Uniting (NSW.ACT)

ABN 78 722 539 923
Consolidated Financial Report 30 June 2026

Board Members' Report

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Board Members' Report

Uniting (NSW.ACT)
Consolidated Financial Report 30 June 2026

The members of the Board of Uniting (NSW.ACT) present their report for the financial year ended 30 June 2026.

Board member profiles

Liz Nicol
Liz is an experienced executive and non-executive director with expertise in risk, leadership, organisational behaviour and culture change. Liz serves on boards across a wide range of sectors, including health, education, social services, aged care, governance and sport, bringing skills in leadership and collaborative approaches to engage people towards achieving organisational vision. Liz joined the Uniting (NSW.ACT) Board in October 2017 and was appointed Chairperson of the Board in November 2024.

Michael Talbot
Michael is an experienced non-executive director and former C-Suite executive responsible for business development and strategy, organisation design and digital innovation. Michael consults to justice and public sector organisations on reform, and coaches and mentors executives transitioning to higher responsibilities. Michael joined the Uniting (NSW.ACT) Board in October 2017 and was appointed Chairperson of the Board's Remuneration & Board Governance Committee in November 2024.

Rev. Dr Elenie Poulos
Elenie is an experienced non-executive director with almost 30 years' experience in the not-for-profit sector, working in public policy, advocacy and government relations. Elenie is ordained in the Uniting Church in Australia and is an Adjunct Fellow at Macquarie University researching religion and politics. Elenie joined the Uniting (NSW.ACT) Board in July 2019 and was appointed the Chairperson of the Board's Mission Governance & Collaboration Committee in January 2022.

Sara Watts
Sara is an experienced non-executive director and audit and risk committee Chairperson with over 20 years of financial and operational experience from a range of sectors including technology, education, government and mineral resources. Sara joined the Uniting (NSW.ACT) Board in November 2019 and was appointed the Chairperson of the Board's Audit, Risk & Treasury Committee in January 2022.

Kristal Kinsela
Kristal is a proud Jawoyn and Wiradjuri woman. Kristal has more than 20 years' experience in education and training, organisational and workforce development, and supplier diversity, working across government, corporate and not-for-profit sectors. Kristal is passionate about creating lasting pathways and growing the capabilities of First Nations businesses and individuals. Kristal joined the Uniting (NSW.ACT) Board in November 2020 and was previously Chairperson of the Board's Communities Committee from 2021 to 2024.

Jackie Howard
Jackie is an experienced executive and non-executive director with an extensive career in health, aged care, community services and clinical governance. She has worked in the public and private health sectors, in acute and primary healthcare, and the not-for-profit aged and disability sectors in the UK, Germany and Australia. Jackie is a nurse by background. Jackie joined the Uniting (NSW.ACT) Board in December 2023 and was appointed the Chairperson of the Board's Seniors Services Committee in August 2024.

Board member profiles (continued)

Michelle Tierney

Michelle is a proud Aboriginal woman and Wiradjuri descendant with over 30 years of leadership experience in the property industry, spanning funds management, real estate investment, corporate strategy and sustainability. Michelle has held senior executive roles with ASX50-300 organisations and is a highly experienced professional non-executive director on ASX and NZX listed, unlisted, federal government statutory bodies and not-for-profit boards. Michelle joined the Uniting (NSW.ACT) Board in December 2023.

Rev. Dr Peter Walker

Peter commenced as General Secretary of the Uniting Church Synod of NSW & ACT in October 2025. Peter is an ordained Minister of the Word and has served the Uniting Church in congregational, presbytery, chaplaincy and educational roles. Peter studied history and theology at the University of NSW, McGill University and Charles Sturt University. Peter serves as an ex officio member of the Uniting (NSW.ACT) Board in his capacity as the General Secretary of the Uniting Church Synod of NSW & ACT.

Steve Lemlin

Steve is a seasoned financial and strategic leader with over 30 years of experience across professional services, software and technology, education and training, and health and aged care sectors. He has worked extensively with multi-site, distributed service models throughout Europe and Australasia. Steve joined the Uniting (NSW.ACT) Board in November 2025.

Daniel Dwyer

Daniel is an experienced executive with roles as chief executive officer, group executive, general counsel and company secretary across a range of not-for-profit and private organisations.
Daniel has had previous experience as a non-executive director and chairperson in the not-for-profit sector, including Westpac Lifesaver Rescue Helicopters and Nightingale Housing. Daniel joined the Uniting (NSW.ACT) Board in December 2025 and was appointed the Chairperson of the Board's Communities Committee in July 2026.

Retired board member profiles

David Barrow

David has nearly 20 years of experience in strategy and organisational development in both executive and non-executive director roles. Currently, David is the Regional Director of the Industrial Areas Foundation Pacific, supporting community organising efforts in Australia, Aotearoa, Canada and the Pacific Northwest of the United States. David is a member of New Lambton Uniting Church and the LGBTQIA+ community. Following nine years on the Synod Standing Committee, David joined the Uniting (NSW.ACT) Board in December 2023 and retired from the Board in May 2026.

David Pigott OAM

David has worked in senior levels across the charity and government sectors. He is a member of the Council of Wesley College within the University of Sydney and has been a member of the Australian Charities and Not-for-profits Commission Advisory Board, the NSW Ministerial Advisory Council on Ageing and was a former board member of Child Fund Australia and Chair of the Ella Centre. He is an Elder of St David's Uniting Church in Haberfield. David was awarded the Medal of the Order of Australia in 2026 for services to the community through charitable organisations. David joined the Uniting (NSW.ACT) Board in November 2020 and retired from the Board in November 2025.

Rev. Jane Fry

Reverend Jane Fry commenced as General Secretary of the Uniting Church Synod of NSW & ACT in 2017. This followed 5 years as Associate Secretary of the Synod. Jane was ordained as a Minister of the Word in 1995 and has worked in congregational ministry, police chaplaincy and presbytery leadership. Jane has served on the Uniting (NSW.ACT) Board since 2017, as an ex officio member in her capacity as the General Secretary of the Uniting Church Synod of NSW & ACT. Jane retired from the role as General Secretary in October 2025 and retired from the Board at the same time.

Principal activities

Uniting (NSW.ACT) (Uniting) is an institution of the Uniting Church in Australia (the Church), established by the Synod of NSW & ACT (the Synod) for the Ministry Area of Social Responsibility.

Uniting is registered as a charity with the Australian Charities and Not-for-profits Commission under the subtype Public Benevolent Institution and holds Deductible Gift Recipient status. Its purpose is to provide benevolent relief to people suffering from poverty, sickness, distress, misfortune, destitution or helplessness by any means.

During the financial year ended 30 June 2026, the principal activities of Uniting were:

- Seniors Services, including Residential Aged Care, Retirement Living and low-cost Rental Housing for seniors, Home and Community Care services, and specialist rehabilitation support at Uniting War Memorial Hospital.
- Communities services for children, young people and families, ranging from early intervention to out-of-home care, mental health services, support for people with disabilities through NDIS services and Local Area Coordination, early learning services, homelessness services, and the Uniting Medically Supervised Injecting Centre.

Uniting also provides social justice advocacy, social research and community engagement programs, chaplaincy and pastoral care.

