

Annual Report 2023 - 2024

Providing world leading research and
hearing services for the wellbeing of
all Australians

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Letter to the Minister

The Hon Bill Shorten MP
Minister for the National Disability Insurance Scheme
Minister for Government Services
Parliament House
CANBERRA ACT 2600

Dear Minister,

I am pleased to present Hearing Australia's Annual Report for the year ending 30 June 2024.

The Report has been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013* and relevant regulatory guidelines.

The Report outlines the achievements and performance outcomes of Hearing Australia during 2023–24.

Hearing Australia helped almost a quarter of a million children and adults with hearing loss during the year, achieving satisfaction rates of 87 per cent. We visited 263 First Nations communities and our research arm – the National Acoustic Laboratories – concluded 18 years of data collection in the Longitudinal Outcomes of Children with Hearing Impairment (LOCHI) study.

Our work changes lives and we remain committed to building on our rich legacy and improving our services, our organisation and the value we provide to our clients, Government and the communities we serve.

We also thank you for your ongoing support of Hearing Australia and your strong personal commitment to transforming peoples' lives through addressing hearing loss.

Yours sincerely,




Ms Elizabeth Crouch AM
Chair
25 September 2024

Acknowledgement of Country

Hearing Australia would like to acknowledge and pay our respects to the Traditional Owners of the land on which we live and work.

We pay our respect to Elders past, present and emerging and acknowledge the longest continuing culture on Earth.

We extend our acknowledgement and respect to all Aboriginal and Torres Strait Islander peoples with whom we work and who we serve, now and into the future.



Artwork created by Davinder Hart who is an Aboriginal artist born in Perth, Western Australia. His family roots connect from Bibbulmun and Katanning in the south west region of the Noongar people.

Our Commitment

We commit to empowering Aboriginal and Torres Strait Islander peoples at every opportunity to advance their health, wellbeing and self-determination.

We commit to listening to, learning, understanding, respecting and celebrating Aboriginal and Torres Strait Islander peoples' diverse cultures and perspectives and to reflecting this in how we work with the community.

We commit to co-designing our services with Aboriginal and Torres Strait Islander leaders, peoples and communities to design services that best suit their needs and to ensure these services are holistic, culturally safe, and free from racism and discrimination, so communities can access the help they need, when they need it.

We will continuously improve the way we work and engage with Aboriginal and Torres Strait Islander peoples, so that all people feel safe and respected.

Aboriginal and Torres Strait Islander health workers are critical to closing the gap in health outcomes. We are committed to increasing the numbers of Aboriginal and Torres Strait Islander staff working with us, particularly in remote and regional communities.

We aim to demonstrate these commitments in our work across Australia, every day.

We will show this in how we engage with and serve Aboriginal and Torres Strait Islander peoples and communities, through our corporate and business planning and through implementing our Reconciliation Action Plan.



Overview

Message from the Chair and Managing Director

At Hearing Australia, we keep our clients at the centre of everything we do.

Our services change the lives of babies, children, adults and the elderly living with hearing loss. Since our establishment in 1947, Hearing Australia and our research arm – the National Acoustic Laboratories – have assisted over two million Australians, and countless more around the world, to live, learn, work and fully participate in their communities.

Hearing Australia's mission is to provide world leading research and hearing services for the wellbeing of all Australians.

During 2023-24 we helped 246,998 children and adults across Australia through the provision of hearing assessments, hearing devices and support services, achieving client satisfaction rates of 87 per cent.

We supported 174,215 commercial clients, many of whom are pensioners and veterans; and provided Government-funded hearing services to 62,041 children, young adults, Aboriginal and Torres Strait Islander people, and adults with complex needs, through the Community Service Obligations (CSO) Program. Pleasingly, we secured the support of the Australian Government to extend this Program for another five years, ensuring the most vulnerable people with hearing loss in Australia continue to have access to Government-funded hearing care.

Our services were delivered online, through our call centre, in our national network of 189 hearing centres, via telehealth, through thousands of home visits, and visits to many metropolitan, regional and remote communities across Australia.

Our excellence in client care was recognised by being awarded the most trusted hearing services provider in Australia for the fourth year running by Reader's Digest magazine.

Our commitment to improving the hearing health of First Nations people remained a key priority. During 2023-24 we provided Government-funded hearing care to 10,415 Aboriginal and Torres Strait Islander children and adults and assessed a further 10,742 young First Nations children through our Hearing Assessment Program – Early Ears (HAPEE). Around 26 per cent of these children were found to have an undiagnosed hearing loss, and without this service may have continued to struggle to hear, learn and engage with their families and communities, missing important cultural milestones and development opportunities.

Importantly, the Australian Government also extended its funding for the HAPEE program through to 30 June 2026, allowing us to continue to work with health services across Australia supporting the early detection and remediation of ear disease and hearing loss in First Nations children.

During 2023-24 we expanded upon our commitments to Aboriginal Community Controlled Health Organisations (ACCHOs). Hearing Australia has worked with ACCHO's over many years and during 2023-24 established Shared Hearing Services Plans with 22 ACCHOs, providing greater certainty and commitment to improving the hearing health of their communities over the next four years. We plan to extend this initiative and pursue similar plans in collaboration with other ACCHOs during the 2024-25 financial year.

