Annual Financial Report

For the year ended
31 December 2024

Burnet
reach for the many

Contents

The Macfarlane Burnet Institute for Medical Research and Public Health Ltd
ABN 49 007 349 984

Burnet Institute (Australia) is located on the traditional land of the Boon Wurrung people and we offer our respects to their Elders past and present. We recognise and respect the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Island peoples of this land.

Cover image: Burnet Research Assistant, Bek Petrovic with a SuperMIX participant. SuperMIX is the largest and longest-running active study of people who inject drugs in Australia.

Directors' Report

The Directors present their report together with the consolidated general purpose (simplified disclosure) financial statements of the Group comprising The Macfarlane Burnet Institute for Medical Research and Public Health Limited (the Institute) and its subsidiaries (the Group) for the year ended 31 December 2024 and the Audit Report thereon.

Directors' Details

Ms Mary Padbury, BA, LLB(Hons)

Chair, Burnet Institute Board of Directors since 2019

Director since 2011

Ex officio member all Board Committees

Director, Commonwealth Bank of Australia

Director, Brandenburg Ensemble Limited which trades as the Australian Brandenburg Orchestra

Director, Richmond Football Club Limited and Aligned Leisure Pty Ltd

Custodian, Ormond College, The University of Melbourne

Member, Chief Executive Women

Former Chair of Ashurst Australia and Vice-Chair Ashurst LLP

Former Chair of Trans-Tasman IP Attorneys Board

Professor Brendan Crabb AC, PhD, FAA, FAHMS, FASM

Executive Director and CEO since 2008

Ex officio member of all Board Committees

Member, The Kids Research Institute Australia Board

Member, The Kids Research Institute Australia Finance Committee

Member, The Brain Cancer Centre Research Advisory Committee

Member, Alfred Research Alliance

Chair, Australian Global Health Alliance

Chair, Pacific Friends of Global Health

Member, mRNA Victoria Scientific Advisory Board

Member, WHO Malaria Vaccine Advisory Committee (MALVAC)

Member, Board of Management, Gene Technology Access Centre (GTAC), Victoria

Member, Scientific Advisory Board, Wellcome Trust Sanger Institute, UK

Adjunct Professor, The University of Melbourne

Adjunct Professor, Monash University

Chair, Australian Academy of Science – Sectional Committee 9 (SC9) Molecular and Cell Biology and Human Genetics

Fellow, Australian Academy of Health and Medical Sciences

Fellow, Australian Academy of Science

Ambassador, Club Melbourne

Directors' Report (cont)

Mr Robin Bishop, LLB(Hons), BCom, BA

Director from 2012 to Sep 2021, and from May 2022

Chair, Investment Committee

Founder and Managing Partner, BGH Capital

Former Head and Executive Director, Macquarie Capital Australia and New Zealand

Commissioner, Australian Football League Commission

Member, Australian Takeovers Panel

Mr Robin Davies, BA(Hons)

Director since December 2023

Honorary Professor, Crawford School of Public Policy, The Australian National University

Director, Idrys Organisation

Member, FemiliPNG Australia Board

Member, Advisory Board of the Australian Global Health Alliance

Member, Global Health Security Network Board

Member, Impact Global Health Board

Chair, Global Health Committee, Murdoch Children's Research Institute

Former First Assistant Secretary, Global Health Division, Department of Foreign Affairs and Trade, and concurrently Head, Indo-Pacific Centre for Health Security

Former Associate Director, Development Policy Centre, The Australian National University

Professor Sandra Eades, AO, PhD, FTSE, FASSA, FAHMS

Director since 2020

Rowden White Professor, University of Melbourne

Deputy Dean Indigenous, Facility of Medicine, Dentistry and Health Sciences, University of Melbourne

Fellow, Australian Academy of Technological Sciences & Engineering (ATSE)

Professor (Hon) Helen Evans AO, BA, BSoc Admin

Director since 2015

Chair, People & Remuneration Committee

Professor (Hon), The Nossal Institute for Global Health, The University of Melbourne

Member of the Board of the Australian Centre for the Prevention of Cervical Cancer

Member of the Board of The Fred Hollows Foundation, Hong Kong

Member, Advisory Board of the Australian Global Health Alliance

Member, Technical Reference Group, for the Australian Government's Partnerships for a Healthy Region

Fellow, Australian Institute of International Affairs

Former Deputy CEO, GAVI, The Vaccine Alliance and of The Global Fund to Fight AIDS, Tuberculosis and Malaria

Directors' Report (cont)

Mr James Flintoft LLB, BSc, M.B.A. (Wharton), GAICD
Director since 2023
Chair, Audit & Risk Committee
Chair, AIID Building Committee
Director, Epworth Healthcare Group
Director, Transport Accident Commission
Director, Development Victoria
Deputy Chair, Victorian Comprehensive Cancer Centre Alliance (VCCCA)
Director, Yulgibar Group
Director, Foundation House for Refugees
Director, Social Traders
Director, Foundation for Rural and Regional Renewal

Mr Benjamin Foskett, BBus, FAICD, Exec Fellow ANZSoG
Director since 2013
Member, Commercialisation Committee and Audit & Risk Committee
Chairman, BioPoint Hong Kong
Victorian Fellow of IPAA
Executive Director, Pathway Services Pty Ltd
Executive Officer, MCG Trust
Director, Britmore Pty Ltd

Ms Kate Galvin, LLB, BEcon, GAICD
Director since 2024
Member, Audit & Risk Committee
Chief Executive Officer, Victorian Funds Management Corporation
Director Australian Council of Superannuation Investors
Former Executive, NAB Health, National Australia Bank
Former Managing Director, JBWere

Ms Alison Larsson, BEcon, FCPA, GAICD
Director since 2017 to May 2024
Chair, Audit & Risk Committee; Member, People & Remuneration and Investment Committees
Former Director, IFM Investors

Dr Andrew Nash, PhD, FTSE
Director since 2025
Director, MRCF Pty Ltd
Director, Denteric
Former Chief Scientific Officer, CSL

Directors' Report (cont)

Dr Sergio Scrofani, BSc(Hons), PhD, MBA, MAICD
Director since 2019
Member, Commercialisation Committee and Investment Committee
Principal, Poplar Advisory Pty Ltd
Director, FinCap Pty Ltd
Director, Centre for Eye Research Australia
Director, Race Oncology

