# SPINAL LIFE AUSTRALIA LTD

ABN 39 293 063 049
ACN 167 906 256

## CONSOLIDATED ANNUAL FINANCIAL REPORT

## FOR THE YEAR ENDED

## 30 JUNE 2026

**SPINAL LIFE AUSTRALIA LTD**

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**SPINAL LIFE AUSTRALIA LTD**
**DIRECTORS' REPORT**
**For the year ended 30 June 2026**

The directors of Spinal Life Australia Ltd present their report together with the financial statements of the consolidated entity, being Spinal Life Australia (the "Company") and its Controlled Entities (the "Group") for the financial year ended 30 June 2026 and the Auditors Report thereon.

**Directors**

The independent, non-executive directors of the Company at any time during or since the end of the financial year are:

| | |
|---|---|
| Gyl Stacey | Appointed to Board of Directors January 2016 |
| | Elected Chair of the Board August 2019 |
| | Member of Audit, Finance and Risk Committee since September 2020 |
| Gerard O'Brien | Appointed to Board of Directors April 2019 |
| | Chair of Governance and Remuneration Committee since April 2019 |
| Mark Fenton | Appointed to Board of Directors February 2024 |
| | Chair of Audit, Finance and Risk Committee since March 2024 |
| Professor Charles "Phillip" Morris | Appointed to Board of Directors May 2018 |
| | Member Audit, Finance and Risk Committee since June 2024 |
| Carol Taylor | Appointed to Board of Directors November 2021 after filling a casual vacancy January 2021 |
| | Member Governance and Remuneration Committee since June 2024 |
| Cathy Russo | Appointed to Board of Directors August 2023 |
| | Member Governance and Remuneration Committee since June 2024 |
| Rebecca Tweedy | Appointed to Board of Directors as an alternate director April 2021 and appointed as a director November 2023 |
| | Member Audit, Finance and Risk Committee since June 2024 |
| Fiona Donaldson | Appointed to Board of Directors as an alternate director August 2026 |
| Rachael Watson | Appointed to Board of Directors as an alternate director March 2025 |
| | Resigned as a Director August 2025 |

**Company Secretary**

| | |
|---|---|
| Leanne Dreves | Appointed Company Secretary August 2024 |

### Meetings of directors

Details of directors' attendance at meetings are outlined below:

| | Spinal Life Australia Board | | Audit, Finance and Risk Committee | | Governance & Remuneration Committee | |
|---|---|---|---|---|---|---|
| | **A** | **B** | **A** | **B** | **A** | **B** |
| **Gyl Stacey** | 10 | 11 | 3 | 4 | 4 | 4 |
| **Mark Fenton** | 9 | 11 | 4 | 4 | - | - |
| **Professor Phillip Morris** | 10 | 11 | 4 | 4 | - | - |
| **Gerard O'Brien** | 10 | 11 | - | - | 4 | 4 |
| **Carol Taylor** | 7 | 11 | - | - | 2 | 4 |
| **Rebecca Tweedy** | 11 | 11 | 3 | 4 | - | - |
| **Cathy Russo** | 10 | 11 | - | - | 4 | 4 |
| **Rachael Watson** | - | 1 | - | - | - | - |

A Number of meetings attended

B Number of meetings held during the time the director held office or was a member of the committee during the period

### Objectives

The Group's short-term objective is focusing on customer experience with a goal of ensuring the Group's customers have elected Spinal Life Australia as their chosen service provider and the personal support workers are proud ambassadors of the Group.

Long-term the Group is focused on supporting people with spinal cord damage to live the life they want to lead.

### Strategy for achieving the objectives

The critical success factors to accomplishing the objectives are:

*i.* Understanding and responding to customers' individual needs;
*ii.* Being an employer of choice;
*iii.* Having a strong and compelling brand;
*iv.* Having the expertise to deliver on the special role Spinal Life undertakes;
*v.* Maintaining strong relationships with key partners, funders and suppliers; and
*vi.* Driving improved quality and efficiency focused on customer value.

### Principal activities

During the year, the principal continuing activities of the Group consisted of:

*i.* Personal support services;
*ii.* Spinal allied health services;
*iii.* Accommodation at the Healthy Living Centre in Cairns and rehabilitation services at the Healthy Living Centre ('HLC') in Cairns and Brisbane;
*iv.* Sports & recreation;
*v.* Peer support program;
*vi.* Advocacy and member support;
*vii.* Injury prevention programs; and
*viii.* Fundraising activities.

### Overview of the Group's consolidated financial statements

These consolidated financial statements of the Group have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures.

### Rounding of amounts

The Group is of a kind referred to in *Instrument 2026/183*, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Legislative Instrument to the nearest thousand dollars, or in certain cases to the nearest dollar.

### Review of operations

The Group reported a total comprehensive income of 493,000 dollars for the year to 30 June 2026 (2025: income of 739,000 dollars).

Although the parent entity recorded a loss of 828,000 dollars (2025: loss of 594,000 dollars), strong results from the investment entities contributed to a positive consolidated outcome. The Group remained financially sustainable and continued to meet the needs of the community despite ongoing economic and sector-wide challenges.

### Dividends

No dividends are paid in accordance with the constitution of Spinal Life Australia.

### Events since the end of the financial year

No matter or circumstance has arisen since 30 June 2026, that have significantly affected the Group's operations, results or state of affairs, or may do so in future years.

### Likely developments

The Group continues to explore opportunities to expand its service delivery options for clients and members with funding opportunities for the construction of a new Brisbane HLC being a priority in 2027.