We also worked with Audiology Australia, universities and our partners to explore how we might make it easier and more attractive for more First Nations peoples to pursue education and careers in audiology and the hearing sector more broadly. This work strongly aligns with priorities under the *National Agreement on Closing the Gap and the National Aboriginal and Torres Strait Islander Health Plan 2021-2031*.

Another important priority during 2023-24 was supporting 636 young children with hearing loss gain access to the National Disability Insurance Scheme (NDIS) to receive early intervention services to support their developmental needs.

The launch by the Hon. Bill Shorten MP, Minister for the National Disability Insurance Scheme and Minister for Government Services, of Hearing Australia's partnership with the Salvation Army in Melbourne to support homeless people with hearing loss was another highlight. We are continuing to explore similar opportunities with other community providers supporting vulnerable communities.

The National Acoustic Laboratories had another outstanding year, completing 18 research projects in collaboration with the Australian Government, the hearing health sector and technology partners. This included completing a world-first large-scale multi-site trial of the benefits of Cochlear implant sound processor upgrades; validating the benefits of new hearing aid technology that places a microphone at the entrance to the ear; and the completion of data collection on NAL's ground-breaking 18-year longitudinal study on children born with hearing loss

We also launched our new website, making it easier for Hearing Australia clients to access information, book appointments and order batteries for their hearing devices.

Striving for high performance

We have continued to invest in our people and our systems while pursuing our commitments to social responsibility, governance and sustainability.

We have a highly committed workforce of around 1,400 people located across Australia and during 2023-24 we successfully negotiated a new Enterprise Agreement (EA) with them. The new EA provides our people with better terms and conditions while better reflecting the organisation's growth plans and ongoing evolution as a business.

We also focused on building our leadership capability and ensuring that all our clinical employees are professionally supported and maintain the necessary clinical accreditation.

We launched our new Employee Value Proposition (EVP) – *It matters more at Hearing Australia*. This was developed in collaboration with our people and reflects our purpose and our values as an organisation. This new EVP is supporting our efforts to attract and retain high quality staff.

We adopted a new Wellbeing Strategy 2024-26 which outlines our legal, ethical and moral obligations and our commitment to ensuring employee safety and wellbeing, and we also implemented our fifth Reconciliation Action Plan.

As part of our ongoing commitment to leveraging new technology and improving our services we implemented a new ICT platform in July 2023 to replace ageing client management and financial systems. The transition to the new platform was challenging

and impacted our clients and our operations, particularly in the first quarter of the financial year. While we continued to support our clients, they experienced longer processing times, with data issues impacting our clinical workforce and our financial results. We responded immediately to stabilise the platform and support our clients and people, with our operational and financial results improving. These system issues meant that we helped 12.6 per cent less clients over the financial year compared with the record number seen in 2022-23. This resulted in Hearing Australia having an operating loss of \$17.5 million for the year, which was worse than the expected loss of \$6.9 million due to the costs of implementing the new ICT platform.

Our operational and financial results in the second half of 2023-24 were, however, positive and demonstrated a strong turnaround, positioning Hearing Australia well to deliver on our Corporate Plan 2025-28 targets and highlighting the strength of the organisation, the quality of our people and the positive impact Hearing Australia has supporting people with hearing loss.

The year was also a landmark for Hearing Australia in terms of corporate social responsibility, with the release of our inaugural Environment, Social and Governance (ESG) Sustainability Report. We are aiming to further improve our environmental and social performance, and this Report serves as a testament of our efforts to vertically integrate sustainability and societal equality across our operations and supply chains. We will report against these ESG commitments annually.

We are grateful for the support of our Minister, the Hon Bill Shorten MP, his passion for the work of Hearing Australia and his engagement and numerous visits to our hearing centres across Australia to meet with clients and staff.

We would also like to thank our many partners. Hearing Australia's success is due in no small part to the support of many individuals and organisations and partners. We acknowledge the importance of their work in improving the hearing health of all Australians.

We also thank our Board members for their guidance and commitment to Hearing Australia, with a special thanks to former Board member, Ms Shirley Liew, whose term as Director and Chair of our Audit and Risk Management Committee concluded during the year.

And finally, to our Executive Team and our people, a heartfelt thank you for your commitment to serving our clients, for your resilience and professionalism. Your work improves the hearing health of thousands of children and adults each week, positively impacting their lives and life experiences both here in Australia and around the world.

Ms Elizabeth Crouch, AM
Chair
Hearing Australia

Mr Kim Terrell
Managing Director
Hearing Australia



Introduction

Over 3.6 million Australians have some level of hearing loss, and this number is forecast to double to an estimated 7.8 million people by 2060¹. This is a major economic and social challenge, compounded by further factors which pose challenges for the primary health system to rapidly identify and support people with hearing loss.

Hearing loss can profoundly impact an individual, leading to reduced workforce participation and social isolation. If not addressed early, hearing loss impacts the way children speak, learn and interact with others, with potential lifetime effects.

Our clients remain at the heart of everything we do, and we work to ensure that they are able to access the hearing solutions they need, including being able to access the latest and most advanced hearing technologies.