Mr Michael Ziegelaar, LLB(Hons), BEcon, LLM
Director since 2015
Chair, Commercialisation Committee
Partner and Co-Head, Equity Capital Markets (Aust) Herbert Smith Freehills
Director, Seven West Media

Resigned as Director during 2024 or since year end

Ms Alison Larsson

Directors' Meetings

The number of Directors' meetings (including meetings of Committees of Directors) and number of meetings attended by each of the Directors of the Institute during the financial year are:

Meetings Held While a Director

Directors	Board of Directors	Finance, Audit & Risk Committee	Commercialisation Committee	Investment Committee	People & Remuneration Committee
Brendan Crabb	5	7	3	3	3
Robin Bishop	5	–	–	3	–
Robin Davies	5	–	–	–	3
Sandra Eades	5	–	–	–	–
Helen Evans	5	–	–	–	3
James Flintoft	5	7	–	3	–
Ben Foskett	5	7	3	–	–
Kate Galvin	5	–	–	–	–
Alison Larsson	2	3	–	–	1
Mary Padbury	5	7	3	3	3
Andrew Nash	–	–	–	–	–
Sergio Scrofani	5	–	3	3	–
Michael Ziegelaar	5	–	3	–	–

Directors' Report (cont)

Meetings Attended While a Director

Directors	Board of Directors	Finance, Audit & Risk Committee	Commercialisation Committee	Investment Committee	People & Remuneration Committee
Brendan Crabb	5	6	1	2	3
Robin Bishop	2	–	–	3	–
Robin Davies	5	–	–	–	3
Sandra Eades	2	–	–	–	–
Helen Evans	5	–	–	–	3
James Flintoft	5	6	–	3	–
Ben Foskett	4	4	3	–	–
Kate Galvin	5	–	–	–	–
Alison Larsson	1	3	–	–	0
Mary Padbury	5	5	3	3	3
Andrew Nash	–	–	–	–	–
Sergio Scrofani	4	–	3	3	–
Michael Ziegelaar	4	–	3	–	–

Principal Activities

The principal activities of the Group during the financial year were medical research and associated public health activities directed at the diagnosis, treatment and control of infectious diseases in humans. The Institute is a not-for-profit organisation combining programs of clinical and laboratory research in virology and immunology with epidemiology, social research and public health programs. The Institute has been endorsed as a charitable institution by the Australian Taxation Office. As a charitable not-for-profit organisation, the Institute does not pay dividends and all non-executive Directors serve in an honorary capacity. Every Member undertakes to contribute AUD$10 to the assets of the Institute if it is wound up while he or she is a Member, or within one year afterwards. There was no significant change in the nature of principal activities during the financial year.

Objectives

The principal objective of the Group is improving the health of vulnerable communities through research, public health and education. Progress against this objective is reported on at each Board meeting (as well as other reporting mechanisms) using a variety of key indicators including the number of research grants awarded, research or project contracts won, fellowships awarded, publications, a league table for Operational Infrastructure Support (Victorian State Government) and the progress reports and achievements made on ongoing grants and projects.

Directors' Report (cont)

Operating Results and State of Affairs

The Group recorded a surplus in the current year of $7,768k (2023: surplus $12,343k). The Group's operating performance for the year was significantly impacted by the performance of the Investment Fund, which had a positive net return of $38,119k. This reflects a $24,288k change in fair value of the value of its investment portfolio (fair value mark to market movement at 31 December 2024) and by $13,831k from interest and dividends received during the year. The Board endorsed investment strategy aims to achieve returns of CPI plus 4% over the medium to long term (5-7 years).

Investment decisions are overseen by the Investment Committee, investments are managed by Morgan Stanley and strategies are continually evaluated. Aside from the performance of the Investment Fund, the Institute's performance was favourable compared to budget. Depreciation and amortisation increased relative to the prior year, which amounted to $5,060k (2023: $4,768k).

Other than for Biopoint Hong Kong Ltd, income tax is not applicable to the Group.

There were no significant changes in the Group's State of Affairs that occurred during the calendar year, other than those referred to elsewhere in this report.

Dividends

The Institute is limited by guarantee, has no share capital and declares no dividends.

Events Subsequent to Balance Date

Subsequent to year end Biopoint Nanjing Diagnostic Technology Co. Limited and Biopoint Hong Kong Limited will be wound up and the minority interest in Biopoint HK will be eliminated. Burnet Institute (Hong Kong) Limited will also be wound up. These wind ups are not expected to have a significant impact on the results of the Group.

Also subsequent to year end the geo-political climate has resulted in the overall value of our investment fund to decline by 1.30% as at the end of the first quarter. Management are monitoring the situation but are confident in the long-term investment strategy.

Otherwise, the Directors are not aware of any matter that has arisen in the interval between the end of the financial year and the date of this report which has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Likely Developments

Australian Institute for Infectious Disease (AIID)

The Australian Institute for Infectious Disease (AIID) project is a collaboration between foundation partners Burnet Institute, Doherty Institute and The University of Melbourne. Burnet Institute intends to relocate to the Parkville Precinct adjacent to the Doherty Institute in 2029 (approx.), once the new facility has been completed. Burnet will continue to operate as an independent organisation within the AIID facility.

The foundation partners have determined key principles to guide the partnership through to completion of the development of the AIID, which are reflected in a Partnership Principles Agreement. The Partnership Principles Agreement includes the delivery of a fit-for-purpose building to accommodate Burnet's present and future needs and places a cap on each partner's contribution to the potential funding shortfall of the development currently at $50m.

The Group continues to explore strategic and operational opportunities to better align its objectives with the resources it has available.

Directors' Report (cont)

Directors' Benefits

Since the end of the previous financial year no Director of the Institute has received or become entitled to receive any benefit up to 31 December 2024 (other than a benefit included in the aggregate amount of remuneration received or due and receivable in their capacity as full-time employees as shown in the accounts) because of a contract made by the Institute, its controlled entities or a related body corporate with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial interest.

Indemnification and Insurance of Officers and Auditors

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 other than to confirm that a policy is in force.

Since the end of the previous financial year, the Group 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.