Funding for the construction of the Brisbane HLC has commenced and includes proceeds from the sale of the property at 109 Logan Road Woolloongabba and grant applications to reduce future financing requirements. A significant grant of 30 million dollars has already been secured. The binding put and call option deed for sale agreement for 109 Logan Road was signed in April 2026 for 21 million dollars and is scheduled for completion in April 2027. The agreement includes a 2 year leaseback with a further two 6 month options to ensure continuity of business while the new Brisbane HLC is under construction. The Group is currently working on property design and planning requirements.

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

**Indemnification and insurance of officers and auditors**

*Indemnification*

Since the end of the previous financial year, the Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Group.

*Insurance premiums*

During the financial year the Company has paid premiums in respect of directors' and officers' liability and legal expenses insurance contracts for the year ended 30 June 2026 and since the financial year, the Company has paid premiums in respect of such insurance contracts to 30 April 2027. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the Group.

The directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contract.

**Contribution in winding up**

The Company is incorporated under the Corporations Act 2001, is a company limited by guarantee and is registered under the Australian Charities and Not-for-profits Commission Act 2012. If the Company is wound up, the constitution states that each member is required to contribute a maximum of 5 dollars each towards meeting any outstanding obligations of the entity. At 30 June 2026, the total amount that members of the Company are liable to contribute if the Company wound up is 11,365 dollars (2025: 10,590 dollars).

In July 2026, 723 members were removed from the Member Register after an extensive campaign to confirm and update member details, reducing members' contribution on winding up by 3,615 dollars. This campaign followed an update to Spinal Life Australia's Constitution, approved at the 2025 Annual General Meeting, enabling the Company to remove members who did not respond to requests to confirm their membership.

**Auditor's independence declaration**

A copy of the auditor's independence declaration is set out on page 6 and forms part of the Directors' report for the financial year ended 30 June 2026.

This report is made in accordance with a resolution of directors.

Gyl Stacey
Director
Signed in Brisbane this 23rd of September 2026

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The Directors
Spinal Life Australia Ltd
109 Logan Road
Woolloongabba QLD 4102

**Auditor's Independence Declaration**

In relation to the independent audit for the year ended 30 June 2026, to the best of my knowledge and belief there have been no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Spinal Life Australia Ltd and the entities it controlled during the year.

Pitcher Partners

PITCHER PARTNERS

Mason

**CHERYL MASON**
Partner

Brisbane, Queensland
23 September 2026



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**SPINAL LIFE AUSTRALIA LTD**
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
**For the year ended 30 June 2026**

| | Notes | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **REVENUE** | 5 | 63,659 | 62,577 |
| | | | |
| **EXPENSES** | | | |
| Salaries and on-costs | 6 | 55,102 | 53,516 |
| Staff related costs | | 941 | 972 |
| Client support costs | | 756 | 737 |
| Depreciation and amortisation | 6 | 1,405 | 1,431 |
| Information technology & telecommunication expenses | | 2,103 | 1,886 |
| Motor vehicle expenses | | 225 | 208 |
| Occupancy costs | | 888 | 860 |
| Other expenses | 6 | 2,583 | 2,676 |
| **TOTAL EXPENSES** | | 64,003 | 62,286 |
| | | | |
| **NET OPERATING (LOSS)/INCOME** | | **(344)** | **291** |
| | | | |
| **FINANCE COSTS** | | **(92)** | **(132)** |
| | | | |
| **OTHER INCOME** | | | |
| Share of profit from associates, net of tax | 12 | 83 | 76 |
| **TOTAL OTHER INCOME** | | 83 | 76 |
| | | | |
| **NET (LOSS)/PROFIT** | | **(353)** | **235** |
| | | | |
| **OTHER COMPREHENSIVE INCOME** | | | |
| **ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS** | | | |
| Changes in the fair value of debt instruments at fair value through other comprehensive income | | - | (4) |
| **ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS** | | | |
| Changes in the fair value of equity instruments at fair value through other comprehensive income | | 846 | 508 |
| **TOTAL OTHER COMPREHENSIVE INCOME** | | 846 | 504 |
| | | | |
| **TOTAL COMPREHENSIVE INCOME** | | **493** | **739** |

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the consolidated financial statements.*

**SPINAL LIFE AUSTRALIA LTD.**
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**For the year ended 30 June 2026**

| | Notes | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 7 | 10,859 | 8,251 |
| Trade and other receivables | 8 | 2,297 | 1,257 |
| Term deposits | 9 | 431 | 739 |
| Asset held for sale | 10 | 5,003 | - |
| Other current assets | 11 | 2,943 | 3,506 |
| **TOTAL CURRENT ASSETS** | | 21,533 | 13,753 |
| | | | |
| **NON-CURRENT ASSETS** | | | |
| Financial assets at fair value through other comprehensive income | 9 | 7,085 | 6,648 |
| Financial assets at fair value through profit or loss | 9 | 9,268 | 8,523 |
| Investment in associates | 12 | 993 | 980 |
| Property and equipment | 13 | 28,511 | 18,693 |
| Right-of-use assets | 14 | 596 | 1,008 |
| Intangible assets | 15 | 1,666 | 1,524 |
| Other non-current assets | | 14 | 13 |
| **TOTAL NON-CURRENT ASSETS** | | 48,133 | 37,389 |
| | | | |
| **TOTAL ASSETS** | | **69,666** | **51,142** |
| | | | |
| **LIABILITIES** | | | |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 16 | 4,907 | 2,636 |
| Unexpended grant funds | 17 | 11,205 | 1,591 |
| Lease liabilities | 14 | 422 | 419 |
| Borrowings | 18 | 6,349 | - |
| Provisions | 19 | 3,157 | 2,774 |
| **TOTAL CURRENT LIABILITIES** | | 26,040 | 7,420 |
| | | | |
| **NON-CURRENT LIABILITIES** | | | |
| | | | |
| Lease liabilities | 14 | 228 | 645 |
| Other liabilities | | 30 | 30 |
| Provisions | 19 | 736 | 908 |
| **TOTAL NON-CURRENT LIABILITIES** | | 994 | 1,583 |
| | | | |
| **TOTAL LIABILITIES** | | **27,034** | **9,003** |
| **NET ASSETS** | | **42,632** | **42,139** |
| | | | |
| **MEMBERS' FUNDS (EQUITY)** | | | |
| Other reserves | 20 | 2,600 | 1,754 |
| Accumulated surplus | | 40,032 | 40,385 |
| **TOTAL MEMBERS' FUNDS (EQUITY)** | | **42,632** | **42,139** |