Operating and financial review

The 2026 year marked the fourth year of Uniting's 10 Year Strategy (2022–2032) and a significant period of transition as the organisation prepared for a new aged care regulatory environment, progressed major transformation initiatives, and continued to invest in long-term service capacity. The strategy remains focused on creating a better future for more people and communities by disrupting entrenched disadvantage, is shaped by the Uniting Church Synod of NSW and ACT's Future Directions, and supported by Uniting's First Nations People and Place Strategy.

During the year, Uniting's revenue and other income increased to $1,507.2m (2025: $1,448.0m), reflecting higher Residential Aged Care funding through AN-ACC, the additional hotelling supplement, and growth in accommodation revenue. These gains were more than offset by workforce costs associated with care delivery, agency utilisation, workers' compensation, and investments in aged care reform readiness and major transformation programs. Lower financial returns compared with the prior year contributed to an overall deficit of $16.0m (2025: surplus of $38.1m). Despite these pressures, Uniting maintained a strong financial position and sound liquidity while continuing to invest in infrastructure, service transformation, and the capabilities needed to respond to changing client needs and regulatory requirements.

Across Seniors Services, Uniting remained focused on delivering quality care while strengthening the systems, workforce capability and service models required under the new Aged Care Act. This was achieved despite operating in an environment of significant reform, additional compliance, and increasing service expectations from clients and Government.

Residential Aged Care maintained strong occupancy and continued to meet quality and care requirements, while financial performance was affected by higher workforce costs, agency utilisation, and increased care delivery requirements.

Home Care encountered significant operational and financial headwinds driven by the internal transformation program and the sector challenges under Support at Home reforms. Retirement Living and Housing continued to support older people through established village and housing operations, alongside planning for future service and accommodation needs.

The Communities directorate continued to support children, young people, families and communities across NSW and the ACT through early learning services, community and family support services, the Permanency Support Programs (home-based foster care), youth transitions, mental health, disability, and homelessness services. While sector reforms, including the transition to Department of Communities and Justice Families Together model, created funding and service footprint pressures in parts of the portfolio, the directorate remained focused on service continuity, customer experience, and strengthening its outcomes measurement capability to support future impact.

Uniting continued to progress its long-term capital strategy, with construction and development activity advancing across Westmead, Emu Plains, Bateau Bay and other strategic projects. These investments are intended to expand access to aged care, retirement living, affordable housing, and community services in areas of growing demand and strategic focus.

Operating and financial review (continued)

These investments were supported by disciplined cash and investment management. Despite margin compression and cost inflation, Uniting maintained sound liquidity and strengthened its prudential governance arrangements under the Aged Care Act 2024, including requirements for minimum prudential liquidity, liquidity management, and investment management. Together, these measures support Uniting's capacity to meet future demand while maintaining financial sustainability.

Likely developments and significant changes in the state of affairs

The following year is to be one of implementation and consolidation as Uniting continues through Horizon two of its 10 Year Strategy and moves from reform readiness to operational delivery. Ben Keneally will commence as Uniting's incoming Chief Executive in October 2026. His experience in healthcare, public policy, service delivery and organisational transformation positions Uniting to deepen its impact, strengthen service excellence, and advance its strategy to create a better future for more people and communities by disrupting entrenched disadvantage.

Seniors Services will continue to focus on delivering high-quality care and support to older people across Residential Aged Care, while reducing dependency on agencies and improving return on minor capital investments. Home and Community Care will continue to pursue the Home with U targets and Retirement Living will see two new villages becoming service ready in 2027. Unfortunately, the recently announced funding indexation leaves a significant portion of the wage bill and inflation increases unfunded. While operational efficiency, workforce sustainability and revenue optimisation are all areas of focus, the reality is that margins have contracted which will have a significant impact on capital investment decisions.

The Communities directorate will focus on revenue growth and stronger utilisation of funded services. A continued focus on advancing a number of long-term advocacy priorities will support Uniting's contribution to policy and reform outcomes in areas aligned to its mission.

Uniting will strengthen enterprise effectiveness, deepen collaboration across directorates, and increase investment in initiatives and partnerships that encourage system change to disrupt entrenched disadvantage. This direction is supported by creating greater alignment across people, processes and technology and by improving organisational capability and decision-making.

Uniting will also continue to advance its capital strategy and use digital, data and technology-enabled capabilities to improve service delivery, strengthen productivity and support long-term financial sustainability. These priorities are to be pursued within a disciplined financial and governance framework so that Uniting can continue to invest in its mission while responding to a changing operating environment.

Subsequent events

No matter or circumstance has arisen since the end of the financial year that is likely to significantly affect the operations, results, or state of affairs of Uniting.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 44 and forms part of this Board Members' Report for the financial year ended 30 June 2026.

Rounding off

Uniting is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183. In accordance with that instrument, amounts in this report have been rounded to the nearest thousand dollars unless otherwise stated.

This Board Members' Report is made out in accordance with a resolution of the Uniting Board Members.

Liz Nicol



Chair
22 October 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Revenue	5	1,468,505	1,399,907
Other income	5	38,677	48,055
		1,507,182	**1,447,962**
Expenses			
Salaries and employee benefits		(1,044,292)	(978,288)
Depreciation, amortisation and impairment	12, 13	(111,431)	(106,557)
Program costs		(103,302)	(97,877)
Property costs		(78,859)	(75,747)
Consumables		(89,055)	(85,330)
Administration and other expenses		(26,385)	(26,032)
Consultancy fees		(42,789)	(23,597)
Donations and grant costs		(4,330)	(7,949)
Marketing cost		(6,228)	(4,734)
		(1,506,671)	**(1,406,111)**
Result from operating activities		**511**	**41,851**
Finance income	6	28,583	40,440
Finance expense	6	(45,139)	(44,232)
Net finance expense		**(16,556)**	**(3,792)**
(Deficit)/surplus for the year		**(16,045)**	**38,059**
Other comprehensive income for the year		**-**	**-**
Total comprehensive (deficit)/surplus for the year		**(16,045)**	**38,059**

The notes on pages 11 to 42 are an integral part of these consolidated financial statements

Consolidated Statement of Financial Position as at 30 June 2026

Uniting (NSW.ACT)
Consolidated Financial Report 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Cash and cash equivalents	7	78,942	67,116
Trade and other receivables	8	65,250	69,637
Fixed term investments	9	629,648	791,637
Other financial assets	10	140,456	144,927
Investment property	11	23,000	22,200
Property, plant and equipment	12	1,958,661	1,776,459
Intangible assets	13	7,038	5,273
Assets held for sale	20	6,866	3,259
Total assets		**2,909,861**	**2,880,508**
Liabilities			
Trade and other payables	14	148,727	153,759
Interest-bearing liabilities	15	21,254	27,606
Employee benefits expected to be settled within 12 months	16	187,439	165,667
Employee benefits expected to be settled later than 12 months	16	7,652	6,969
Refundable customer deposits expected to be paid within 12 months	17	408,171	412,445
Refundable customer deposits expected to be paid later than 12 months	17	1,245,949	1,207,896
Provisions	18	5,049	4,501
Total liabilities		**2,024,241**	**1,978,843**
Net assets		885,620	901,665
Equity			
Accumulated funds		885,620	901,665
Total equity		**885,620**	**901,665**

The notes on pages 11 to 42 are an integral part of these consolidated financial statements