Hearing Australia operates in a rapidly changing and highly competitive domestic and global marketplace. As such, we must anticipate and respond to:

- the evolving expectations of our clients for our services to be convenient and accessible
- increases in community hearing loss associated with an ageing population, noise induced hearing loss, and unacceptably high levels of ear disease in First Nations children
- broader Australian Government priorities and initiatives, including in relation to the National Agreement on Closing the Gap, the National Disability Insurance Scheme, the Aged Care sector, First Nations peoples' health, and the Government's Hearing Services Program
- continuing advances in technology and the use of data, including the increasing uptake of digital solutions, 'over the counter' devices and hybrid service models
- an increasingly dynamic marketplace, dominated by large, multinational manufacturers and their subsidiaries, as well as emerging non-traditional competitors
- broader economic and consumer trends
- a tight labour market, where the demand for people with the skills critical to our success is high and is likely to remain so into the future
- increases in cyber security threats, coupled with associated supply chain impacts, and
- an increased focus on integrity, reconciliation with our First Nations peoples and environmental, social and governance responsibilities.

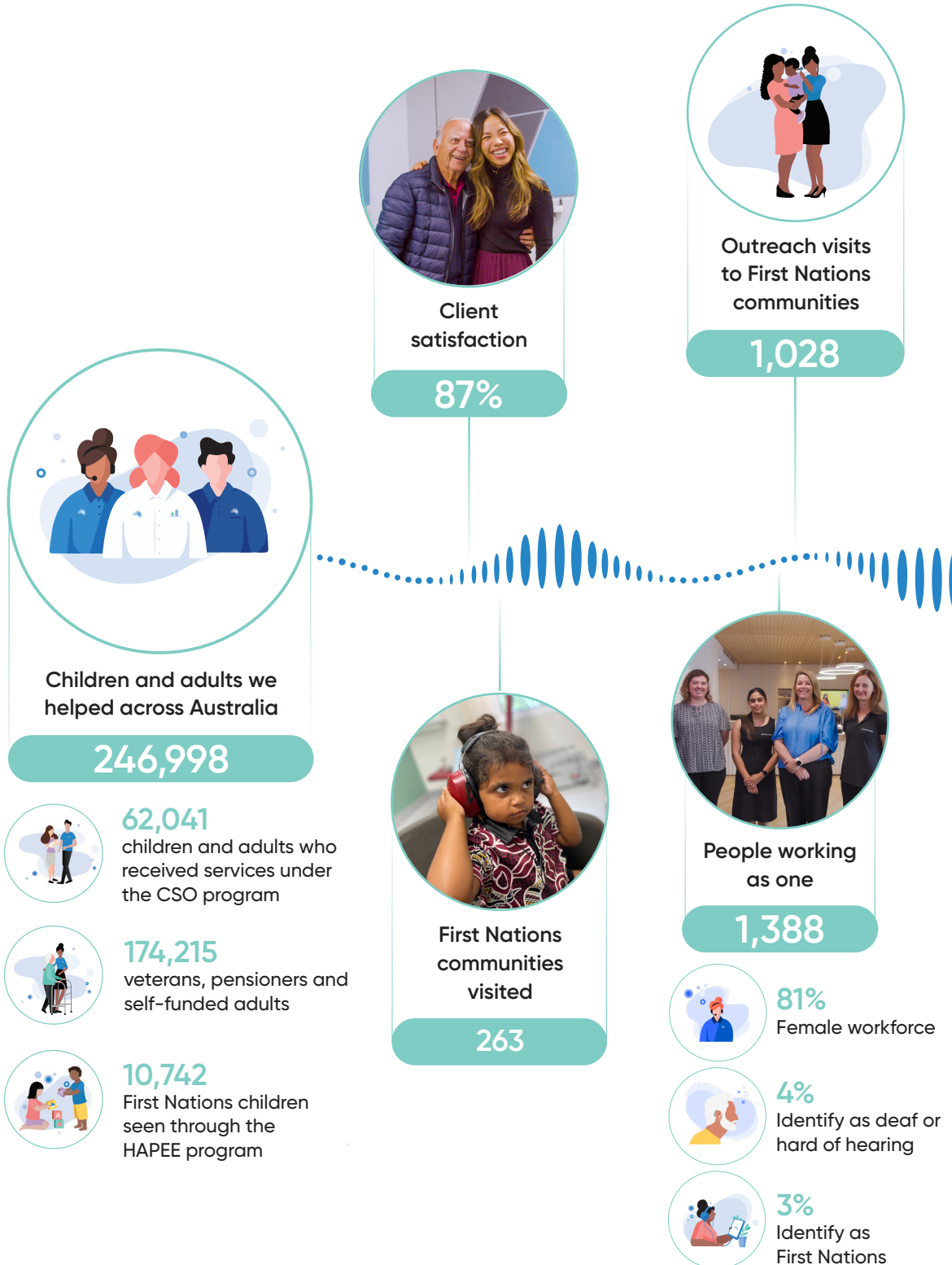
Hearing Australia's strategic pillars guide the organisation's priorities. During 2023-24, these were:

- delivering excellent outcomes
- providing great value to the Australian Government and our partners, and
- being a high performing organisation.

Each pillar underpins our purpose to provide world leading research and hearing services for the wellbeing of all Australians.