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the consolidated financial statements.*

**SPINAL LIFE AUSTRALIA LTD.**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**For the year ended 30 June 2026**

| | Other Reserves $'000 | Accumulated Surplus $'000 | Total $'000 |
|---|---|---|---|
| **BALANCE AT 1 JULY 2024** | **1,250** | **40,150** | **41,400** |
| Net profit for the year | - | 235 | 235 |
| Other comprehensive income | 504 | - | 504 |
| **Total comprehensive income for the year** | **504** | **235** | **739** |
| **BALANCE AT 30 JUNE 2025** | **1,754** | **40,385** | **42,139** |
| | | | |
| Net loss for the year | - | (353) | (353) |
| Other comprehensive income | 846 | - | 846 |
| **Total comprehensive income for the year** | **846** | **(353)** | **493** |
| **BALANCE AT 30 JUNE 2026** | **2,600** | **40,032** | **42,632** |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the consolidated financial statements.*

**SPINAL LIFE AUSTRALIA LTD**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**For the year ended 30 June 2026**

| | Notes | 2026 $'000 | 2025 $'000 |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Receipts from government and customers | | 74,139 | 62,951 |
| Payments to employees and suppliers | | (63,511) | (62,167) |
| Dividends and distributions received | | 844 | 684 |
| GST received/(paid), net | | 454 | (382) |
| Cash generated from operating activities | | 11,926 | 1,086 |
| Interest received | | 174 | 235 |
| Interest paid | | (92) | (132) |
| **NET CASH INFLOW FROM OPERATING ACTIVITIES** | | **12,008** | **1,189** |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Proceeds on sale of financial assets, net | | 2,869 | 3,771 |
| Proceeds from deposit on property sale | | 1,050 | - |
| Payments for costs associated with property sale | | (504) | - |
| Cash acquired on business combination | | - | 42 |
| Payment for formation expenses | | (3) | (34) |
| Acquisition of financial assets | | (2,717) | (4,044) |
| Acquisition of property and equipment | | (15,765) | (164) |
| Payments for intangible assets | | (191) | (59) |
| **NET CASH OUTFLOW FROM INVESTING ACTIVITIES** | | **(15,261)** | **(488)** |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Principal elements of lease payments | 14 | (488) | (470) |
| Proceeds from borrowing | | 11,675 | 1,667 |
| Repayments from borrowings | | (5,326) | (1,667) |
| **NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES** | | **5,861** | **(470)** |
| Net increase in cash and cash equivalents | | 2,608 | 231 |
| Cash and cash equivalents, beginning of year | | 8,251 | 8,020 |
| **CASH AND CASH EQUIVALENTS END OF YEAR** | 7 | **10,859** | **8,251** |

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the consolidated financial statements.*

## 1. CORPORATE INFORMATION

Spinal Life Australia Ltd (the "Company") was incorporated under the *Corporations Act 2001* on 21 February 2014 and is a company limited by guarantee that is domiciled in Australia. Spinal Life Australia was formerly known as Spinal Injuries Australia Ltd. The registered office and principal place of business of Spinal Life Australia is 109 Logan Road, Woolloongabba, Brisbane, Queensland 4102.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group") along with the Group's interests in equity-accounted investee and are as at and for the year ended 30 June 2026. The subsidiaries of the Group are Inclusive Communities Foundation and Spinal Futures Ltd.

Spinal Life Australia is a not-for-profit entity for financial reporting purposes. These consolidated financial statements for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors of the Company on 24 September 2026.

## 2. BASIS OF PREPARATION

These consolidated financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. They have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures as required by the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012.*

The Group's consolidated financial statements have been prepared on a going concern basis.

## 3. MATERIAL ACCOUNTING POLICIES

**New or amended Accounting Standards and Interpretations adopted by the Group**

The Group has decided not to early adopt any of the new or amended Accounting Standards and Interpretations that are not yet mandatory. Management has assessed that none of these will have a material impact on the Group's financial statements in the period of initial application.

**Material accounting policies**

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, unless mentioned otherwise.

The assets, liabilities, income and expenses of the controlled entities have been consolidated on a line-by-line basis in the consolidated financial statements of the Group from the date on which control commences until the date on which control ceases. Intercompany transactions are fully eliminated upon consolidation.

*(i) Basis of measurement*

The consolidated financial statements have been prepared on the historical cost convention, except for financial assets at Fair Value Through Other Comprehensive Income (FVTOCI) and Fair Value Through Profit or Loss (FVTPL) which are recorded at fair value and investment in associates which is accounted using the equity method.