Consolidated Statement of Changes in Equity for the year ended 30 June 2026

Uniting (NSW.ACT)
Consolidated Financial Report 30 June 2026

	Accumulated Funds $'000	Total $'000
Balance at 1 July 2024	**863,606**	**863,606**
Surplus for the year	38,059	38,059
Other comprehensive income	-	-
Total comprehensive income for the year	**38,059**	**38,059**
Balance at 30 June 2025	**901,665**	**901,665**
Deficit for the year	(16,045)	(16,045)
Other comprehensive income	-	-
Total comprehensive income for the year	**(16,045)**	**(16,045)**
Balance at 30 June 2026	**885,620**	**885,620**

The notes on pages 11 to 42 are an integral part of these consolidated financial statements

Consolidated Statement of Cash Flows
for the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers and government		1,405,107	1,319,762
Payments to suppliers and employees		(1,376,773)	(1,279,548)
Donations, bequests and fundraising		6,364	1,146
Interest paid		(3,253)	(2,100)
Net cash inflow from operating activities		**31,445**	**39,260**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		11,256	22,284
Sale of financial assets	10	-	100,000
Net movement in fixed term investments		161,989	(132,770)
Distributions received		21,587	15,319
Interest received		31,525	41,461
Consideration transferred for business combinations		-	(904)
Purchase of property, plant and equipment	12	(293,901)	(173,908)
Purchase of intangible assets	13	(3,376)	(1,436)
Net cash outflow from investing activities		**(70,920)**	**(129,954)**
Cash flows from financing activities			
Proceeds from refundable customer deposits		466,008	471,840
Repayment of refundable customer deposits		(405,387)	(380,318)
Payment for leases		(9,730)	(10,374)
Proceeds from other financing		410	-
Net cash inflow from financing activities		**51,301**	**81,148**
Net increase/(decrease) in cash and cash equivalents		11,826	(9,546)
Cash and cash equivalents at the beginning of the financial year		67,116	76,662
Cash and cash equivalents at end of the financial year	7	**78,942**	**67,116**

The notes on pages 11 to 42 are an integral part of these consolidated financial statements

Note 1 - Reporting entity

Uniting (NSW.ACT) is an institution of the Uniting Church in Australia with responsibilities for the Church's social justice, community services, and chaplaincy work, with activities principally based in NSW and in the ACT. These consolidated financial statements comprise Uniting (NSW.ACT) and its subsidiaries (together referred to as the Group) and have been prepared in accordance with Synod policy and the Church's Regulations and By-Laws. Uniting (NSW.ACT) and subsidiaries are registered charities with the Australian Charities and Not-for-profits Commission, with the exception of Find A Carer Pty Ltd and Clickability Pty Ltd which are not charities registered with the ACNC.

All assets and liabilities relating to the Group are held by two entities known as The Uniting Church in Australia Property Trust (NSW) and The Uniting Church in Australia (Australian Capital Territory) Property Trust (the Trusts). The Uniting Church in Australia Property Trust (NSW) is constituted under the Uniting Church in Australia Act 1977 No 47 (NSW). The Uniting Church in Australia (Australian Capital Territory) Property Trust is constituted under the Uniting Church in Australia Act 1977 (ACT), A1977-15.

Uniting (NSW.ACT) is entrusted with the stewardship of assets and liabilities related to the activities managed by Uniting (NSW.ACT). These consolidated financial statements, prepared in accordance with the Framework for the Preparation and Presentation of Consolidated Financial Statements under Australian Accounting Standards, recognises those assets and liabilities as controlled by Uniting (NSW.ACT) for accounting purposes.

Under the aged care legislative framework effective from 1 November 2025, The Uniting Church in Australia Property Trust (NSW) (the Trust) is the Registered Provider (NAPS ID 1352) for all Commonwealth funded aged care services in New South Wales and the Australian Capital Territory operated by the Uniting Church.

The consolidated financial statements for the year ended 30 June 2026 were approved and authorised for issue by the Board on 22 October 2026.

Note 2 - Basis of preparation

Statement of compliance

These consolidated financial statements are Tier 2 general purpose consolidated financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012.

Basis of measurement

The consolidated financial statements have been prepared using the historical cost basis, modified, where applicable, to reflect the fair value of selected non-current assets, financial assets and financial liabilities, such as investment property and equity securities.

These consolidated financial statements are presented in Australian dollars, the Group's functional currency and have been rounded to the nearest thousand dollars, unless otherwise indicated.

Basis of consolidation

Subsidiaries are all entities over which Uniting (NSW.ACT) has control. Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Note 2 - Basis of preparation (continued)

Basis of consolidation (continued)

When the Group does not control a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related gain or loss is recognised through profit or loss.

Presentation of statement of financial position on a liquidity basis

The Group has taken the view that in complying with the requirements of the Australian Accounting Standards, the treatment of refundable accommodation deposits, resident accommodation bonds and resident entry contributions as current liabilities does not reflect the true liquidity position of the Group as a high proportion of these liabilities are not likely to be repaid in the next 12 months.

Accordingly, the Group has chosen to present its consolidated statement of financial position under the liquidity presentation method (AASB 101 Presentation of Financial Statements) to present a more reliable and relevant view. A reconciliation of the allocation of other financial assets, trade and other receivables, bank deposits, investment property, trade and other payables, interest-bearing liabilities, employee benefits, refundable customer deposits and provisions according to liquidity has been provided in the notes to the consolidated financial statements.

Critical accounting estimates and judgments

The Group evaluates estimates and judgements incorporated into the consolidated financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Actual results may differ from these estimates.

Key judgements in applying AASB 16 Leases

When calculating deferred management fees (operating lease income) on the straight-line basis, the life of the lease is estimated based on the expected average length of stay. If the resident departs before the expiry of the contract term, a pro-rata adjustment is calculated in proportion to the full contract period.

Residential accommodation agreements in which residents who choose to pay a residential accommodation deposit or bond for their accommodation services are considered to be a lease under AASB 16. The Group has recognised as lease income an imputed non-cash charge representing the resident's right to occupy a room under the arrangement. The Group has concluded that the lease term for these arrangements is 14 days (being the notice period required from a resident before departure) resulting in an imputed discount rate being akin to the short-term cash rate.

Note 3 - Material accounting policies

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any gain on acquisition is recognised in profit or loss immediately. Transaction costs are expensed as incurred.

Note 3 - Material accounting policies (continued)

Business combinations (continued)

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Common control transactions

The assets and liabilities of entities acquired via common control transactions have been recognised using their historical values rather than fair values used in other business combinations (see above). The continuation of existing accounting values is consistent with the accounting that would have occurred if the assets and liabilities had already been within the Group and most appropriately reflects the substance of the internal restructure. The difference between cash exchanges as part of the common control transactions and historical values of assets and liabilities acquired is adjusted against accumulated funds in the period that the transaction took place.

Income tax

The majority of entities within the Uniting (NSW.ACT) Group are charitable entities exempt from income tax under Division 50 of the Income Tax Assessment Act 1997. Where entities within the Group are subject to income tax, tax expense has been recognised in accordance with applicable accounting standards.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, the assets or disposal groups are generally measured at the lower of their carrying amount and fair value less costs of disposal.

Impairment losses on initial classification as held for sale or distribution and subsequent gains and losses on re-measurement are recognised in the statement of profit or loss. Gains are not recognised in excess of any cumulative impairment losses. Assets once classified as held for sale or distribution are not amortised or depreciated. When an asset no longer meets the criteria to be classified as held for sale or distribution, the Group shall cease to classify such as held for sale. Transfers from assets held for sale or distribution are measured at the lower of their carrying amount before the asset was classified as held for sale or distribution, adjusted for any depreciation that would have been recognised had the asset not been classified as held for sale or distribution, and its recoverable amount at the date of the subsequent decision not to sell.