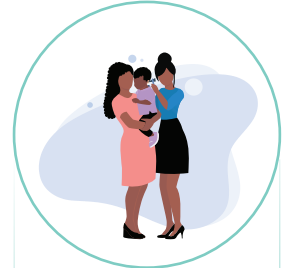
1. Deloitte Access Economics (2017). The social and economic cost of hearing loss in Australia

The year at a glance



Client satisfaction

87%



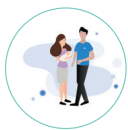
Outreach visits to First Nations communities

1,028



Children and adults we helped across Australia

246,998



62,041

children and adults who received services under the CSO program



174,215

veterans, pensioners and self-funded adults



10,742

First Nations children seen through the HAPEE program



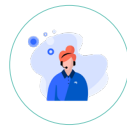
First Nations communities visited

263



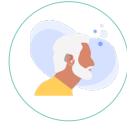
People working as one

1,388



81%

Female workforce



4%

Identify as deaf or hard of hearing



3%

Identify as First Nations



Research
changing lives

Delivered



62
conference presentations
and public talks



26
publications



44
active projects



Providing information



535,595
visits to our website



3.2 million
people reached on Facebook



652,000
people reached on Instagram



11,460
followers on LinkedIn



Lowered electricity
emissions (market
based) by over 40%
and domestic air
travel emissions
by 34%

Achieved



4 years in a row

Most trusted



88 RAP
deliverables with
majority of Year 1
actions completed

On track

About Hearing Australia

Since our establishment in 1947, Hearing Australia and our research arm - the National Acoustic Laboratories - have helped over two million children and adults across Australia and countless more people across the world with our care, compassion, professionalism and innovation.

Hearing Australia has a long and proud history of helping those with hearing loss. Since our establishment to help returned World War II veterans and young children affected by the rubella epidemic of the early 1940s, our highlights over the past 77 years include:

- launching Australia's first hearing aid in 1948
- making our first visit to a Northern Territory Aboriginal community in 1954
- launching Australia's first in-ear hearing aid in 1965
- being established as a statutory authority - *Australian Hearing Services* - in 1991
- starting to deliver the Community Service Obligations (CSO) program in 1997, and
- establishing the Hearing Australia brand and the HAPEE Program in 2019.

We provide Australians with a wide range of information, education, research and clinical services, including hearing assessments, the fitting of hearing devices and follow-up services.

This includes providing Government-funded hearing services to:

- children and young adults under the age of 26 years
- Aboriginal and Torres Strait Islander adults aged over 50 years or who are participating in Community Development Programs
- pension concession card holders
- recipients of Centrelink sickness allowance
- holders of a Department of Veterans' Affairs Gold and White card, and
- National Disability Insurance Scheme (NDIS) participants.

We also provide support to those who are ineligible for Government-funded hearing services and who cover their own costs of care.

With support from our head office at the Australian Hearing Hub on the campus of Macquarie University, we deliver our services online, via our call centre, through our national network of 189 hearing centres, through thousands of home visits, and visits to many metropolitan, regional and remote community locations across Australia.

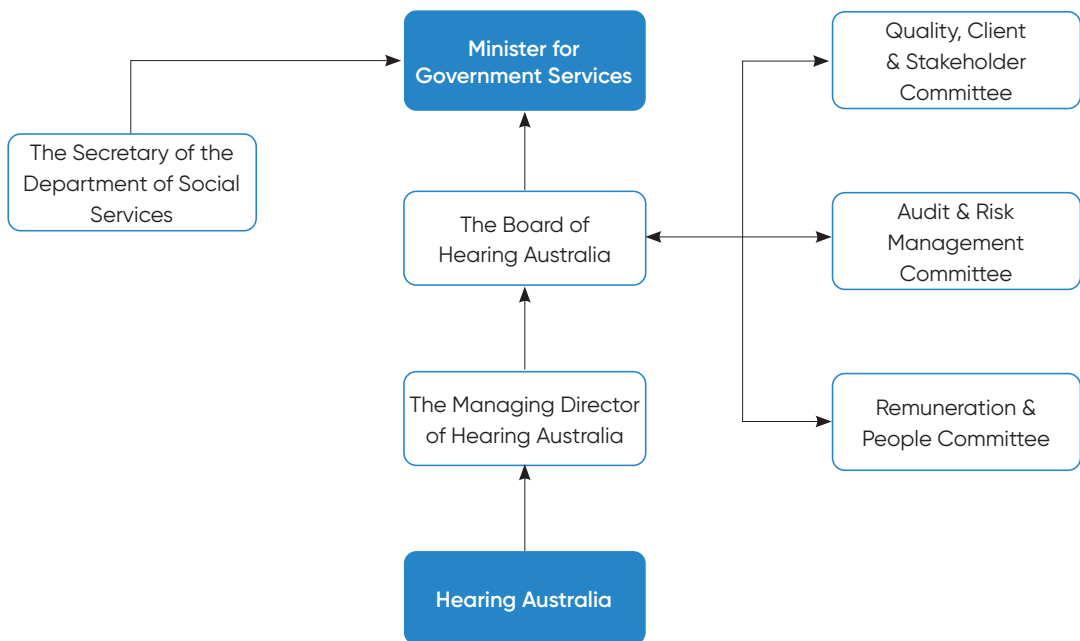
Organisational Governance

Hearing Australia operates under the *Australian Hearing Services Act 1991 (AHS Act)* and the *Public Governance, Performance and Accountability Act 2013 (PGPA Act)*. Under the PGPA Act, Hearing Australia is defined as a corporate Commonwealth Entity.

The Board of Hearing Australia is our accountable authority, and it is responsible for determining the objectives, strategies and policies to be followed and for ensuring that Hearing Australia performs its functions in a proper, efficient and economical manner.