## 3. MATERIAL ACCOUNTING POLICIES (continued)

*(ii) Fair value of assets and liabilities*

'Fair value' is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques to maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or liability measured at fair value has a bid price and an ask price, the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

*(iii) Current and non-current classification*

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

*(iv) Functional and presentation currency and rounding*

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency. The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183* and in accordance with that instrument, amounts in the consolidated financial statements have been rounded to the nearest thousand, unless otherwise stated.

*(v) Income tax*

The Group is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

*(vi) Goods and services tax*

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the taxation authority. In this case, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

Commitments and contingencies are disclosed inclusive of GST, or payable to, the taxation authority.

Other material accounting policies are presented in the notes to which the policy relates as follows.

## 4. USE OF JUDGEMENTS AND ESTIMATES

When preparing the consolidated financial statements, management undertakes a number of judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

*(i) Grant funding*

The Group receives grant funding for a range of operating and capital purposes. Management applies judgement in determining the appropriate accounting treatment for grant funding having regard to the terms and conditions of each funding arrangement and the requirements of the applicable Australian Accounting Standards.

For grants relating to the acquisition or construction of capital assets, judgment is applied in determining the timing and basis of recognition, including the assessment of any obligations or conditions attached to the funding.

*(ii) Useful lives of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates surround assumptions about future usage and obsolescence.

*(iii) Long service leave*

The liability for long service leave is recognised and measured at the present value of the estimated 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.

In addition, the Group is registered with QLeave, Queensland's portable long service leave scheme for community services industry. Contributions are recognised as an expense in the period in which they are incurred. Where eligible employees are covered by QLeave, the Group also recognises a long service leave provision together with a corresponding reimbursement receivable from QLeave, as entitlements are paid to staff by the Group and subsequently reimbursed by QLeave. Accordingly, the Group retains the obligation to settle employee entitlements directly, with reimbursement from QLeave recognised when a claim is lodged and approved.

## 5. REVENUE

**Accounting Policy – Revenue Recognition**

Revenue is recognised at the fair value of consideration received or receivable, to the extent that it is reliably measurable and that it is probable that the economic benefits will flow to the Group. The following specific recognition criteria must also be met before revenue is recognised:

*(i) Services income*

Revenue is measured based on the consideration specified in an agreement with a customer. Revenue is recognised when the services are delivered and have been accepted by the customer. Invoices for service income are issued on a weekly basis and are usually payable within 7 days.

## 5. REVENUE (continued)

*(ii) Grants and subsidies*

Revenue from government grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised upon receipt, to the extent they are not refundable.

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

Gifted assets acquired at a nominal value are recognised at their fair value at the date the Group obtained control over the asset.

Grant and subsidies revenue with performance obligations satisfied over time are disclosed using the input method based on personnel expenses to recognise revenue.

*(iii) Fundraising – gifts and contributions*

Fundraising – gifts and contributions are recognised as revenue when the Group's right to receive payment is established.

*(iv) Rental income*

Rental income from investment properties is accounted for on a straight-line basis over the lease term. Contingent rental income is recognised as income in the periods in which it is earned. Lease incentives granted are recognised as an integral part of total rental income.

*(v) Interest income*

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

*(vi) Dividend and realised gains on financial assets*

Dividend income and realised gains on financial assets are recognised as revenue when the Group's right to receive payment is established.

*(vii) Unrealised gains on financial assets at fair value through profit or loss*

Unrealised gains on financial instruments are recognised as revenue, the net gain on financial instruments at fair value through profit or loss relates to investments in managed funds.

| | 2026<br>$'000 | 2025<br>$'000 |
|---|---|---|
| Services income | 55,672 | 53,527 |
| Grants and subsidies | 5,514 | 6,237 |
| Fundraising – gifts and contributions | 1,075 | 1,025 |
| Rental income | 259 | 234 |
| Interest income | 174 | 235 |
| Unrealised gain on financial assets at fair value through profit or loss | 179 | 519 |
| Dividend and distribution | 744 | 725 |
| Other revenue | 42 | 75 |
| **Total revenue** | 63,659 | 62,577 |

## 5. REVENUE (continued)

| *Grants and subsidies* | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Department of Health, Disability and Ageing | 4,342 | 4,698 |
| Department of Social Services | 59 | 162 |
| Department of Industry, Science and Resources | 13 | - |
| Department of Employment and Workplace Relations | 1 | 6 |
| **Total Commonwealth government** | 4,415 | 4,866 |
| | | |
| Motor Accident Insurance Commission | 412 | 386 |
| Department of Trade, Employment and Training | 1 | 67 |
| Department of Families, Seniors, Disability Services and Child Safety | 341 | 281 |
| Department of Sport, Racing and Olympic and Paralympic Games | 339 | 304 |
| Department of the Environment, Tourism, Science and Innovation | - | 216 |
| Department of Justice | 4 | 91 |
| Queensland Rural and Industry Development Authority | - | 5 |
| **Total State government** | 1,097 | 1,350 |
| | | |
| Brisbane City Council | 2 | - |
| **Total local government** | 2 | - |
| | | |
| **Total government grant revenue** | 5,514 | 6,216 |
| | | |
| Non-government grants and subsidies | - | 21 |
| **Total non-government grants and subsidies** | - | 21 |
| | | |
| **Total grants and subsidies** | 5,514 | 6,237 |