Note 3 - Material accounting policies (continued)

New and amended standards adopted by the Group

A number of new standards are also effective from 1 July 2025, but they do not have a material effect on the Group's financial statements.

Note 4 - Operating segments

The Group voluntarily incorporates disclosures as per AASB 8 – Operating Segments in the consolidated financial statement. This has been made to further enhance transparency of disclosures in the financial report relevant to the industry within which the Group operates.

As at 30 June 2026 the Group has four reportable segments. These segments are distinct, based on their nature of operations, and as a result are managed separately. These segments are based on the internal reports that are viewed and used by the Group's Chief Executive Officer who is the Chief Operating Decision Maker for the purpose of resource allocation and assessment of performance.

The reportable segments are:

Resident aged care (RAC)	Purpose-built homes where older people receive accommodation, personal care and clinical care across NSW and the ACT, with a focus on giving residents choice, voice and control over daily life.
Home and community care (H&CC)	A full range of in-home and community care services across NSW and the ACT, supporting older people to remain independent, healthy and socially connected in their own homes.
Retirement living & rental housing (RL)	Independent living units within Uniting retirement villages, together with affordable rental housing for seniors in selected villages, supporting an active and connected lifestyle across NSW and the ACT.
Communities (Com)	Services for children, young people and families across NSW and the ACT, together with social housing and homelessness support for people who are homeless, at risk of homelessness, or escaping domestic and family violence.
Other	All other operating segments that individually contribute less than 10% of the Group's revenue or assets and are therefore not separately reportable.

The Group considers that it is economically dependent on revenue received from the Department of Health, Disability and Ageing with respect to its residential aged care facilities and home and community care programs and from the NSW Department of Communities and Justice for Communities programs. The Board believes that this revenue will continue to be made available to the Group for the foreseeable future.

The total amount of recurrent government funding received during the financial year was $1,022.2m (2025: $971.2m) and this represented 69.6% (2025: 69.4%) of revenue.

Note 4 - Operating segments (continued)

Information about reportable segments

	RAC		H&CC		RL		Com		Other		Reportable segments Total	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Revenue*	906,776	876,857	129,723	125,562	69,715	73,453	282,829	275,277	72,012	42,539	1,461,055	1,393,688
Other income	5,275	5,411	1,264	1,093	1,751	865	3,661	4,249	2,307	118	14,258	11,736
Segment revenue	912,051	882,268	130,987	126,655	71,466	74,318	286,490	279,526	74,319	42,657	1,475,313	1,405,424
Segment result	2,624	21,049	(28,541)	(15,276)	(5,062)	4,917	(4,354)	(4,415)	(11,658)	(20,368)	(46,991)	(14,093)
Segment assets	784,284	756,363	16,211	17,808	607,777	583,592	26,972	16,768	88,661	11,228	1,523,905	1,385,759
Segment liabilities	1,147,079	1,105,126	49,268	25,087	611,953	639,597	97,261	85,954	27,543	8,284	1,933,104	1,864,048
Other material items:												
Salaries and employee benefits	(597,428)	(574,279)	(83,388)	(87,041)	(7,227)	(3,034)	(207,726)	(202,211)	(35,670)	(17,635)	(931,439)	(884,200)
Depreciation, amortisation and impairment expense	(57,097)	(55,526)	(936)	(1,003)	(27,868)	(26,441)	(2,191)	(1,351)	(941)	(148)	(89,033)	(84,469)

* The non cash imputed income on RAD and bond liabilities of $41.6m and corresponding interest expense of $41.0m has been recorded in the Other segment as the Chief Operating Decision Maker (CODM) does not view this as part of the RAC segment.

Note 4 - Operating segments (continued)

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items

	Corporate $'000	Reportable segments $'000	Consolidated $'000
Segment revenues			
2026	31,869	1,475,313	1,507,182
2025	42,538	1,405,424	1,447,962
Segment result			
2026	30,946	(46,991)	(16,045)
2025	52,152	(14,093)	38,059
Assets			
2026	1,385,956	1,523,905	2,909,861
2025	1,494,749	1,385,759	2,880,508
Liabilities			
2026	91,137	1,933,104	2,024,241
2025	114,795	1,864,048	1,978,843
Salaries and employee benefits			
2026	(112,853)	(931,439)	(1,044,292)
2025	(94,088)	(884,200)	(978,288)
Depreciation, amortisation and impairment			
2026	(22,398)	(89,033)	(111,431)
2025	(22,088)	(84,469)	(106,557)

Note 5 - Revenue and other income

Revenue from contracts with customers	2026 $'000	2025 $'000
Government revenue		
Department of Health, Disability and Ageing	666,177	618,970
Other government funding	296,686	294,286
Total government revenue	**962,863**	**913,256**
Customer revenue		
Basic daily fees	185,457	182,009
Other customer fees	132,030	117,842
Total customer revenue	**317,487**	**299,851**
Total revenue from contracts with customers	**1,280,350**	**1,213,107**
Lease revenue		
Accommodation revenue - government	59,303	57,896
Accommodation revenue - resident	65,263	67,086
Imputed interest income on refundable accommodation deposits/bonds	41,560	41,062
Rental revenue	22,029	20,756
Total revenue from leases	**188,155**	**186,800**
Total revenue	**1,468,505**	**1,399,907**
Timing of revenue recognition		
Services transferred at a point in time	865	832
Services transferred over time	1,467,640	1,399,075
	1,468,505	**1,399,907**
Other income		
Donations, bequest and fundraising	6,364	1,146
Gains on disposal of assets	6,188	13,619
Distributions	10,977	20,993
Fair value gain on investment property	800	1,100
Other income	14,348	11,197
Total other income	**38,677**	**48,055**
Total revenue and other income	**1,507,182**	**1,447,962**

Note 5 - Revenue and other income (continued)

Accounting policy

Revenue recognition policy

Aged care, home care, disability, childcare and other social service revenue

Government funded subsidies

The Group recognises revenue from aged care, home care, disability, childcare and other social services over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or monthly basis. Revenue arises from discretionary and non-discretionary services as agreed in contractual agreements with government and other funding bodies. Fees received in advance of services performed are recognised as contract liabilities and included within trade and other payables.

The Group's revenue is primarily derived from contracts with both customers and the government, primarily facilitated through government subsidies and recurrent grants. These funds are obtained through contractual arrangements with various agencies and entities that are integral functions of the broader Australian Federal and State government structure.

Within the Residential aged care segment, funding is allocated in alignment with The Australian National Aged Care Classification (AN-ACC) funding model, which encompasses fixed, variable, and one-off components.

In the Communities segment, the Group receives recurrent grants aimed at delivering outcome-based services across a diverse array of programs. These programs are designed to provide support to the most vulnerable members of the community. For grants received for home support services in aged care, revenue is recognised over time as services are provided. Funding claims are submitted to the government and are usually payable within one month of services being performed.

Resident and client fees

Client-based fees are generated from charges to customers and are recognised as revenue over time. This includes a basic daily fee and an accommodation charge for residential care, as well as a service charge and care management for home care services and fees for childcare services. The quantum of resident and client fees is subject to government regulation. Additionally, customers who reside in independent living units are charged a management fee, which is further discussed in note 17.