Environmental Regulation

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

Rounding Off

The Group is of a kind referred to in ASIC Corporations Instrument 2016/191 (Rounding in Financial/ Directors' Reports) and in accordance with that Instrument, amounts in the Consolidated Financial Report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

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

The Lead Auditor's Independence Declaration is set out on page 10 and forms part of the Directors' Report for the year ended 31 December 2024.

Dated at Melbourne this 6th day of May 2025.
Signed in accordance with a resolution of the Directors.

Mary Padbury

Mary Padbury
Director

James Flintoft
Director

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

To: the directors of Macfarlane Burnet Institute for Medical Research and Public Health Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2024 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

Antoni Cinanni
Partner
Melbourne
6 May 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December

	Note	2024 $'000	2023 $'000
Revenue from continuing operations	3	64,025	58,315
Other income	3	40	157
Total Revenue and Other Income		**64,065**	**58,472**
Research and development laboratory consumables		(1,985)	(1,752)
Patents and licences		(1,139)	(1,121)
Personnel expenses	4	(50,004)	(42,176)
Depreciation and amortisation expenses	11	(1,235)	(980)
Depreciation and amortisation – Right-of-use asset expenses	10	(3,825)	(3,788)
External collaborating contract expenses		(12,449)	(10,816)
Overseas contract expenses		(8,901)	(7,927)
Facility maintenance expenses		(4,538)	(3,499)
Travel and accommodation expenses		(2,818)	(2,734)
Other expenses		(5,528)	(2,856)
Total Expenses		**(92,422)**	**(77,649)**
Net (Deficit)/Surplus from Operations		**(28,357)**	**(19,177)**
Finance Income/(Loss)	3	38,258	33,183
Loss on lease renegotiation		(559)	–
Finance expense - lease interest expense	13	(1,574)	(1,663)
Net Finance Income/(Costs)		**36,125**	**31,520**
Net Surplus/(Deficit) before income tax		**7,768**	**12,343**
Income tax expense	1.0	–	–
Surplus/(Deficit) After Income Tax		**7,768**	**12,343**
Surplus/(Deficit) After Income Tax Attributable to:			
Members of the Company		6,844	12,359
Non-controlling interests		924	(16)
Surplus/(Deficit) After Income Tax		**7,768**	**12,343**
Other Comprehensive Income			
Foreign currency translation differences – foreign operations		(120)	98
Total Comprehensive Surplus/(Deficit) for the Period		**7,648**	**12,441**
Total Comprehensive Surplus/(Deficit) Attributable to:			
Members of the Company		7,674	12,420
Non-controlling interests		(26)	21
Total Comprehensive Surplus/(Deficit) for the Period		**7,648**	**12,441**

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the Notes to the Consolidated Financial Statements set out on pages 15 to 40. The Group's total comprehensive surplus for the period includes the International Programs' deficit of $3,729,000 (2023: deficit of $2,513,000) and Domestic and other programs' surplus of $11,377,000 (2023: surplus of $14,954,000). Refer to the Group's International Activities Operating Statement for a full copy of the 2024 audited Statement of Profit or Loss and Other Comprehensive Income on page 40.

Consolidated Statement of Financial Position

As at 31 December

	Note	2024 $'000	2023 $'000
Current Assets			
Cash and cash equivalents		4,219	7,264
Trade and other receivables	6	7,595	6,923
Other assets	7	645	1,425
Lease receivables	8	314	603
Financial assets	9	311,904	317,254
Total Current Assets		**324,677**	**333,469**
Non-Current Assets			
Lease receivables	8	1,538	3,859
Financial assets	9	67,338	56,869
Right-of-use asset	10	36,237	40,062
Property, plant and equipment	11	8,076	4,923
Total Non-Current Assets		**113,189**	**105,713**
Total Assets		**437,866**	**439,182**
Current Liabilities			
Trade and other payables		1,929	2,663
Current tax liabilities	12	137	86
Lease liabilities	13	3,090	2,825
Provisions	14	6,407	6,079
Deferred income - contract liability	15	26,726	30,911
Total Current Liabilities		**38,289**	**42,564**
Non-Current Liabilities			
Lease liabilities	13	40,503	43,594
Provisions	14	1,226	892
Right-of-use liability	16	2,027	3,959
Total Non-Current Liabilities		**43,756**	**48,445**
Total Liabilities		**82,045**	**91,009**
Net Assets		**355,821**	**348,173**
Equity			
Retained surplus / (deficit)		356,315	349,471
Foreign currency translation reserve		(10)	110
Non-controlling interests	19	(484)	(1,408)
Total Equity		**355,821**	**348,173**

The Consolidated Statement of Financial Position is to be read in conjunction with the Notes to the Consolidated Financial Statements set out on pages 15 to 40. The Macfarlane Burnet Institute for Medical Research and Public Health Limited is a signatory to the Australian Council for International Development (ACFID) Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management.

Consolidated Statement of Changes in Equity

As at 31 December

	Attributable to Members Retained Surplus $'000	Attributable to Members Foreign Currency Translation Reserve $'000	Non-Controlling Interests $'000	Total Funds $'000
Balance at 1 January 2023	**337,112**	**12**	**(1,392)**	**335,732**
Total other comprehensive income for the period	-	98	-	98
Operating surplus	12,359	-	(16)	12,343
Total comprehensive income for the period	12,359	98	(16)	12,441
Balance at 31 December 2023	**349,471**	**110**	**(1,408)**	**348,173**
Total other comprehensive income for the period	-	(120)	-	(120)
Operating surplus	6,844	-	924	7,768
Total comprehensive income for the period	6,844	(120)	924	7,648
Balance at 31 December 2024	**356,315**	**(10)**	**(484)**	**355,821**

The Consolidated Statement of Changes in Equity is to be read in conjunction with the Notes to the Consolidated Financial Statements set out on pages 15 to 40.