The functions and powers of the Board are set out in sections 8 and 9 of the AHS Act and are summarised, along with details of the membership of the Board, in Appendix 1: Board of Directors.

Hearing Australia's organisation structure



Minister for Government Services

Hearing Australia reports to, and is accountable to, the Minister for Government Services.

The Hon Bill Shorten MP, the Minister for the National Disability Insurance Scheme and Minister for Government Services, is responsible for administering the AHS Act except to the extent that the Act is administered by the Minister for Health and Aged Care, the Hon Mark Butler MP.

The Department of Social Services works closely with Hearing Australia, providing advice to the Minister in relation to his responsibilities regarding Hearing Australia.

The Australian Hearing Services Act 1991

Hearing Australia is established under the *Australian Hearing Services (AHS) Act*, and our functions, as detailed in Part 2 Section 8 of the AHS Act are:

- (a) to provide hearing services to voucher holders in accordance with an agreement entered by the authority under Part 3 of the *Hearing Services Administration Act 1997*:
- to provide declared hearing services to young Australians
 - to provide declared hearing services to referred Comcare clients
 - to provide declared hearing services to referred Commonwealth employees
 - to provide declared hearing services to designated persons.
- (b) to carry out research and development (including co-operative research with other institutions) into:
- assessment of hearing
 - hearing aids and procedures for fitting hearing aids
 - hearing rehabilitation
 - hearing loss prevention
 - the effects of noise on the community.
- (c) to enter arrangements for research, design and development of hearing services
- (d) to enter arrangements for supply of hearing services
- (e) to provide, as appropriate, for the training and education of persons or bodies (including overseas bodies) providing hearing services
- (f) to provide advice on, and to conduct public education programs in relation to, hearing services provided by the authority
- (g) to develop standards in relation to noise levels in the community that are acceptable in connection with the prevention of hearing loss
- (h) to provide consultancy services relating to any of the matters referred to in this subsection
- (i) to promote the establishment of export markets for Australian hearing services
- (j) to operate special acoustic facilities for acoustic measurement and research
- (k) such other functions as are conferred on the authority by the Act
- (l) any functions incidental to any of the foregoing functions.

The Year in Detail

Delivering excellent client outcomes

Overview

Hearing Australia is committed to delivering excellent outcomes and exceptional client experiences, and to working with our partners to prevent avoidable hearing loss.

Our key priorities in this area during 2023-24 focused on:

- (a) leveraging insights, emerging technologies, data and feedback to make it easier for our clients to get the help they need

Changing lives through new hearing aid technology

In 2023, we launched our Hearing Australia branded hearing aids, and research from NAL reveals how the new technology is helping to improve the way our clients experience sound.

Padraig Kitterick, Head of Adult Hearing Research at NAL explains, "Our studies show that users of the new microphone and receiver in the ear (M&RIE, pronounced 'Marie') technology can more accurately locate sound direction, with 80 per cent of participants better able to locate where sounds were coming from compared to a standard hearing aid."

NAL also found that two out of three clients say they prefer the M&RIE hearing aids in noisy listening situations such as food courts and cafes.

"People with hearing loss want to be able to better locate sounds, have more natural sound quality and reduce the concentration and effort it takes to listen. We tested the hearing aid's performance for each of these factors and our research shows that this new technology is delivering those improvements."



For 19-year-old Hearing Australia client, Josh, being introduced to 'in-the-ear' technology has been 'a dream come true'.

"I can definitely say my confidence has taken a huge leap since I started using my new aids – they are much less noticeable," said Josh.

"I've always loved my music and to now be able to listen on a different level just left me speechless. I heard instruments I couldn't hear before."

- (b) improving the accessibility of our services across our service channels and optimising our hearing centre footprint, and
- (c) working with Aboriginal and Torres Strait Islander people and communities, the community-controlled sector, and government and sector partners to continue to implement our Action Plan to improve ear health and hearing outcomes of First Nations children.

Commercial Hearing Services

Hearing Australia provides commercial hearing services to pensioners and veterans who are eligible for Government-funded services through the Hearing Services Program (HSP), and to self-funded adults who meet the cost of their own services.

During 2023–24, we provided services to 129,539 clients who were eligible for services under the HSP and to 44,856 self-funded clients, with client satisfaction rates of 87 per cent.

A journey to better hearing

The journey to better hearing for Hearing Australia client, Rob, serves as a great example of the transformative power of early intervention.

At 71, Rob attributed changes in his hearing to the natural course of ageing, he noticed it especially in bustling environments like restaurants. Unbeknown to him, difficulty hearing the TV and navigating noisy settings hinted at Rob potentially having a hearing loss. A fortuitous read of his library's newsletter prompted Rob to seize the opportunity for a free hearing test with Hearing Australia at his local library. The hearing check revealed that Rob had hearing loss in both ears, leading to a referral to an audiologist at his local Hearing Australia hearing centre. A comprehensive assessment unveiled various options available to him, including cutting-edge hearing aid technology.

"I realised it was going to help me, so I was looking forward to getting the hearing aids. Nevertheless, I was unsure how I would go wearing hearing aids, but they're comfortable, and I'm not conscious of wearing them. Hearing loss is a gradual



thing that you're not consciously aware of, but [after the check] I am now fully aware of the level of my hearing loss," shared Rob.

Government funded hearing services for vulnerable populations

Hearing problems can have disproportionate impacts on children and young adults, people with complex hearing needs, those with disabilities, and First Nations peoples.