Retention income

Under the aged care legislative framework effective from 1 November 2025, the Group may retain amounts from eligible refundable accommodation deposits in accordance with the applicable legislative and transitional requirements.

Retention amounts are not recognised upfront but are earned progressively over time. As retention income accrues, it is recognised in profit or loss and the carrying value of the RAD liability is reduced accordingly.

Note 5 - Revenue and other income (continued)

Accounting policy (continued)

Other income

Donations, bequests and other grants

Grants such as donations, bequests and legacies, and funding agreements which are not enforceable and do not contain sufficiently specific performance obligations are recognised at their fair value when the grant is received. These grants are generally cash but may be property which has been donated or sold to the Group at significantly below its fair value. Once the asset has been recognised, the Group recognises any related liability amounts. Income is then recognised for any difference between the recorded asset and liability.

The timing and recognition of contributions from donations and bequests depends upon when control of these contributions or right to receive these contributions is obtained, which is usually upon receipt of the monies.

Volunteer services

No amounts are included in the financial statement for services donated by volunteers.

Distributions

Distribution income is recognised in the statement of profit or loss on the date that the Group's right to receive the payment is established.

Rental income

Rental income 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. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Grants - capital

Capital grants received under an enforceable agreement to enable the Group to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the Group are recognised as revenue as and when the obligation to construct or purchase is satisfied.

For construction projects, this is generally as the construction progresses in accordance with costs incurred.

For acquisition of assets, the revenue is recognised when the asset is acquired and controlled by the Group.

Gain on acquisition

A gain on acquisition arises through a business combination when the fair value of identifiable net assets exceeds the consideration transferred. The gain on acquisition is measured as the difference between the identifiable net assets and the consideration transferred and is recognised in the consolidated statement of comprehensive income in the financial year in which the business combination is completed.

Note 6 - Finance income and expenses

	2026 $'000	2025 $'000
Finance income		
Interest income – UCTAL*	31,860	36,205
Interest income - other	1,194	1,191
Fair value (loss)/gain on financial assets**	(4,471)	3,044
Total finance income	**28,583**	**40,440**
Finance expense		
Interest expense	(4,099)	(3,170)
Imputed interest expense on RADs and bonds***	(41,040)	(41,062)
Total finance expense	**(45,139)**	**(44,232)**
Net finance expense	**(16,556)**	**(3,792)**

* UCTAL is the Uniting Church (NSW) Trust Association Limited, commonly referred to as Uniting Financial Services.

** Fair value gains and losses represent the market value movement in the Group's investment funds managed by UCTAL.

***Imputed interest expense excludes retention amounts recognised as imputed interest income on refundable accommodation deposits and bonds.

Accounting policy

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset or to the amortised cost of the liability.

Note 7 - Cash and cash equivalents

	2026 $'000	2025 $'000
Cash on hand	24	80
Cash with UCTAL	50,790	33,345
Cash at bank - other	28,128	33,691
Total cash and cash equivalents	**78,942**	**67,116**

Accounting policy

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions and UCTAL.

Note 8 - Trade and other receivables

	Note	2026 $'000	2025 $'000
Trade and other receivables - expected to be recovered within 12 months			
Trade receivables		20,140	22,907
Provision for expected credit losses		(4,552)	(2,508)
		15,588	**20,399**
Other receivables			
Imputation credits receivable		1,129	1,327
Resident accommodation deposits receivable		-	1,338
Security deposits		538	670
Other receivables		16,831	7,617
Prepayments		10,434	10,739
		28,932	**21,691**
Trade and other receivables due from related parties	27	20,730	27,547
Total trade and other receivables		**65,250**	**69,637**

Provision for impairment		
Balance at 1 July 2025	(2,508)	(2,746)
Charge for the year	(2,235)	(256)
Amounts written off	191	494
Balance at 30 June 2026	**(4,552)**	**(2,508)**

Note 8 - Trade and other receivables (continued)

Accounting policy

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less impairment losses.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment losses are recognised in the statement of profit or loss. Any gain or loss on derecognition is recognised in the statement of profit or loss.

The Group measures loss allowances at an amount equal to lifetime expected credit losses (ECLs). Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Note 9 - Fixed term investments

	2026 $'000	2025 $'000
Fixed term investments - expected to be received within 12 months		
Fixed term investments - UCTAL	629,648	791,637
Total fixed term investments	**629,648**	**791,637**

Accounting policy

Fixed term investments are recognised at amortised cost and have weighted average interest rates of 4.58% (2025: 4.57%) with maturity terms ranging between 30 days to 12 months (2025: 30 days to 12 months). The Group has the intention and ability to hold them until maturity.

Note 10 - Other financial assets

	2026 $'000	2025 $'000
Other financial assets - expected to be recovered after more than 12 months		
Financial assets at fair value through profit or loss		
Investments - Ethical managed funds	140,456	144,927
Total other financial assets	**140,456**	**144,927**
Movements in carrying amount		
Net carrying amount at 1 July 2025	144,927	241,883
Net disposals*	-	(100,000)
Movements in fair value	(4,471)	3,044
Net carrying amount at 30 June 2026	**140,456**	**144,927**

*The Group did not redeem any Ethical Managed Funds during 2026 (2025: $100m). The 2025 redemption was undertaken to meet future capital strategy requirements.

Accounting policy

The Group classifies investments in managed funds as financial assets at fair value through profit or loss with any gains or losses recognised through the statement of profit or loss and other comprehensive income.

Non-derivative financial assets - recognition and derecognition

Financial assets are initially recognised when the Group becomes party to the contractual provisions of the instrument. Financial assets are initially measured at fair value.

Non-derivative financial assets - subsequent measurement

A financial asset is subsequently measured at fair value through the statement of profit or loss. Directly attributable transaction costs are recognised in the statement of profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any distribution income, are recognised in the statement of profit or loss.

Note 11 - Investment property

	2026 $'000	2025 $'000
Investment property - expected to be recovered after more than 12 months	23,000	22,200
Total investment property	**23,000**	**22,200**
Movements in carrying amount		
Net carrying amount at 1 July 2025	22,200	21,100
Fair value increase for the year	800	1,100
Net carrying amount at 30 June 2026	**23,000**	**22,200**

Accounting policy

Investment properties are measured at the cost of acquisition upon initial recognition. When the investment properties have been bequeathed or donated to the Group, the investment properties are recorded at fair value that is determined by reference to current market values.

Subsequent to initial recognition, investment properties are measured at their fair value, being the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

The fair value is supported by an external assessment. Increments and decrements to the fair value are applied to the statement of profit or loss and other comprehensive income in the period in which they occur.