Consolidated Statement of Cash Flows

For the year ended 31 December

	Note	2024 $'000	2023 $'000
Cash Flows from Operating Activities			
Cash receipts in the course of operations		63,172	60,498
Cash payments in the course of operations		(92,058)	(75,146)
Cash used in operating activities		(28,886)	(14,648)
Interest received		139	132
Net cash provided by operating activities		**(28,747)**	**(14,516)**
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(3,459)	(2,036)
Proceeds from disposal of property, plant and equipment		50	119
Proceeds from investments (including sale of shares, interest and dividends)		33,000	24,000
Payments for WIP		-	(776)
Payments for investments		-	(4,000)
Net cash provided by/(used in) investing activities		**29,591**	**17,307**
Cash Flows from Financing Activities			
Lease payments -principal and interest		(4,400)	(4,202)
Lease Receipts -principal and interest		511	721
Net cash used in financing activities		**(3,889)**	**(3,481)**
Net increase/(decrease) in cash held		(3,045)	(690)
Cash at the beginning of the financial year		7,264	7,954
Cash at the End of the Financial Year		**4,219**	**7,264**

The Consolidated Statement of Cash Flows is to be read in conjunction with the Notes to the Consolidated Financial Statements set out on pages 15 to 40.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. Reporting Entity and Material Accounting Policies

1.0. Reporting Entity

The Macfarlane Burnet Institute for Medical Research and Public Health Limited (the Institute) is a company limited by guarantee and is domiciled in Australia. The address of the Institute's registered office is 85 Commercial Road, Melbourne, Victoria, Australia 3004. The consolidated financial statements of the Institute as at and for the year ended 31 December 2024 comprise the Institute and its subsidiaries (together referred to as 'the Group' and individually as 'Group entities'). The Group is a not-for-profit entity and is primarily involved in medical research and associated public health activities directed at the diagnosis, treatment and control of infectious diseases in humans. The Institute is a registered charity with the Australian Charities and Not-for-Profit Commission which holds deductible gift recipient status and is exempt from income tax.

Members guarantee

The Institute is limited by guarantee. In the event that the Institute is wound up, the constitution states that each member is required to contribute a maximum of $10 towards meeting any outstanding obligations of the Institute. At 31 December 2024 the number of members was 9 (2023: 7).

1.1. Basis of Preparation

(i) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) - Simplified Disclosures adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-Profit Commission Act 2012. The consolidated financial statements were authorised for issue by the Board of Directors on the 6th May 2025.

(ii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the Statement of Financial Position: -certain financial assets (investments) are measured at fair value.

The method used to measure fair values is discussed further in Note 1.2.

During the preparation of the Financial Report the Directors made an assessment of the ability of the Group to continue as a going concern, which included an assessment of the continuity of business operations, realisation of assets and settlement of liabilities in the normal course of business. Based on the financial results and financial position of the Institute, the Directors consider it appropriate to prepare the consolidated financial report on a going concern basis.

(iii) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Parent Entity. All financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. Reporting Entity and Material Accounting Policies (cont)

(iv) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following Notes:

- Note 1.9 – Impairment
- Note 14 – Provisions
- Notes 9 and 22 –Managed Investments

(v) Changes in material accounting policies

The accounting policies adopted by the Institute in this report are the same as those applied in the Financial Report for the year ended 31 December 2023. Refer to Note 2 for further details of new standards not yet adopted.

1.2 Financial Instruments

(i) Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets: financial assets at fair value through profit or loss and loans and receivables.

Available for Sale Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair values in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss when incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. Reporting Entity and Material Accounting Policies (cont)

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call deposits with original maturities of three months or less.

(ii) Non-derivative financial liabilities

The Group initially recognises financial liabilities on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Financial liabilities comprise loans and borrowings and trade and other payables.

(iii) Derivative financial instruments

The Group currently does not hedge interest rate exposure as there is no variable debt carried on its books.

Derivatives are recognised initially at fair value. Attributable transaction costs are recognised in the Statement of Comprehensive Income when incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes are recognised immediately in the Statement of Comprehensive Income. The fair value of derivatives are based on lender quotes.

1.3 Inventories

Inventories are comprised of laboratory materials and are valued at the lower-of-cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

1.4 Property, Plant and Equipment

(i) Owned assets

Items of property, plant and equipment are measured at cost less accumulated depreciation (see below) and accumulated impairment losses (see accounting policy Note 1.9). Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. Reporting Entity and Material Accounting Policies (cont)

(ii) Subsequent costs

The Group recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the Statement of Comprehensive Income as an expense when incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. The depreciation rates used for the current and comparative years are as follows:

Buildings	2% to 2.5%
Plant and equipment	10% to 20%
Computer equipment	33.3%
Motor vehicles	20%

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

1.5 Employee Benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefits expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

(ii) Long-term service benefits

The Group's net obligation in respect of long-term service benefits, other than defined benefit plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates and is discounted using the rates attached to high-quality Corporate bond rates at the balance date which have maturity dates approximating to the terms of the Group's obligations.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. Reporting Entity and Material Accounting Policies (cont)

(iii) Wages, salaries, annual leave, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as workers compensation insurance.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate an employee before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

1.6 Revenue Recognition

(i) Revenue recognition policy for revenue from contracts with customers (AASB 15)

AASB requires revenue to be recognised when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration.

The customer for these contracts is the fund provider.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price
5. Recognise revenue

Generally, the timing of the payment for the sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the company have any significant financing terms as there is generally less than 12 months between receipt of funds and satisfaction of performance obligations.

Contract Research and Development (R&D) revenue/consultancies

R&D contract income is recognised in the Statement of Profit or Loss and Other Comprehensive Income to the extent that R&D expenditure to which it relates has been incurred. Until this time, funds drawn down in accordance with the relevant R&D funding agreement are recognised in the Statement of Financial Position as deferred income – contract liability.

1. Reporting Entity and Material Accounting Policies (cont)

Grant income

Grant income arising from an agreement which contains enforceable and sufficiently specific performance obligations is recognised when control of each performance obligations is satisfied. The performance obligations are varied based on the agreement but may include transfer of IP, transfer of research findings or publishing of research findings in a public journal. Within grant agreements there may be some performance obligations where control transfers at a point intime and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the revenue is recognition based on either cost or time incurred which best reflects the transfer of control.

(ii) Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

Grant income

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but may be property which has been donated. Once the asset has been recognised, the Group recognises any related liability amounts (e.g. provisions, financial liabilities). Once the assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

Government contributions towards capital works (capital grants)

Government contributions to assist in the acquisition or construction of non-current assets are recognised as an asset and revenue when all conditions of the grants have been satisfied.