## 6. EXPENSES

| | | |
|---|---|---|
| Salaries and wages | 44,179 | 42,755 |
| Superannuation | 5,335 | 4,956 |
| Other benefits | 5,588 | 5,805 |
| **Total salaries and on-costs** | 55,102 | 53,516 |
| | | |
| Buildings | 426 | 440 |
| Furniture and equipment | 509 | 425 |
| Right-of-use assets | 422 | 426 |
| Motor vehicles | 9 | 7 |
| **Total depreciation expenses** | 1,366 | 1,298 |
| | | |
| Software development costs | 39 | 133 |
| **Total depreciation and amortisation** | 1,405 | 1,431 |

## 6. EXPENSES (continued)

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Art union prizes | 170 | 360 |
| Consultancy fees | 906 | 697 |
| Insurance | 302 | 313 |
| Marketing | 473 | 456 |
| Others | 732 | 850 |
| **Total other expenses** | 2,583 | 2,676 |

## 7. CASH AND CASH EQUIVALENTS

**Accounting policy – Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position, as well as for the purposes of the statement of cash flows, comprise of cash on hand and in bank, and other short term, highly liquid investments with 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.

| | | |
|---|---|---|
| Cash at bank | 10,859 | 8,251 |
| **Total cash and cash equivalents** | 10,859 | 8,251 |

## 8. TRADE AND OTHER RECEIVABLES

**Accounting policy – Trade and other receivables**

The Group uses a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to lifetime credit losses. In using the practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected losses.

| | | |
|---|---|---|
| Trade debtors | 2,342 | 1,287 |
| Other receivables | 283 | 210 |
| Less allowance | (328) | (240) |
| **Total trade and other receivables** | 2,297 | 1,257 |

## 9. FINANCIAL INSTRUMENTS

**Accounting policy – Financial instruments**

*(i) Recognition, initial measurement and derecognition*

Financial assets and financial liabilities, collectively financial instruments, are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Classification and subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

*(ii) Classification of financial instruments*

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs.

## 9. FINANCIAL INSTRUMENTS (continued)

For the purpose of subsequent measurement, financial assets, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through profit or loss (FVTPL);
- equity instruments at fair value through other comprehensive income (FVTOCI); and
- debt instruments at fair value through other comprehensive income (FVTOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within interest income, other income and impairment of financial assets expense, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

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

(iii) *Subsequent measurement*

*Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instrument as well as long-term deposits. This category includes term deposits over 90 days.

| | 2026<br>$'000 | 2025<br>$'000 |
|---|---|---|
| Term deposits | 431 | 739 |
| **Total term deposits** | 431 | 739 |

*Financial assets at fair value through profit or loss (FVTPL)*

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. This category includes units in managed fund investments.

| | | |
|---|---|---|
| Units in managed fund investments | 9,268 | 8,523 |
| **Total financial assets at FVTPL** | 9,268 | 8,523 |

## 9. FINANCIAL INSTRUMENTS (continued)

*Equity instruments at fair value through other comprehensive income*

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVTOCI. Subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividends from these investments continue to be recorded as dividends within the profit or loss unless the dividend clearly represents return of capital. This category includes shares in listed entities.

*Debt instruments at fair value through other comprehensive income*

Investments in debt instruments that are held to collect cashflow and sell at the right time are to be measured at FVTOCI. Subsequent movements in fair value are recognised in other comprehensive income and are reclassified to profit or loss on disposal. This category includes capital notes.

| | 2026<br>$'000 | 2025<br>$'000 |
|---|---|---|
| Capital notes | 234 | 323 |
| Shares in listed entities | 6,851 | 6,325 |
| **Total financial assets at FVTOCI** | 7,085 | 6,648 |

## 10. ASSET HELD FOR SALE

**Accounting policy – Asset held for sale**

Non-current assets are classified as held for sale when the Group expects to recover their carrying amount principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Management must be committed to the sale and the transaction is expected to be completed within 12 months from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss arising on initial classification is recognised immediately in profit or loss.

Once classified as held for sale, the asset is not depreciated. Assets classified as held for sale are presented separately as current assets in the statement of financial position. A gain or loss on disposal is recognised in profit or loss when control of the asset transfers to the purchaser, which is typically upon settlement.

| | | |
|---|---|---|
| Land | 2,315 | - |
| Building | 2,662 | - |
| Furniture | 26 | - |
| **Total assets held for sale** | 5,003 | - |

The assets classified as held for sale relate to the Group's property located at 109 Logan Road, Woolloongabba. In April 2026 a binding put and call option deed Sale Agreement was signed for 21 million dollars with a scheduled settlement date of April 2027. A non-refundable deposit (except in the case of extraordinary circumstances) of 1 million and 50 thousand dollars was received in May 2026 with the remainder of the sale proceeds due in April 2027.

## 10. ASSET HELD FOR SALE (continued)

There are no liabilities directly associated with the assets classified as held for sale. The assets have been measured at the lower of their carrying amount and fair value less costs to sell. No impairment loss was recognised on classification as held for sale. Any gain or loss on disposal will be recognised upon settlement of the sale.