Note 12 - Property, plant and equipment

	Land Improvements $'000	Land Cost $'000	Buildings $'000	Construction in Progress $'000	Equipment and Fittings $'000	Leasehold Improvements $'000	Right of Use Assets $'000	Total $'000
At 30 June 2025								
Cost	25,558	412,476	1,895,274	196,689	449,949	10,979	61,969	3,052,894
Accumulated depreciation and impairment	(16,860)	-	(873,123)	-	(334,623)	(9,934)	(41,895)	(1,276,435)
Net carrying amount	8,698	412,476	1,022,151	196,689	115,326	1,045	20,074	1,776,459
Movements in carrying amounts								
Net carrying amount at 1 July 2025	8,698	412,476	1,022,151	196,689	115,326	1,045	20,074	1,776,459
Additions	-	-	-	296,244	-	-	4,454	300,698
Assets classified as held for sale	-	(3,766)	-	-	-	-	-	(3,766)
Disposals	(2)	(4,161)	(129)	-	(419)	-	(199)	(4,910)
Reclassification	955	2,522	92,366	(144,719)	49,457	1	-	582
Depreciation and impairment	(1,483)	-	(65,556)	-	(33,077)	(228)	(10,058)	(110,402)
Net carrying amount at 30 June 2026	8,168	407,071	1,048,832	348,214	131,287	818	14,271	1,958,661
At 30 June 2026								
Cost or fair value	26,483	407,071	1,984,705	348,214	493,110	10,966	61,073	3,331,622
Accumulated depreciation and impairment	(18,315)	-	(935,873)	-	(361,823)	(10,148)	(46,802)	(1,372,961)
Net carrying amount	8,168	407,071	1,048,832	348,214	131,287	818	14,271	1,958,661

Note 12 - Property, plant and equipment (continued)

Accounting policy

Estimation of useful life of assets
The estimation of the useful lives of assets is based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets are assessed annually and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Property, plant and equipment
The value of property, plant and equipment is measured as the cost of the asset, minus the accumulated depreciation and impairment losses. The cost of the asset is the consideration provided plus incidental costs directly attributable to the acquisition.

The value of self-constructed assets includes the cost of material and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Subsequent costs in relation to replacing a part of the property, plant and equipment are capitalised in the carrying amount of the item if it is probable that future economic benefits will flow to the Group and its cost can be measured reliably. All other costs are recognised in the statement of profit or loss as incurred.

Depreciation
Depreciation is calculated to expense the cost of items of property, plant and equipment less their estimated residual values on a straight-line basis over their estimated useful lives. The estimated useful lives in the current and comparative years are as follows:

Buildings: 40 years
Land improvement: 10 years
Equipment and fittings: 1.5 - 15 years
Right of use asset: term of the lease
Leasehold improvements: shorter of useful life and term of lease

Depreciation is recognised in the income statement from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

Depreciation rates and methods, useful lives and residual values are reviewed at each balance sheet date. When changes are made, adjustments are reflected prospectively in current and future financial years only.

Note 12 - Property, plant and equipment (continued)

Classification of retirement village buildings

The buildings associated with the retirement villages controlled and operated by the Group have been classified as buildings and included as part of property, plant and equipment. While these buildings are not occupied by the Group, and only earn rental income, deferred management fees and for certain units yield capital gains upon turnover of the units, the Group has used the exemption for not-for-profit entities under AASB 140 to classify the buildings as other than investment properties. The Board believes that the buildings have a wider social purpose in that the Group also provides housing for the financially disadvantaged.

Impairment of assets

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

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss is recognised immediately in the statement of profit or loss.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Right of use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain re-measurements of the lease liability. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'interest bearing liabilities' in the statement of financial position.

Note 12 - Property, plant and equipment (continued)

Leases

The Group leases properties for administrative purposes and providing services. The majority of leases typically run for a period of 3 to 5 years, with an option to renew the lease after that date. There are leases that run greater than 8 years. Lease payments are renegotiated at the end of initial term to reflect market rentals. The Group has sub leases within the portfolio.

Some property leases contain extension options exercisable by Uniting (NSW.ACT) up to six months before the end of the non-cancellable contract period. Where practicable, Uniting (NSW.ACT) seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by Uniting (NSW.ACT) and not by the lessors. Uniting (NSW.ACT) assesses at lease commencement date whether it is reasonably certain to exercise the extension options. Uniting (NSW.ACT) reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has several concessionary leases mainly with New South Wales Land and Housing Corporation and Uniting Church. The terms on the majority of leases range between 1 to 5 years with a maximum term of 30 years. The majority of leases have options to extend the lease and are intended to continue on an on-going basis. The Group measures these leases at cost on initial recognition.

The Group is dependent on these leases to run certain discrete programs within its Communities segment.

Note 13 - Intangible assets

	Goodwill $'000	IT System development $'000	Total $'000
At 30 June 2025			
Cost	2,547	48,603	51,150
Accumulated amortisation and impairment	-	(45,877)	(45,877)
Net carrying amount 30 June 2025	**2,547**	**2,726**	**5,273**
Movements in carrying amount			
Net carrying amount at 1 July 2025	2,547	2,726	5,273
Additions	-	3,376	3,376
Reclassification	-	(582)	(582)
Amortisation charge for the year	-	(1,029)	(1,029)
Net carrying amount at 30 June 2026	**2,547**	**4,491**	**7,038**
At 30 June 2026			
Cost	2,547	51,349	53,896
Accumulated amortisation and impairment	-	(46,858)	(46,858)
Net carrying amount	**2,547**	**4,491**	**7,038**

Note 13 - Intangible assets (continued)

Accounting policy

Recognition and measurement

Intangible assets are only recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group, and the costs of the assets are reliably measurable.

Intangible assets are initially measured at cost. Where an intangible asset is acquired at no cost or for a nominal cost, the cost is the fair value as at the date of acquisition.

Intangible assets acquired separately are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets are tested for impairment where an indicator of impairment exists and, in the case of intangible assets with indefinite useful lives, annually, either individually or at the cash-generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Software-as-a-service (SaaS)

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. As such the Group does not receive a software intangible asset at the contract commencement date. Fee for use of application software and customisation costs are recognised as operating expenses over the term of the service contract. Configuration costs, data conversion and migration costs, testing costs, training costs and other initial set-up costs are recognised as operating expense as the service is received. Costs incurred for the development of software code that enhances or modifies, or creates additional capability to existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

Software

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of three years and is included under depreciation and amortisation expense in the statement of profit or loss and other comprehensive income.

Goodwill

The consideration transferred in an acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment and is not amortised. Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. An impairment loss in respect of goodwill is not reversed.

Note 14 - Trade and other payables

	Note	2026 $'000	2025 $'000
Trade and other payables – expected to be settled within 12 months			
Trade payables		19,936	23,060
Accrued expenses		23,208	19,619
Villages capital works funds		373	393
Workers compensation		6,764	4,841
Other payables		17,866	20,073
		68,147	**67,986**
Trade and other payables – expected to be settled later than 12 months			
Village capital works funds		14,110	14,866
Workers compensation		10,240	11,124
		24,350	**25,990**
Trade and other payables due to related parties	27	21,509	22,165
Contract liabilities - expected to be settled within 12 months			
Government grants – in advance		10,298	4,356
Government grants – refundable		18,126	25,188
Home care packages – unspent government funds		5,410	7,667
Income in advance		477	407
Financial liabilities		57	-
		34,368	**37,618**
Contract liabilities - expected to be settled later than 12 months			
Financial liabilities		353	-
		353	**-**
Total trade and other payables		**148,727**	**153,759**

Accounting policy

Trade and other payables represent the liabilities outstanding at the end of the reporting period for goods and services received by the Group during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Note 14 - Trade and other payables (continued)

Accrued expenses
The value of goods and services received and not yet invoiced as at 30 June 2026.

Capital works funds
In accordance with the Retirement Villages Act 1999 (NSW) and the Retirement Villages Act 2012 (ACT), capital works fund amounts may only be applied for purposes permitted under the relevant legislation, including capital maintenance and other purposes approved in the manner prescribed by the applicable legislation and regulations.

