025, including a review of outstanding legal matters and the financial position. The merger was then executed in September 2025, with Kirinari assuming control of the LiveBetter entities and the respective Boards and CEO of LiveBetter resigning or transitioning as part of the merger. This is considered a non-adjusting event, with no impact on the financial position as at 30 June 2025.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

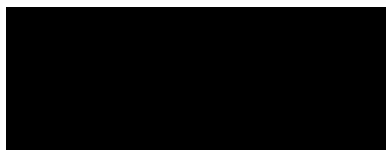
1. the financial statements and notes, set out on pages 8 to 26 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (a) giving a true and fair view of its financial position as at 30 June 2025 and of its performance for the year ended on that date; and
 - (b) complying with the Australian Accounting Standards - Simplified Disclosures.
2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors made pursuant to the subsection 60.15(2) of the *Australian Charities and Not-for-Profits Commission Regulations 2022*.

Dated at Lavington on this 28th day of October 2025.



Janette Wyatt-Brown



Peter Edwards

Independent Auditor's Report

Kirinari Community Services Limited

To the Members of Kirinari Community Services Limited

Opinion

We have audited the financial report of Kirinari Community Services Ltd (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Directors' declaration.

In our opinion, the accompanying financial report of Kirinari Community Services 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 Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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 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 contained in the Company's 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 inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the Directors determine is necessary to enable the preparation of the 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 Directors are responsible for assessing the ability of the Company 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 Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the Directors 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 the audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

[Redacted]

CROWE ALBURY

[Redacted]

JASON GILBERT
Partner

Dated at Albury on this 28th day of October 2025

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