## 11. OTHER CURRENT ASSETS

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Prepaid expenses | 1,139 | 1,120 |
| Accrued income | 662 | 1,852 |
| Other assets | 1,142 | 534 |
| **Total other current assets** | 2,943 | 3,506 |

## 12. INVESTMENT IN ASSOCIATES

**Accounting policy – Investment in associates**

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating polices.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Group's share of the profit or loss and other comprehensive income of associates until the date on which significant influence ceases.

| | | |
|---|---|---|
| Investment in Mobility Healthcare Australia Pty Ltd | 993 | 980 |
| **Total investment in associates** | 993 | 980 |

On 31 December 2022, the Group acquired 23% of the shares and voting interests in Mobility Healthcare Australia Pty Ltd for a total cash consideration of $1,008,000. A share of profit of $83,000 has been recognised during the year (2025: $76,000) and received a dividend of $70,000 (2025: nil). The carrying amount of investment in associates at 30 June 2026 was $993,000 (2025: $980,000).

| | | |
|---|---|---|
| Opening balance | 980 | 904 |
| Share of profit | 83 | 76 |
| Dividend received | (70) | - |
| **Total carrying amount of investment in associates** | 993 | 980 |

## 13. PROPERTY AND EQUIPMENT

**Accounting policy – Property and equipment**

Property and equipment is stated at historic cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. All other repairs and maintenance are recognised in the statement of comprehensive income as incurred.

**13. PROPERTY AND EQUIPMENT (continued)**

Land is not depreciated. Depreciation on other assets is calculated on a straight-line basis over the estimated useful life or in the case of leasehold improvements, the shorter lease term, as follows:

| | 2026 | 2025 |
|---|---|---|
| Buildings | 40 years | 40 years |
| Furniture and equipment | 2 – 20 years | 2 – 20 years |
| Motor vehicles | 5 years | 5 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at the end of each financial year.

**Accounting policy – Impairment of property, plant and equipment and other non-financial assets**

At the end of each reporting period the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, the recoverable amount is determined, and impairment losses are recognised in the statement of comprehensive income where the assets carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. To assess value in use, depreciated replacement cost is adopted when the future economic benefits of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the Group would, if deprived of the asset, replace its remaining future economic benefit. Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

**Assets under development**

Assets under development at 30 June primarily related to the Brisbane HLC development and include land acquired for the development at an acquisition cost of 14 million 323 thousand dollars

. The land is currently classified as assets under development.

The assets under development balance also includes costs incurred in preparing the site for the construction of the Brisbane HLC building. These costs are directly attributable to the construction of the building and will form part of the costs of building rather than the cost of the land.

## 13. PROPERTY AND EQUIPMENT (continued)

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **Land and buildings** | | |
| At cost | 14,025 | 21,843 |
| Accumulated depreciation | (2,073) | (4,512) |
| Total land and buildings | 11,952 | 17,331 |
| **Furniture and equipment** | | |
| At cost | 3,610 | 3,867 |
| Accumulated depreciation | (2,752) | (2,564) |
| Total furniture and equipment | 858 | 1,303 |
| **Motor vehicles** | | |
| At cost | 150 | 150 |
| Accumulated depreciation | (100) | (91) |
| Total motor vehicles | 50 | 59 |
| **Assets under development** | | |
| At cost | 15,651 | - |
| **Total property and equipment** | 28,511 | 18,693 |

*Reconciliations*

| | | |
|---|---|---|
| **Land and buildings** | | |
| Carrying value at beginning of year | 17,331 | 17,172 |
| Additions | 24 | 11 |
| Transfer from assets under development | - | 588 |
| Depreciation expenses | (426) | (440) |
| Reclassifications to assets held for sale | (4,977) | - |
| Carrying value at end of year | 11,952 | 17,331 |
| | | |
| **Furniture and equipment** | | |
| Carrying value at beginning of year | 1,303 | 1,636 |
| Additions | 90 | 86 |
| Transfer from assets under development | - | 9 |
| Disposal | - | (3) |
| Depreciation expenses | (509) | (425) |
| Reclassifications to assets held for sale | (26) | - |
| Carrying value at end of year | 858 | 1,303 |
| | | |
| **Motor vehicles** | | |
| Carrying value at beginning of year | 59 | 22 |
| Additions | - | 44 |
| Depreciation expenses | (9) | (7) |
| Carrying value at end of year | 50 | 59 |
| | | |
| **Assets under development** | | |
| Carrying value at beginning of year | - | 574 |
| Additions | 15,651 | 23 |
| Transfer to land and building | - | (588) |
| Transfer to furniture and equipment | - | (9) |
| Carrying value at end of year | 15,651 | - |
| **Total property and equipment** | 28,511 | 18,693 |

## 14. LEASES

**Accounting policy – Leases**

*(i) Spinal Life Australia as lessee*

The Group leases various offices and vehicles. Rental contracts are typically for fixed periods of nine months to five years but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are being held by the lessor. Leased assets may not be used as security for borrowing purposes.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leases.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*Right-of-use assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**14. LEASES (continued)**

| | Building $'000 |
|---|---|
| Balance at 1 July 2024 | 1,346 |
| Additions to right-of-use assets | 88 |
| Depreciation charge for the year | (426) |
| Balance at 30 June 2025 | 1,008 |
| | |
| Additions to right-of-use assets | 10 |
| Depreciation charge for the year | (422) |
| Balance at 30 June 2026 | 596 |

The total cash outflow for leases exclusive of interest expenses in 2026 was $488,000 (2025: $470,000).

*Future lease payments (undiscounted)*

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Less than one year | 455 | 484 |
| One to five years | 228 | 655 |
| More than five years | 33 | 53 |
| **Future lease payments (Spinal Life Australia as lessee)** | 716 | 1,192 |
| | | |
| **Right-of-use assets** | | |
| Buildings, net | 596 | 1,008 |
| **Carrying value at end of year** | 596 | 1,008 |
| | | |
| **Lease liabilities** | | |
| Current | 422 | 419 |
| Non-current | 228 | 645 |
| **Carrying value at end of year** | 650 | 1,064 |

*Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease payments recognised as an expense for short-term leases and leases of low-value assets was $143,000 (2025: $133,000).