Donations

Donations are recognised as income in the Statement of Profit or Loss and Other Comprehensive Income, as and when received.

(iii) Other Income

Interest and other income

Interest and other income is recognised in the Statement of Profit or Loss and Other Comprehensive Income as it accrues, taking into account the effective yield on the financial asset.

(iv) Estimates and judgements relating to revenue

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.

1.7 Income Tax

The Institute is exempt from paying income tax under Section 50-5 of the Income Tax Assessment Act, 1997.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. Reporting Entity and Material Accounting Policies (cont)

1.8 Goods and Services Tax

Revenue, expenses and assets are recognised excluding the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1.9 Impairment

(i) Financial Instruments and contract assets

The Group recognises loss allowances for Expected Credit Losses (ECL) on:

- Financial assets measured at amortised cost
- Debt investment measured at FVOCI
- Contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivable 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 the 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.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held), or
- The financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Twelve month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

1. Reporting Entity and Material Accounting Policies (cont)

(i) Financial Instruments and contract assets (cont)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether the financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer
- A breach of contract such as a default or being more than 90 days past due
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise
- It is probable that the borrower will enter bankruptcy or other financial reorganisation or
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance of ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial assets is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

1. Reporting Entity and Material Accounting Policies (cont)

(ii) Non-financial assets

The carrying amounts of non-financial assets other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are recognised as a reduction in the carrying amounts of the assets in the CGU on a pro-rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.10 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in AASB 16.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration of the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

1. Reporting Entity and Material Accounting Policies (cont)

(i) As a lessee (cont)

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 the type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable under a residual value guarantee,
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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 fixed 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.

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 "Borrowings" in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, 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.

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

1. Reporting Entity and Material Accounting Policies (cont)

(ii) As a Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies AASB 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in AASB 9 to the net investment in the lease (refer Note 1.10(i)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other revenue".

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from AASB 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

1.11 Comparatives

Where applicable, comparatives have been adjusted to disclose them on the same basis as current period figures.

1.12 Basis of Consolidation

(i) 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 goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

1. Reporting Entity and Material Accounting Policies (cont)

(ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iv) Investment in Associates

Investments in entities over which the Institute has the ability to exercise significant influence, but not control, are accounted for using the equity method of accounting. The investment in associates is carried at cost plus post-acquisition changes in the Institute's share of the associates' net assets, less any impairment value.

(v) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity related to the subsidiary. Any resulting surplus or deficit is recognised in the Statement of Comprehensive Income. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

1.13 Foreign Currency Transactions

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group companies at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Comprehensive Income.

1. Reporting Entity and Material Accounting Policies (cont)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Australian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Australian dollars at exchange rates on the dates of the transactions.

Foreign currency differences are recognised in Other Comprehensive Income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Australian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Australian dollars at exchange rates on the dates of the transactions.

Foreign currency differences are recognised in Other Comprehensive Income and accumulated in the translation reserve. When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, the foreign currency differences arising from such items form part of the net investment in the foreign operation. Accordingly, such differences are recognised in Other Comprehensive Income and accumulated in the translation reserve in equity.

2. New Standards and Interpretations Not Yet Adopted

As at the date of authorisation of the financial statements the Standards and Interpretations below were in issue but not yet effective:

AASB 2023-5 Lack of Exchangeability

AASB 2024-2 Classification and Measurement of Financial Instruments

AASB 18 Presentation and Disclosure in Financial Statements

AASB 2014-10 Sale or contribution of Assets between an Investor and its Associate or Joint Venture

The effect of the future adoption of the above Standards and Interpretations is not expected to have significant impact on the financial statements of the Group other than changes to disclosures.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. Revenue

	Note	2024 $'000	2023 $'000
Grants – operating		21,433	19,627
Grants – Victorian Government operational infrastructure support		4,051	4,165
Donations		7,570	5,484
Contract R&D consultancies		29,149	24,383
Contract services other		400	502
Other income – miscellaneous		1,422	4,154
Total Revenue from Continuing Operations		64,025	58,315
Net gain on foreign exchange		–	99
Net gain on disposal of fixed assets and investments		30	49
Rental income – sub-lease		10	9
Other Income		40	157
Investment income			
Interest		1,431	1,284
Dividends		12,538	11,492
Fair Value movement on investments (mark to market)	9	24,289	20,407
Finance Income		38,258	33,183

	2024 $'000	2023 $'000
Revenue from contracts with customers per AASB 15		
Rendering of services – over time	49,158	50,205
Revenue recognised under AASB 1058 Income of NFP Entities		
Donations – point in time	1,810	1,884
Philanthropic trusts – point in time	1,196	854
Bequests – point in time	425	355
Grant income – point in time	11,436	5,017
Total Revenue from continuing operations	64,025	58,315

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

3. Revenue (cont)

	2024 $'000	2023 $'000
Disaggregation of revenue from contracts with customers – AASB 15		
Medical research	4,347	7,666
Population health	9,229	8,237
International health	29,344	23,740
Contract research laboratory services	6,238	10,562
Revenue recognised under AASB 1058 Income of NFP Entities	14,867	8,110
Total Revenue from continuing operations	64,025	58,315

The primary geographical market of the Institute is Australia.

4. Personnel Expenses

	2024 $'000	2023 $'000
Salary and wages	45,372	38,169
Employee entitlements	4,632	4,007
	50,004	42,176

5. Auditors' Remuneration

	2024 $	2023 $
Audit Service - KPMG Australia:		
Audit and review of financial reports – Burnet Institute	79,800	76,000
Other Services	25,884	–
	105,684	76,000

6. Trade and Other Receivables

	2024 $'000	2023 $'000
Current		
Trade receivables	7,583	5,680
Other receivables	12	1,633
Less: allowance for doubtful debts	–	(390)
	7,595	6,923

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

7. Other Assets

	2024 $'000	2023 $'000
Inventories	49	47
Prepayments	596	429
Work in progress – software development	–	949
	645	1,425

8. Lease Receivables

	2024 $'000	2023 $'000
This note provides information about the contractual terms of the Group's interest-bearing leases receivable which are measured at amortised cost.		
Current		
Lease receivables	314	603
Non-current		
Lease receivables	1,538	3,859

Lease receivables based on contractual undiscounted cash flows is shown in the table below.