Government grants received in advance/refundable
The balance of unspent funds from state, territory and federal grants, repayable in accordance with the grant agreement when the funds are not expended in accordance with the terms of the grant by the agreed delivery date.

Home care packages – unspent government funds
The balance represents funds available to customers for services and goods. These funds are refundable or transferable in accordance with applicable aged care legislation, transitional arrangements and funding agreements.

Other payables
The balance of sundry creditors includes GST payable, and superannuation payable not yet remitted.

Financial liabilities
Financial liabilities arise from contractual arrangements entered into by the Group and are recognised when the Group becomes a party to the contractual provisions of the arrangement. The liability is initially measured at fair value and subsequently at amortised cost. Financial liabilities are presented as current or non-current based on the contractual timing of settlement at the reporting date.

Note 15 - Interest-bearing liabilities

	2026 $'000	2025 $'000
Interest-bearing liabilities - expected to be settled within 12 months		
Lease liability	7,281	9,366
Interest-bearing liabilities - expected to be settled later than 12 months		
Foyer Central Social Investment Bond	7,000	7,000
Lease liability	6,973	11,240
Total interest-bearing liabilities	**21,254**	**27,606**

Accounting policy

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or at fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in the statement of profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit or loss.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

Financial liabilities derecognition

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statement of profit or loss.

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate for the portfolio of leases.

Lease liabilities are subsequently increased by the interest cost on the lease liability and decreased by the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index rate, a change in the estimate of the amount expected to be payable under a residual guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Note 15 - Interest-bearing liabilities (continued)

Imputed interest on refundable accommodation deposits and resident accommodation bonds balances have been recognised through profit or loss.

Future lease payments

The total of undiscounted future lease payments (including those lease payments that are not included in the measurement of the lease liability, e.g. for short-term leases and leases of low-value items) are disclosed for each of the following periods.

	2026 $'000	2025 $'000
Less than one year	7,540	9,529
One to five years	6,770	10,820
More than five years	1,073	1,730
	15,383	**22,079**

Note 16 - Employee benefits

	2026 $'000	2025 $'000
Employee benefits - expected to be settled within 12 months		
Salaries and wages accrual	48,578	38,531
Liability – annual leave	85,578	76,845
Liability – other employee entitlements	774	617
Liability – long service leave	52,509	49,674
	187,439	**165,667**
Employee benefits - expected to be settled later than 12 months		
Liability – long service leave	7,652	6,969
	7,652	**6,969**

The Group has made payments of $99.6m (2025: $88.7m) to defined contribution plans on behalf of employees for the year ended 30 June 2026.

Accounting policy

Wages and salaries, 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 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. 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 high quality corporate bond rates which most closely match the terms to maturity of the related liability.

Retirement benefit obligations

Superannuation contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

Note 17 - Refundable customer deposits

	2026 $'000	2025 $'000
Refundable customer deposits - expected to be paid within 12 months		
Resident refundable accommodation deposits and accommodation bonds	328,127	316,893
Resident entry contributions	80,044	95,552
	408,171	**412,445**
Refundable customer deposits - expected to be paid later than 12 months		
Resident refundable accommodation deposits and accommodation bonds	728,151	703,179
Resident entry contributions	517,798	504,717
	1,245,949	**1,207,896**

Accounting policy

Refundable accommodation deposits and resident accommodation bonds

Refundable accommodation deposits and resident accommodation bonds are non-interest-bearing for aged care facility residents and are made to the Group upon their admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident. Resident accommodation bonds are measured at the principal amount net of any retentions or any other amounts deducted from the bond at the election of the resident.

The repayment of refundable accommodation deposits and resident accommodation bonds net of any retention is usually funded by refundable accommodation deposits from incoming residents.

The total balance owing to residents has been classified as being "expected to be settled within 12 months" or "expected to be settled after 12 months" on the basis of the immediate past payment history.

Terms and conditions

Refundable accommodation deposits and accommodation bonds (customer deposits) paid by aged care facility residents are repayable on the following basis:
(i) If the resident gives notice more than 14 days prior to departure, then the deposit is payable on the date of departure;
(ii) If the resident gives notice less than 14 days prior to departure, then the deposit is payable within 14 days after notice is given;
(iii) If the resident gives no notice, then the deposit is repayable 14 days after departure; and
(iv) If the resident dies, then the deposit is repayable within 14 days from the date that notice is received of the granting of probate or letters of administration.

Note 17 - Refundable customer deposits (continued)

Deferred management fees (DMF)

Deferred Management Fees or Retention Fees represents the fee that is contractually deducted from the Ingoing Contribution (IC) that is paid back to the resident upon departure from a retirement village. DMF is recognised over the average length of stay of residents (ALOS). The Group discloses this revenue separately from contracts with customers.

As the lessor, the Group must recognise the retention fee income on a straight-line basis over the life of the lease. The life of the lease is calculated based on the ALOS. The deferred management fees is recognised based on ALOS. If the resident departs before the expiry of the contract terms, a pro-rata adjustment may be recognised and deducted from the resident's Ingoing contribution.

Resident entry contributions

Resident entry contributions are received from residents of retirement villages and they are non-interest bearing with the net amount repayable after departure. Resident entry contributions are measured at the principal amount net of any retentions or any other amounts deducted from the contribution at the election of the resident, plus the resident’s share of the capital gain (if any) based on the expected or actual re-sale value of the underlying dwelling at balance date. The repayment of contributions to residents, including capital gains and net of any retentions, is usually funded by contributions from incoming residents.

The total balance owing to residents has been classified as being "expected to be paid within 12 months" or "expected to be paid after 12 months" on the basis of the immediate past payment history.

Resident entry contributions are non-interest bearing, up to six months after date of departure, and have an average repayment term of two months from the date of departure depending on the nature of client departure.

Note 18 - Provisions

	2026 $'000	2025 $'000
Provision – expected to be settled in:		
Less than one year	2,083	1,337
One to five years	1,002	1,920
More than five years	1,964	1,244
	5,049	**4,501**
Leasehold restoration		
Movements in provision		
Carrying amount at the beginning of the year	4,501	5,214
Additional provision recognised/(released)	973	(615)
Provision utilised during the year	(425)	(98)
Carrying amount at the end of the year	**5,049**	**4,501**

Accounting policy

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured. Provisions that are recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Note 19 - Contingent liabilities

There were no significant contingent liabilities in respect of the year ended 30 June 2026.

Note 20 - Assets held for sale

	2026 $'000	2025 $'000
Property, plant and equipment	6,866	3,259
Assets held for sale	**6,866**	**3,259**

At 30 June 2026, the Lilyfield property continued to be classified as held for sale from the prior year, while the Tweed Heads property was newly classified as held for sale during the year following management's commitment to sell the property.

Note 21 - Financial instruments

Accounting classifications

The following table shows the carrying amounts of financial assets and financial liabilities at 30 June 2026:

	Note	2026 $'000	2025 $'000
Financial assets measured at fair value through profit or loss			
Other financial assets	10	140,456	144,927
Financial assets measured at amortised cost			
Cash and cash equivalents	7	78,942	67,116
Trade and other receivables	8	54,816	57,560
Fixed term investments - UCTAL	9	629,648	791,637
Financial liabilities measured at amortised cost			
Trade and other payables	14	148,727	153,759
Foyer Central Social Investment Bond	15	7,000	7,000
Interest-bearing liabilities	15	14,254	20,606

Accounting policy

Financial assets measured at fair value through profit or loss

Equity securities are valued and measured based on market comparison techniques using quoted prices in active markets for identical assets or liabilities.