*(ii) Spinal Life Australia as lessor*

*Future lease receipts (undiscounted)*

| | | |
|---|---|---|
| Less than one year | 153 | 137 |
| One to five years | 188 | 73 |
| **Future lease receipts (Spinal Life Australia as lessor)** | 341 | 210 |

## 15. INTANGIBLE ASSETS

### Accounting policy - Intangible assets

Intangible assets are stated at cost less accumulated amortisation and any impairment in value.

Amortisation is provided on a straight-line basis on all intangible assets at rates calculated to allocate the cost over the useful lives of the assets, which have been assessed at 3 to 5 years. The assets' residual values, useful lives, any impairment loss or subsequent reversal, and amortisation methods are reviewed, and adjusted if appropriate, at each year end.

| | 2026<br>$'000 | 2025<br>$'000 |
|---|---|---|
| At cost | 1,113 | 1,124 |
| Accumulated amortisation | (1,099) | (1,070) |
| **Total software development costs** | 14 | 54 |
| **Assets under development** | 1,582 | 1,470 |
| **Other intangible assets** | 70 | - |
| **Total intangible assets** | 1,666 | 1,524 |

*(i) Reconciliations*

| | | |
|---|---|---|
| **Software development costs** | | |
| Carrying value at beginning of year | 54 | 238 |
| Disposal | (1) | (51) |
| Amortisation expense | (39) | (133) |
| Carrying value at end of year | 14 | 54 |
| **Intangible assets under development** | | |
| Carrying value at beginning of year | 1,470 | 1,411 |
| Additions separately acquired | 121 | 59 |
| Reclassification | (9) | - |
| Carrying value at end of year | 1,582 | 1,470 |
| **Other intangible assets** | | |
| Carrying value at beginning of year | - | - |
| Additions | 70 | - |
| Carrying value at end of year | 70 | - |
| **Total intangible assets** | 1,666 | 1,524 |

## 16. TRADE AND OTHER PAYABLES

**Accounting policy – Trade and other payables**

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

These amounts are unsecured and are typically paid within 60 days of recognition.

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Trade creditors | 1,697 | 875 |
| Other creditors | 3,020 | 1,650 |
| Revenue in advance | 190 | 111 |
| **Total trade and other payables** | 4,907 | 2,636 |

## 17. UNEXPENDED GRANT FUNDS

| | | |
|---|---|---|
| Department of Health and Aged Care – CHSP | 4 | - |
| Department of Health and Aged Care – DSOA | 663 | 958 |
| Department of Social Services - ICL | 244 | 200 |
| **Total Commonwealth government** | 911 | 1,158 |
| Department of Families, Seniors, Disability Services and Child Safety | - | 42 |
| Department of Environment, Tourism, Science and Innovation | 78 | 78 |
| Department of Sport, Racing and Olympic and Paralympic Games | 8 | 129 |
| Department of Justice | 70 | 7 |
| Motor Accident Insurance Commission | 10,125 | 167 |
| Department of Trade, Employment and Training | - | 7 |
| **Total State government** | 10,281 | 430 |
| Sunshine Coast Council | 3 | 3 |
| **Local government** | 3 | 3 |
| **Non-government** | 10 | - |
| **Total unexpended grant funds** | 11,205 | 1,591 |

## 18. BORROWINGS

### Accounting policy – Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current or non-current based on the contractual terms and the Group's rights and obligations at the reporting date.

| | 2026<br>$'000 | 2025<br>$'000 |
|---|---|---|
| Borrowings (current) | 6,349 | - |
| **Total Borrowings** | 6,349 | - |

During the financial year, the Group entered a borrowing facility with the Commonwealth Bank of Australia to partially fund the acquisition of land at 17 Wolseley Street, Woolloongabba. At 30 June 2026, total borrowings were 6 million 349 thousand dollars.

The facility is secured over properties at 109 Logan Road and 17 Wolseley Street, Woolloongabba and bears a variable interest rate equal to the 3-month bank bill swap bid rate (BBSY) plus 1.97%, which was 6.4866% per annum at 30 June 2026. Principal and interest are repayable quarterly in accordance with movement in the BBSY. The facility matures during the year ending 30 June 2027 and has therefore been classified as a current liability at 30 June 2026.

## 19. PROVISIONS

### Accounting policy – Employee benefit provisions

*(i) Short-term employee benefit obligations*

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 provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

*(ii) Long-service leave*

The liability for long service leave is recognised in the provision 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 national government bonds, with terms of maturity and currencies that match as closely as possible the estimated future cash outflows. Where eligible employees are covered by QLeave, the Group also recognises a long service leave provision together with a corresponding reimbursement receivable from QLeave, as entitlements are paid to staff by the Group and subsequently reimbursed by QLeave.

| | | |
|---|---|---|
| Provisions (current) | 3,157 | 2,774 |
| Provisions (non-current) | 736 | 908 |
| **Total employee benefits** | 3,893 | 3,682 |

## 20. OTHER RESERVES

| | 2026 $'000 | 2025 $'000 |
|---|---|---|
| Balance at beginning of year | 1,754 | 1,250 |
| Net fair value gain on FVOCI financial assets recognised in OCI | 846 | 504 |
| **Balance at end of year** | 2,600 | 1,754 |

The FVOCI reserve comprises the cumulative net changes in the fair value of financial assets classified at fair value through other comprehensive income under AASB 9.