The Government supports the provision of targeted hearing services to support these members of our community through the Community Service Obligations (CSO) Program, funded under the Hearing Services Program. During 2023–24 Hearing Australia provided CSO services to 62,041 children and adults, with survey data indicating that 88 per cent were very satisfied with their experience, and 98 per cent saying they felt comfortable and respected.

Services for babies, children and young people

In 2023–2024, Hearing Australia provided hearing services to 33,752 children and young adults through the CSO program, including 3,062 Aboriginal and Torres Strait Islander children and young adults.

During the year we also fitted 4,038 remote microphone systems to children and young adults. These systems are used in addition to hearing aids and cochlear implants to overcome the effects of distance, background noise and reverberation on hearing quality; and can be particularly useful in a classroom environment. A survey of our clients aged under 18 found that just over a quarter of them use their remote microphone systems for both social and educational activities, demonstrating their value for not only supporting engagement in education but also in broader community activities.

We also provided 896 Cochlear Implant Speech Processors in 2023–24, which was 12 per cent more than in 2022–23. We continue to work with the Department of Health and Aged Care to respond to increases in demand for these upgrades and in meeting cost increases.

Services for adults with complex hearing rehabilitation needs

In 2023–24 we provided services to 24,887 adults with complex hearing needs through the CSO Program. Most of these adults have a severe or profound hearing loss or a poor understanding of speech and require much more than a well fitted hearing aid to participate fully in life. Other clients in this group may have hearing loss and an additional disability which impacts their communication.

In 2023–24, 87 per cent of our clients with complex hearing needs reported that their enjoyment of life had improved because of their hearing aids. To help maximise these clients' ability to communicate, 75 per cent of them were provided by Hearing Australia with a specialised communication assessment and individual training programs.

Services for Aboriginal and Torres Strait Islander adults

In 2023–2024 Hearing Australia provided CSO services to 7,163 Aboriginal and Torres Strait Islander adults.

In line with previous years, over 60 per cent of our First Nations adult clients chose to receive hearing services at one of our hearing centres or visiting sites, and 99 per cent of these clients reported that they felt comfortable and respected when receiving our services.

We also worked closely with Aboriginal and Torres Strait Islander communities to provide hearing services in urban, regional and remote locations, providing a total of 1,028 outreach visits to 223 communities.

Our outreach services include counselling and guidance to support listening and communication; regular review of hearing and communication needs; selecting, fitting and helping people make good use of hearing devices; and ongoing clinical care and device repair services.

Delivery of services under the NDIS

Hearing Australia is an approved provider of services under the National Disability Insurance Scheme (NDIS). During 2023–24, Hearing Australia maintained the NDIS early intervention pathway for children aged 0–6 years, with 636 families accessing this pathway. The pathway, which is strongly supported by families and NDIS providers, fast-tracks NDIS eligibility testing and the provision of an interim

NDIS plan for young children who have hearing loss, facilitating rapid access to the NDIS and prioritising these children for NDIS plan approval.

In addition, 1,463 Specialist Adult NDIS participants were provided with hearing services during the year. Services provided to these clients depend on each participant's NDIS plan but can include hearing assessments, hearing devices and assistive listening technology.

Extension of the CSO program

During 2023–24, the Memorandum of Understanding between the Department of Health and Aged Care and Hearing Australia to deliver the CSO Program was extended for a further five years to 30 June 2029. This will ensure that some of the most vulnerable Australians with hearing loss, particularly babies and children, will continue to have access to the specialist hearing services and devices they need.



Hearing Australia and Orange Aboriginal Medical Service partnership delivering positive results for First Nations peoples

Hearing Australia and Orange Aboriginal Medical Service (OAMS) are working together to encourage parents and carers of First Nations children to get their children's hearing checked regularly. The two organisations collaborated to co-design a new four-year Shared Hearing Services Partnership to increase the impact of hearing services for Orange's First Nations community and to build the capability of local health professionals.

Under the Partnership, Hearing Australia is working with OAMS to deliver regular hearing services tailored to the needs of the community. Local health professionals are also getting support to help streamline referral pathways and to connect with other services.

Jamie Newman, CEO of OAMS says, "Hearing Australia and Orange Aboriginal Medical Service share the same goal. We're both committed to improving health outcomes for First Nations people.



Our teams are working together to give our mob the best access to hearing services. The strength of this partnership is our collaboration in the spirit of true co-design and our shared commitment to staying on track to achieve our goal."

Our focus on First Nations Hearing Health

In 2023–24, Hearing Australia continued to engage with Aboriginal and Torres Strait Islander peoples and leading national experts in hearing healthcare to implement our First Nations Action Plan to improve the ear health and hearing outcomes of Aboriginal and Torres Strait Islander children. The three-year Action Plan supports early detection and treatment of ear disease and hearing loss, and details Hearing Australia's commitment to system improvements, removing barriers and accelerating access to care. At the conclusion of its second year, 13 per cent of actions under the Plan had been completed, and 75 per cent of

actions were on track for completion. During 2024–25 we will be focussing on completing the remaining actions.

Assessment services for Aboriginal and Torres Strait Islander children

Otitis media or 'middle ear infection' – is a common childhood illness that occurs more often and causes more long-term damage to Aboriginal and Torres Strait Islander children compared with non-Indigenous children.