	<1 Year $'000	1-5 Years $'000	>5 Years $'000	Total Undiscounted Lease Receivables $'000	Lease Receivables Included in the Statement of Financial Position $'000
2023	750	3,312	912	4,974	4,462
2024	374	1,653	–	2,027	1,852

Lease Impact in the statement of profit and loss and other comprehensive income

	2024 $'000	2023 $'000
Interest on lease receivables	75	167

9. Financial Assets

	2024 $'000	2023 $'000
Current Financial Assets		
Fair Value Through profit or loss		
Managed investments	294,375	273,598
Debt investments	9,228	39,964
Cash investments	8,301	3,692
Total current financial assets	311,904	317,254

Managed investments are managed by third parties on behalf of the company. The funds hold a variety of debt, equity, commodity and alternative investments which generate a return based on income from those investments and changes in the market value of the investments. The Group's investments in the funds can be redeemed on an at-call basis at the market value of the investment at the date of redemption less fees and charges.

	2024 $'000	2023 $'000
Non-Current Financial Assets		
Fair Value Through profit or loss		
Managed Investments	67,338	56,869
Fully paid ordinary shares in Stamford Pharmaceuticals Inc	–	–
Total non-current financial assets	67,338	56,869

All managed investments are actively traded in financial markets and the fair value is determined by reference to quoted market bid prices at the close of business on the reporting date. The mark-to-market fair value movement of outstanding management investments as at year end amounted to a gain of $24,289 (2023 surplus of $20,407).

As at 31 December 2024, the Group held 3.7% (2023: 4.0%) of Stamford Pharmaceuticals Inc., formerly Ascend Biopharmaceuticals Pty Ltd. The amount of investment in this company was $nil and the contribution to the surplus of the Group was $nil.

10. Right-of-Use (ROU) Asset

	Buildings $'000	Equipment $'000	Total $'000
Cost			
Balance at 1 January 2023	43,191	–	43,191
Additions	–	659	659
Amortisation	(3,599)	(189)	(3,788)
Balance at 31 December 2023	39,592	470	40,062
Balance at 1 January 2024	39,592	470	40,062
Amortisation	(3,599)	(226)	(3,825)
Balance at 31 December 2024	35,993	244	36,237

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

11. Property, Plant and Equipment

	Note	Leasehold Buildings	Plant and Equipment	Total
Cost				
Balance at 1 January 2023		1,865	11,996	13,861
Acquisitions		249	1,786	2,035
Disposals		–	(2,163)	(2,163)
Balance at 31 December 2023		2,114	11,619	13,733
Balance at 1 January 2024		2,114	11,619	13,733
Acquisitions		220	3,239	3,459
Transfer from WIP	7	–	949	949
Disposals		–	(496)	(496)
Balance at 31 December 2024		2,334	15,311	17,645
Accumulated Depreciation				
Balance at 1 January 2023		(182)	(9,627)	(9,809)
Depreciation charge for the year		(196)	(784)	(980)
Disposals		–	1,979	1,979
Balance at 31 December 2023		(378)	(8,432)	(8,810)
Balance at 1 January 2024		(378)	(8,432)	(8,810)
Depreciation charge for the year		(212)	(1,023)	(1,235)
Disposals		–	476	476
Balance at 31 December 2024		(590)	(8,979)	(9,569)
Carrying amounts				
At 1 January 2023		1,683	2,369	4,052
31 December 2023		1,736	3,187	4,923
At 1 January 2024		1,736	3,187	4,923
31 December 2024		1,744	6,332	8,076

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

12. Tax Liabilities

	2024 $'000	2023 $'000
FBT provision	32	98
Net GST liability	105	(12)
	137	86

13. Lease Liabilities

	2024 $'000	2023 $'000
This note provides information about the contractual terms of the Group's lease liabilities which are measured at amortised cost.		
Current		
Lease liabilities	3,090	2,825
Non-current		
Lease liabilities	40,503	43,594

Maturity analysis

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

	<1 Year	1-5 Years	>5 Years	Total Undiscounted Lease Liabilities	Lease Included in Statement of Financial Position
	$'000	$'000	$'000	$'000	$'000
2023	4,386	18,593	34,030	57,009	46,419
2024	4,552	19,094	28,978	52,624	43,593

The figures above include the payments made the lease extension option of five years.

Lease Impact in the statement of profit and loss and other comprehensive income:

Interest expense on lease liabilities	1,574	1,663

14. Provisions

	2024 $'000	2023 $'000
Current		
Liability for long-service leave	3,243	2,936
Liability for annual leave	3,164	3,143
	6,407	6,079
Non-current		
Liability for long-service leave	1,226	892

	2024	2023
Assumed rate of increase in wage and salary rates	3.1%	3.1%
Average discount rate	5.0%	5.0%
Settlement term (years)	9	9
Number of employees at year end (FTE)	490	454

Superannuation plans:

The Group contributes to various accumulation style superannuation plans. Employer contributions are at the rate required to satisfy its obligations under the Superannuation Guarantee legislation, currently 11.5% of salary. The Group may make additional contributions by agreement with employees.

15. Deferred Income – contract liability

	2024 $'000	2023 $'000
Current		
Other grants	26,726	30,911

	2024	2023
Deferred income opening balance	30,911	29,806
Funds received	36,539	35,347
Revenue recognised in Profit and Loss	(40,724)	(34,242)
Deferred income closing balance	26,726	30,911

In accordance with AASB 15, research operating grants are deferred and recognised as a contract liability, where there is an obligation to repay amounts which are not spent in accordance with the conditions specified and the performance obligations set out in the grant are sufficiently specific.

16. Right-of-Use (ROU) Liability

	2024 $'000	2023 $'000
Cost		
Balance at 1 January	3,959	4,619
Adjustment due to sublease	(1,516)	–
Amortisation	(416)	(660)
Balance at 31 December	2,027	3,959

17. Remuneration of Key Management Personnel

	2024 $'000	2023 $'000
Short-term employee benefits	4,311	3,280

18. Related Party Transactions

During the year various Directors made donations to the Institute totalling $4,100 (2023: $53,750). No Director received remuneration in connection with their role as Director.