Subsequent fair value movements are recognised in other comprehensive income and accumulated within this reserve. For equity instruments designated at FVOCI, cumulative gains and losses remain in equity and are not reclassified to profit or loss on disposal. For debt instruments measured at FVOCI, cumulative gains and losses are reclassified to profit or loss on disposal.

## 21. AUDITOR'S REMUNERATION

During the year, the following fees were paid or payable for services provided to the auditor of the Group.

| | 2026 $ | 2025 $ |
|---|---|---|
| Audit services current year fees | 66,000 | 65,000 |
| Other services | 2,100 | 2,000 |
| **Total Pitcher Partners remuneration** | 68,100 | 67,000 |
| | | |
| Other services | - | 2,299 |
| **Total KPMG Australia remuneration** | - | 2,299 |

## 22. RELATED PARTY TRANSACTIONS

The Group's related parties include its key management personnel and related entities as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

*(i) Transactions with key management personnel*

Key management personnel of the group are the Directors and the Executive Managers of Spinal Life Australia. Key Management Personnel remuneration includes the following expenses in relation to the Directors and the Executive Managers:

| | | |
|---|---|---|
| Total remuneration key management personnel | 2,386,268 | 2,273,900 |

*(ii) Parent entity*

Spinal Life Australia Ltd is the ultimate controlling entity of the Group.

*(iii) Transactions with related parties*

The Group engages the firm of M & K Lawyers to provide legal advice. One partner of this law firm is a director of the Company. During the year ended 30 June 2026, the Group incurred legal fees of $85,053 GST exclusive with M & K Lawyers (2025: $119,485). There were no amounts payable to M & K Lawyers as at 30 June 2026 (2025: $10,227).

## 23. PARENT INFORMATION

| Statement of Financial Position | 2026 $'000 | 2025 $'000 |
|---|---|---|
| **ASSETS** | | |
| Current assets | 19,535 | 11,882 |
| Non-current assets | 30,786 | 21,238 |
| **TOTAL ASSETS** | **50,321** | 33,120 |
| **LIABILITIES** | | |
| Current liabilities | 22,670 | 7,401 |
| Non-current liabilities | 4,342 | 1,582 |
| **TOTAL LIABILITIES** | **27,012** | 8,983 |
| **MEMBERS' FUNDS (EQUITY)** | | |
| Other reserves | 11 | 11 |
| Accumulated surplus | 23,298 | 24,126 |
| **TOTAL MEMBERS' FUNDS (EQUITY)** | **23,309** | 24,137 |

| Statement of Profit or Loss and Other Comprehensive Income | | |
|---|---|---|
| Total loss | (828) | (594) |
| **TOTAL COMPREHENSIVE LOSS** | **(828)** | **(594)** |

Spinal Life Australia has not entered into any guarantees during the year ended 30 June 2026 in relation to the debts of its controlled entities.

## 24. CONTINGENT LIABILITIES

Spinal Life Australia, in the normal course of business, receives grants from government for capital outlays and operating costs and is required to submit documentation for the acquittal of these funds.

There were no contingent liabilities at reporting date which would have a material effect on the Group's financial statements at 30 June 2026 (2025: nil).

## 25. CAPITAL COMMITMENTS

| | | |
|---|---|---|
| Capital expenditure commitments | 3,894 | 14,000 |
| **Total capital expenditure commitments** | 3,894 | 14,000 |

At 30 June 2026, the Group had capital commitments of $3,894,000 in relation to the Brisbane HLC development. These commitments represent contracted architectural, construction building services and project management costs. The 2025 commitment of $14,000,000 related to the purchase contract for the property at 17 Wolseley Street Woolloongabba. The amounts disclosed are inclusive of GST.

## 26. SUBSEQUENT EVENTS

No matters or circumstances have arisen since 30 June 2026 that has significantly affected the Group's operations, results or state of affairs, or may do so in future years.

**SPINAL LIFE AUSTRALIA LTD.**
**DIRECTORS' DECLARATION**
**For the year ended 30 June 2026**

In the opinion of the directors of Spinal Life Australia Ltd ('the Company'):

(a) The Company is not publicly accountable;

(b) The consolidated financial statements and notes that are set out on pages 7 to 28 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

i. giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

ii. complying with Australian Accounting Standards – Simplified Disclosures Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*; and

(c) There are reasonable grounds to believe that the Company identified in Note 1 will be able to meet any obligations or liabilities as and when they become due and payable.

Signed in accordance with a resolution of the directors.

Gyl Stacey
Director
Brisbane
23rd September 2026

PITCHER PARTNERS

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## Independent Auditor's Report to the Members of Spinal Life Australia Ltd

### Report on the Audit of the Financial Report

*Opinion*

We have audited the financial report of Spinal Life Australia Ltd ("the Registered Entity") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements including a summary of material accounting policies, and the directors' declaration.

In our opinion the financial report of Spinal Life Australia Ltd has been prepared 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 Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Registered Entity's directors' report for the year ended 30 June 2026, 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 Directors and Those Charged with Governance for the Financial Report*

The directors of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Report*

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

As part of an audit in accordance with 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entities' 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 Group'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 Group 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.

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- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

*Independence*

In conducting our review, we have complied with the independence requirement of the ACNC Act. We confirm that the independence declaration required by the ACNC Act, which has been given to the directors of the Registered Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

PITCHER PARTNERS

**CHERYL MASON**
Partner

Brisbane, Queensland
23 September 2026