Fixed term debt instruments are valued and measured using both market comparisons and discounted cash flows where the fair value is estimated considering:

(i) current or recent quoted prices for identical securities in markets that are not active and;
(ii) a net present value calculated using discount rates derived from quoted yields and credit rating that are traded in active markets, adjusted by a liquidity factor.

Note 22 - Auditors' remuneration

	2026 $'000	2025 $'000
Audit and review services		
Auditors of the Group - KPMG		
Audit of consolidated financial statements	469	408
Assurance services		
Auditors of the Group - KPMG		
Regulatory assurance services	234	223
Other services		
Auditors of the Group - KPMG		
Advisory services	41	115
	744	**746**

Note 23 - Australian Charities and Not-for-Profit Commission (ACNC) disclosure

The financial statements are for Uniting (NSW.ACT) (the Company) and its controlled entities (the Group). In the year end 30 June 2026, of the six entities in the group, four were registered with the ACNC.

The ACNC has permitted the joint reporting of the ACNC registered entities (the ACNC Group). Under section 60-100 of the ACNC Act 2012, this permission has been granted on the ACNC Group's compliance with certain conditions. These conditions include specific financial statement disclosures which have been noted below.

Entities within the ACNC Group

Legal Name	ABN	Deductible Gift Recipient
Uniting (NSW.ACT)	78 722 539 923	Yes
Crookwell/ Taralga Aged Care Ltd	49 129 121 259	Yes
Autumn Lodge	81 350 273 467	Yes
Uniting Institute of Education Ltd	77 145 101 864	No

Financial information relating only to the ACNC Group

Apart from Note 24 which relates to the parent entity only, all information in this financial report relates to the Uniting (NSW.ACT) Group including all subsidiaries disclosed in Note 25. Given Find a Carer and Clickability, non ACNC registered entities, are considered to be immaterial to the ACNC group, further disclosure is not required per Condition 3 of Group reporting conditions.

Note 24 - Parent entity disclosures

	2026 $'000	2025 $'000
Results of the parent		
(Deficit)/surplus for the period	(14,260)	40,603
Other comprehensive income	-	-
Total comprehensive (deficit)/surplus for the period	**(14,260)**	**40,603**
Financial position of parent entity at year end		
Total assets	**2,905,428**	**2,876,335**
Total liabilities	**2,014,567**	**1,971,214**
Total equity of the parent entity comprising of		
Accumulated funds	890,861	905,121
Total equity	**890,861**	**905,121**

Note 25 - Subsidiaries

Set out below is a list of subsidiaries of the Group:

	2026 Ownership	2025 Ownership
Crookwell/Taralga Aged Care Ltd*	100%	100%
Autumn Lodge*	100%	100%
Uniting Institute of Education Ltd	100%	100%
Find A Carer Pty Ltd	100%	100%
Clickability Pty Ltd	100%	100%

* These subsidiaries have been deregistered subsequent to 30 June 2026.

Note 26 - Commitments

	2026 $'000	2025 $'000
Capital commitments		
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:	163,297	219,311

The capital commitments principally relate to the refurbishment, design and construction of residential aged care facilities, retirement villages and childcare centres.

Note 27 - Related party transactions

Parent entity

The reporting Group is Uniting (NSW.ACT). The ultimate parent entity is the Uniting Church in Australia Synod of NSW and the ACT.

Key management personnel

The key management personnel are all the Board members of Uniting (NSW.ACT) and the Executives with the greatest authority for the strategic direction and management of Uniting (NSW.ACT).

Note 27 - Related party transactions (continued)

Remuneration to key management personnel

	2026 $	2025 $
The aggregate amount of compensation paid to key personnel during the year was:	3,356,104	3,062,769

All related party transactions were between non-controlled entities and are considered either of a benevolent nature or at arm's length.

	Note	2026 $'000	2025 $'000
Income received from related parties			
Reimbursements of employee costs - early learning centres		15,682	18,498
Interest received – UCTAL		30,335	40,214
ECBF distributions		22,073	16,001
Other		8	30
		68,098	**74,743**
Expenses paid to related parties			
Insurance services – Uniting Church in Australia Synod NSW & ACT		9,602	8,899
Service fees – Uniting Church in Australia Synod NSW & ACT		3,941	3,325
Property fees – Uniting Church in Australia Synod NSW & ACT		662	4,200
Investment management fees – UCTAL		486	682
Other		6,003	5,206
		20,694	**22,312**
Amounts owed by related parties	8	20,730	27,547
Amounts owed to related parties	14	21,509	22,165

Note 28 - Events occurring after balance sheet date

No matter or circumstance has occurred since 30 June 2026 that has significantly affected, or may significantly affect, the Group's operations, results or state of affairs in future financial periods.

Declaration by the Board

Uniting (NSW.ACT)
Consolidated Financial Report 30 June 2026

Declaration

In the opinion of the members of the Board of Uniting (NSW.ACT):

1. The accompanying consolidated financial statements comprising the statement of profit or loss and other comprehensive income, the statement of financial position, statement of changes in equity, statement of cash flows and notes to the consolidated financial statements that are set out on pages 7 to 42 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
   (a) complying with Australian Accounting Standards - Simplified Disclosure Requirements, Australian Charities and Not-for-profits Commission Regulations 2022; and
   (b) giving a true and fair view of the Group's financial position as at 30 June 2026 and of the performance for the year ended on that date.
2. There are reasonable grounds to believe that the Group 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 Uniting (NSW.ACT) Board and is signed for and on behalf of the Board by:



Mrs Liz Nicol
Chair

Sydney, 22 October 2026

Lead Auditor's Independence Declaration under Subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Board Members of Uniting (NSW.ACT)

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial report of Uniting (NSW.ACT) for the financial year 30 June 2026 there have been:

i. 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

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

KPMG

KPMG

Shara Learmonth
Partner
Sydney
22 October 2026

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KPMG

Independent Auditor's Report

To the Board Members of Uniting (NSW.ACT)

Opinion

We have audited the ***Financial Report*** of *Uniting (NSW.ACT)* (the Group).

In our opinion, the accompanying Financial Report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for profits Commissions (ACNC) Act 2012*, including:

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

2. complying with *Australian Accounting Standards – Simplified Disclosures Framework and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2022 (ACNCR).*

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the year then ended.
- Notes, including material accounting policies.
- Declaration by the Board.

*The **Group** consists of Uniting (NSW.ACT)* (the Entity) and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 *ACNC Act 2012* ethical requirements of the *Accounting Professional & 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 fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in Uniting (NSW.ACT)'s annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Board Members are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

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Responsibilities of Management for the Financial Report

Management are responsible for:

- the preparation and fair presentation of the Financial Report in accordance with the financial reporting requirements of Australian Accounting Standards – Simplified Disclosures Framework and the ACNC and ACNCR.
- implementing necessary internal control to enable preparation of the Financial Report that gives a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error.
- assessing the Entity and the Group's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf This description forms part of our Auditor's Report.

KPMG

KPMG

Shara Learmonth

Partner

Sydney

22 October 2026