The Institute advanced funds to the Biopoint Group of companies totalling $NIL (2023: $NIL). The Institute paid expenses on behalf of the Biopoint Group totalling $123,183 (2023: $34,968).

19. Particulars in Relation to Controlled Entities

All of the Group's controlled entities are as follows

Entity	Interest Held 2024 %	Interest Held 2023 %	Country of Incorporation
Hepseevax Pty Ltd	–	100	Australia
Burnet Institute (Hong Kong) Limited	100	100	Hong Kong
Biopoint Hong Kong Limited	78.75	78.75	Hong Kong
Biopoint Nanjing Diagnostic Technology Co. Limited	78.75	78.75	China

Hepseevax Pty Ltd has been wound up in 2024 with no financial impact on the Institute.

The consolidated result for the Biopoint subsidiary companies was a surplus of $4,351k (2023: deficit of $73k) of which a surplus of $925k (2023: deficit of $16k) is attributable to the non-controlling interest. The result of Burnet Hong Kong was a surplus of $36k (2023: deficit of $1k). The total deficit attributable to non-controlling interests was $484k (2023: deficit $1,408k).

During the year and subsequent to year end the Biopoint subsidiary companies are being restructured. Biopoint Nanjing Diagnostic Technology Co. Limited is in the process of being wound up. Throughout the year the assets and liabilities of Biopoint Hong Kong have been settled in preparation for wind up resulting in a surplus due to the write-off of a net intercompany payable. When this company is would up the minority interest will be eliminated.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

20. Subsequent Events

Subsequent to year end Biopoint Nanjing Diagnostic Technology Co. Limited and Biopoint Hong Kong Limited will be wound up and the minority interest in Biopoint HK will be eliminated. Burnet Institute (Hong Kong) Limited will also be wound up.

Also subsequent to year end the geo-political climate has resulted in the overall value of our investment fund to decline by 1.30% as at the end of the first quarter. Management are monitoring the situation but are confident in the long-term investment strategy.

Other than these items there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of the Group in future financial years.

21. Financial Risk Management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- price risk
- interest-rate risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework and is also responsible for developing and monitoring risk management policies. Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from cash on deposit and from the Group's receivables from customers and investment securities. In relation to credit risk arising from cash on deposit, the Group only deposits with highly rated counterparties as approved by the Board.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor. Work is only undertaken for another entity once a contract for services has been signed. The demographics of the Group's debtor base, including the default risk of the industry and country in which debtors operate, have less of an influence on credit risk. Approximately 13% (2023: 12%) of the Group's revenue is attributable to transactions with a single debtor, being the Commonwealth Government. However, geographically there is only concentration of credit risk in Australia. Most of the Group's debtors have been transacting with the Group for several years, and losses have occurred infrequently. In monitoring debtor credit risk, debtors' ageing profiles are reviewed as well as any existence of previous financial difficulties.

21. Financial Risk Management (cont)

Investments

The Group limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have a solid credit rating in consultation with the Board and other advisors. Management does not expect any counterparty to fail to meet its obligations.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management monitor cash flow requirements on a regular basis to optimise its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 30 days, including the servicing of financial obligations without the need to draw down from its investments; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group can enter into derivatives in order to manage market risks in consultation with the Board and other advisors. Group risk is also minimised due to limited holdings of foreign currency and professional management of equities.

Price Risk

Price risk is the risk that the fair value or future earnings of a financial instrument will fluctuate because of changes in market prices (other than from interest rate risk or currency risk). The financial instruments managed by the Group that are impacted consist of managed investments.

The price risk associated with the units held in managed investments is that the fair value of those units will fluctuate with movements in the redemption value of those units, which in turn is based on the fair value of the underlying assets held by the managed investments.

Interest rate risk

The Group has adopted a policy to not actively mitigate its interest rate risk due to the fact that there is no variable interest rate liabilities owing by the Burnet.

22. Financial Instruments

	Note	2024 $'000	2023 $'000
Accounting classifications			
The following table shows the carrying amounts of financial assets and financial liabilities.			
Financial assets measured at fair value through profit or loss			
Financial assets - current	9	311,904	317,254
Financial assets - non-current	9	67,338	56,869
		379,242	374,123

Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

22. Financial Instruments (cont)

	Note	2024 $'000	2023 $'000
Financial assets measured at amortised cost			
Trade and Other Receivables	6	7,595	6,923
Cash and cash equivalents		4,219	7,264
		11,814	14,187
Financial liabilities at amortised cost			
Trade and other payables		1,929	2,663
		1,929	2,663

Foreign currency risk

The Group is exposed to foreign currency risk on revenue, purchases, managed investments and bank accounts that are denominated in a currency other than the functional currency of the Parent Entity. The currency giving rise to this risk is primarily US dollars (USD). At any point in time the Group has a natural hedge on USD transactions as it holds a USD bank account to pay USD-denominated expenses.

Measurement of fair values

The following show the valuation techniques used in measuring fair values for financial instruments in the Statement of Financial Position.

Equity securities

Where there is no quoted price of a security, a market comparison technique may be employed. The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee, adjusted for the effect of the non-marketability of the equity securities, and the revenue and EBITDA of the investee. The estimate is adjusted for the net debt of the investee. Significant unobservable inputs may include an adjusted market multiple.

Corporate debt securities

Where there is no active market for corporate debt securities a market comparison or discounted cash flow technique may be employed. 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 of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor. Significant unobservable inputs are not applicable.

23. Parent Entity Disclosures

	2024 $'000	2023 $'000
Result of the parent entity		
Surplus / (Deficit) for the period	3,381	12,417
Other comprehensive income	–	–
Total comprehensive income for the period	3,381	12,417
Financial position of the parent entity at year end		
Current assets	326,360	338,280
Total assets	439,861	439,168
Current liabilities	(37,208)	(35,472)
Total liabilities	(84,054)	(86,742)
Total equity of the parent entity comprising of:		
Retained surplus	352,426	340,009
Total equity	352,426	340,009

As at, and throughout, the financial year ending 31 December 2024 the parent entity of the Group was the Macfarlane Burnet Institute for Medical Research and Public Health Limited.