We have delivered the HAPEE program since 2019 to increase the accessibility of early ear and hearing assessment for Aboriginal and Torres Strait Islander children aged 0–6 years. This program is delivered nationally across metropolitan, regional, remote and

very remote locations, with children able to access the service via their local Aboriginal Community Controlled Health Service, State Health Services, early childhood education services and our network of hearing centres.

During 2023-24 we undertook clinical assessments of 10,742 First Nations children in 263 communities. We further analysed the results of the 20,000 children seen by the HAPEE program from July 2019 to June 2023. The results highlighted that children under three years of age have significantly higher rates of ear problems than children aged between four to six years, and that children living in remote communities have higher rates of ear disorder than children in regional Australia.

Building capabilities and supporting local communities

Community liaison, training and raising awareness of the importance of ear and hearing health are crucial aspects of our outreach program. We work in close partnership with local organisations such as ACCHOs, schools, early

education providers, communities and families, to tailor our services to best meet the needs of each community we visit.

During 2023-24 we continued to work with ACCHO's to co-design community focussed Shared Hearing Service Plans. During the year we successfully completed 22 of these partnership agreements, with a further eight awaiting final signature.

We also worked closely with the NSW based *Ear Train* program, assisting them to deliver 25 training workshops to over 400 health workers and provided direct support to health workers to undertake hearing assessments for 500 young children.

Hearing Australia also provides free online professional development, through an online learning portal for primary health care workers, early childhood education and care service educators, primary school teachers and other workers in the education sector, to support early identification of possible hearing issues in children.



Providing great value to Government and partners

Overview

Hearing Australia delivers significant services on behalf of the Australian Government and the community. We are committed to working with the Australian Government and our partners to help shape and deliver policies and programs which improve the hearing health of our nation and to increase the value of these services to the taxpayer.

During 2023–24 our key priorities in this area were to strengthen our engagement within the Australian Government on the design and delivery of Government-funded hearing services, to support broader Government priorities and initiatives which seek to improve Australians' hearing health, and to deliver outstanding research to improve the lives of people with hearing loss through the National Acoustic Laboratories (NAL).

Working with Government and our partners

In 2023–24 we worked closely with our Minister, the Hon. Bill Shorten MP; the Department of Health and Aged Care (Health), the Department of Social Services, the National Disability Insurance Agency, the National Aboriginal Community Controlled Health Organisation, universities and other higher education institutions, Cochlear and our industry partners to deliver and improve our services and research activities.

The Minister officially opened our Darwin hearing centre in August 2023. This centre, on Larrakia Country, is key to delivering Hearing Australia's outreach services across the Northern Territory, with nearly 20 per cent of Hearing Australia's First Nations clients based in the Territory. The Darwin hearing centre coordinates over 80 outreach trips to 45 communities across the Territory each year, using audiologists from around Australia. Darwin-based staff also support the Alice Springs area with specialist paediatric hearing services.

During the year the Minister also opened our new hearing centre in Figtree, established to support clients in the Illawarra Region of NSW. This centre supports around 1,000 CSO Program clients, two-thirds of whom are children, plus a further 2,800 commercial clients. This centre also provides outreach services for First Nations clients who attend the Illawarra Aboriginal Medical Service, plus hearing care to residents of around 15 nursing homes in the area.

The Minister also opened our new hearing centre in Belconnen, in April 2024 – our third permanent hearing centre in the ACT. Our Belconnen team also offers home visiting services and provides regular hearing care to local communities in Cooma and Yass.

Partnership with the Salvation Army

In October 2023, Minister Bill Shorten launched a new partnership between the Commonwealth, Hearing Australia and the Salvation Army.

Based out of the Magpie Nest Café at the Salvation Army's Project 614 in the Melbourne CBD, Hearing Australia provides hearing services to people who may be homeless, or have drug and alcohol addiction, or mental health and general health issues.

The Magpie Nest Café provides free meals, crisis intervention and support, general and ongoing support to people in need.

Hearing Australia is providing regular support services to clients of the Nest for listening and communication. This includes reviews of hearing and communication needs, selecting, fitting and helping people make good use of hearing devices, and ongoing clinical care and device repair services.

Major Brendan Nottle, the Salvation Army Melbourne Project 614 says, "We are extremely grateful to NDIS and Government Services Minister Bill Shorten for connecting us with Hearing Australia.

"The work they have been doing in the cafe in recent times has been transformative for some of the most vulnerable people in our community. Hearing Australia are conducting hearing tests in a very relaxed and informal environment and helping to provide the support people need to become reconnected with the community once again."



The Minister also launched, in October 2023, Hearing Australia's partnership with The Salvation Army's *Magpie Nest* café. The Magpie Nest provides accommodation, crisis support, intervention, information, practical assistance and ongoing support to people in need, including the homeless and those who are impacted by mental health issues. Hearing Australia is providing clients of the Nest, many of whom are eligible for the Hearing Services Program, with support services for listening and communication; regular review of hearing and communication needs; assistance selecting, fitting and making good use of hearing devices; and ongoing clinical care and device repair services.

The Minister met with Hearing Australia's Board and regularly met with our Chair, Ms Elizabeth Crouch AM and Managing Director, Mr Kim Terrell, to discuss Hearing Australia's performance and strategic direction.