Burnet Institute International Development Activities Operating Statement

For the year ended 31 December 2024

	2024 $'000	2023 $'000
Revenue		
Donations and gifts – monetary	2,098	448
Donations and gifts – non-monetary	–	–
Bequests and legacies	–	–
Grants:		
• DFAT	7,988	8,877
• Other Australian	4,325	3,430
• Other Overseas	12,494	11,585
Investment Income	–	–
Commercial Activities Income	–	–
Other Income	2,349	2,505
Revenue for international political or religious proselytization programs	–	–
Total revenue	**29,254**	**26,845**
Expenditure		
International aid and development programs expenditure		
International programs:		
• Funds to international programs	29,969	27,157
• Program support costs	1,670	1,506
Community education	–	–
Fundraising costs:		
• Public	583	112
• Government, multilaterals and private	–	–
Accountability and administration	641	583
Non-monetary expenditure	–	–
Total international aid and development programs expenditure	**32,863**	**29,358**
Expenditure for international political or religious proselytization programs	–	–
Domestic programs expenditure	120	–
Commercial Activities Expenditure	–	–
Other Expenditure	–	–
Total expenditure	**32,983**	**29,358**
(Shortfall)/Excess of revenue over expenditure	**(3,729)**	**(2,513)**
Other Comprehensive Income	–	–
Total Comprehensive Income	**(3,729)**	**(2,513)**

Notes: This operating statement represents International Financial Reporting Standards (IFRS) financial information and is extracted specifically for the operations of the International Health Programs as required by the ACFID Code of Conduct. The deficit represents the Institute's additional financial contribution to the programs.

ACFID MEMBER

www.acfid.asn.au Tel: (02) 6285 1816 Fax: (02) 6285 1720

The Macfarlane Burnet Institute for Medical Research and Public Health Limited is a signatory to the Australian Council for International Development Code of Conduct. The Code requires members to meet high standards of corporate governance, public accountability and financial management. These financial statements have been prepared in accordance with the requirements set out in the ACFID code of conduct. More information about the ACFID Code of Conduct can be obtained from ACFID

Directors' Declaration

For the year ended 31 December 2024

1. In the opinion of the Directors of the Burnet Institute:

   (a) the Financial Statements and Notes, set out on pages 11 to 40, including the Burnet Institute International Development Activities Operating Statement, are in accordance with the Australian Council for International Development Code of Conduct and the Australian Charities and Not-for-Profit Commission Act 2012 including:

   (i) giving a true and fair view of the financial position of the Group at 31 December 2024 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and

   (ii) complying with Australian Accounting Standards, the Australian Council for International Development Code of Conduct and the Australian Charities and Not-for-Profit Commission Regulations; and

   (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Dated at Melbourne this 6th day of May 2025

Signed in accordance with a resolution of the Directors:

Mary Padbury
Director

James Flintoft
Director

Independent Auditor's Report

To:the Directors of Macfarlane Burnet Institute for Medical Research and Public Health Ltd

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** and Australian Council for International Development Financial Statements ***(ACFID Financial Statements)*** of Macfarlane Burnet Institute for Medical Research and Public Health Ltd (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 Commission (ACNC) Act 2012 and* and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*, including:

i. giving a true and fair view of the Group's financial position as at 31 December 2024, and of its financial performance and its cash flows for the year ended on that date; and

ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework and Not-for-profits Commission Regulations 2022 (ACNCR) and* section 21 of the *Charitable Fundraising Regulation (NSW) 2021.*

- Compliance Indicator 8.3.2 of the Australian Council for International Development (ACFID) Code of Conduct Annual Reporting Checklist.

The ***Financial Report*** comprises:

i. Consolidated statement of financial position as at 31 December 2024;

ii. 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;

iii. Notes including a summary of material accounting policies; and

iv. Directors' declaration of the Group.

The ***Group*** consists of Macfarlane Burnet Institute for Medical Research and Public Health Ltd (the Company) and the entities it controlled at the year-end or from time to time during the financial year.

The ***ACFID Financial Statements*** comprises:

i. Consolidated statement of financial position as at 31 December 2024;

ii. The Company's International Development Activities Operating Statement and the Statement of changes in equity for the year then ended; and

iii. Directors' Declaration of the Group.

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* 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 fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Other Information is financial and non-financial information in Macfarlane Burnet Institute for Medical Research and Public Health Ltd.'s annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon, except for the ACFID Financial Statements and our related assurance opinions.

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.

Responsibilities of the Directors for the Financial Report and ACFID Financial Statements

The Directors are responsible for:

i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards, the ACNC, ACNCR, section 21 of the *Charitable Fundraising Regulation (NSW) 2021* and that complies with Compliance Indicator 8.32 of the Australian Council for International Development (ACFID) Code of Conduct Annual Reporting Checklist;

ii. Preparing the Financial Report in accordance with sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*;

iii. The fair presentation of the ACFID Financial Statements in accordance with the ACFID Code of conduct;

iv. Implementing necessary internal control to enable the preparation of a Financial Report and ACFID Financial Statements that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

v. Assessing the Group and Company'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 and company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report and ACFID Financial Statements

Our objective is:

i. to obtain reasonable assurance about whether the Financial Report and ACFID Financial Statements as a whole is free from material misstatement, whether due to fraud or error; and;

ii. 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 this Financial Report and ACFID Financial Statements.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

i. 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.

ii. 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 registered Group's internal control.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

iv. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Group and Company to cease to continue as a going concern.

v. 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.

vi. Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors of the registered Company 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.

Report on Other Legal and Regulatory Requirements

Opinion pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

i. the Financial Report gives a true and fair view of the Group's financial result of fundraising appeal activities for the financial year ended 31 December 2024;

ii. the Financial Report has been properly drawn up, and the associated records have been properly kept for the period from 1 January 2024 to 31 December 2024, in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations;

iii. money received as a result of fundraising appeal activities conducted during the period from 1 January 2024 to 31 December 2024 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and Regulations; and

iv. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

KPMG

Opinion pursuant to the ACFID Code of conduct

In our opinion, the ACFID Financial Statements of the Group is presented fairly, in all material respects, in accordance with the ACFID Code of Conduct for the year ended 31 December 2024.

KPMG

KPMG

Antoni Cinanni
KPMG
Melbourne
6 May 2025

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Burnet has offices in Papua New Guinea and Myanmar, and also contributes to research and public health programs in many other countries across Asia, the Pacific, Africa, Europe, and North America.

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