During the year we also worked with Audiology Australia, universities and our partners to explore options to make it easier and more attractive for First Nations peoples to pursue education and careers in audiology and related fields, to support the provision of culturally appropriate services to Aboriginal and Torres Strait Islander people - a vital element of supporting First Nations peoples to access the hearing healthcare they need.





Taking action on occupational noise-induced hearing loss

Through our research division – the National Acoustic Laboratories – and the ongoing support of our many partners, we’ve made significant progress in understanding workplace noise hazards and identifying ways to better protect the hearing health of workers. However, we know there is still more to be done to spread the word about the risks of occupational noise-induced hearing loss.

For National Safe Work Month in October 2023, we worked with our partners to develop a suite of resources called *The Prevention Toolkit*. The Toolkit includes factsheets, posters, infographics and other useful content to help raise awareness about occupational noise-induced hearing loss.

Hearing Australia client Grant says, “For some time, I’d been experiencing constant ringing in my ears, which was mainly noticeable at night when in a quiet room watching TV,” says Grant. “I went to see Hearing Australia for a hearing assessment, and they discovered

some hearing loss. I tried some hearing aids and was amazed with the quality, clarity and the hearing improvement I experienced. The tinnitus also reduced and that really surprised me. I’d recommend all tradespeople have their hearing tested regularly.”

With an estimated more than 1.1 million Australians exposed to hazardous noise in their workplace², we will continue to work closely with government, industry and our partners, to help employers and employees prevent hearing loss caused by noise exposure.



2. Lewkowski K, Heyworth JS, Li IW, Williams W, McCausland K, Gray C, Ytterstad E, Glass DC, Fuente A, Si S, Florath I. Exposure to noise and ototoxic chemicals in the Australian workforce. *Occupational and environmental medicine*. 2019 May 1;76(5):341–8.



The National Acoustic Laboratories (NAL) had significant success in 2023–24 towards its mission to undertake cutting edge hearing research and evidence-based innovation to improve hearing health and transform the lives of people with hearing difficulties.

NAL undertook 44 active projects during the year and delivered outcomes from 16 projects. Completed projects included:

- recommendations for new minimum hearing aid specifications in the Hearing Services Program
- assessment of the benefits of hearing aids for children with mild hearing loss in challenging listening situations
- investigating the relationship of hearing loss with loneliness, social isolation, and psychosocial functioning in older people, and
- improving videoconferencing communication for people with hearing loss.

During 2023–24, NAL commenced 22 projects, addressing a variety of important hearing healthcare needs, including:

- the development of an artificial intelligence (AI) persona to better understand the needs of people with hearing loss

- the development of a new tool for evaluating listening outcomes in school-entry children with unilateral (single ear) and mild hearing loss
- enhancing goal setting for clients who receive hearing devices
- the development of new technology to help people with unilateral hearing loss to better understand speech in noisy environments.

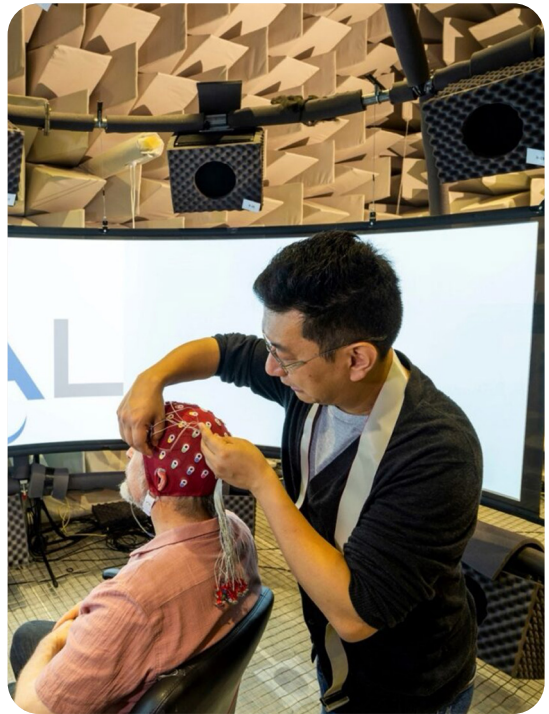
A key project for NAL – the Longitudinal Outcomes of Children with Hearing Impairment (LOCHI) study – reached a significant milestone with the successful completion of 18 years of data collection. Similarly, the Children with Unilateral Hearing Loss study also completed more than 5 years of data collection. The focus of these studies now moves to analysis and the sharing of results to better inform support for children and young people with hearing loss, including adolescents as they transition out of school.

NAL successfully delivered several initiatives at the request of the Department of Health and Aged Care (Health). Delivered reports include *Measuring client-level outcomes in adult clients of the Hearing Services Program and Hearing Services Program: Minimum Specifications for Subsidised Devices*. Research requested by Health also began on a client motivation tool to assist clinician decision making. NAL was also engaged by New South Wales Fire & Rescue to undertake research related to hearing and personal protective equipment (PPE).

NAL participated in over 15 active industry research partnerships during the year, including multiple research initiatives with GN ReSound and with Phonak under a multi-year collaboration agreement.

NAL's innovation process has matured and has produced several product opportunities which are under development. This includes revision of the NAL-developed hearing aid fitting prescription NL2, the world's most widely used fitting prescription, which is being updated to deliver improved outcomes for hearing aid wearers. NAL has also advanced its research into the application of artificial intelligence (AI) to hearing healthcare, the potential use of augmented reality technology to hearing healthcare, and the development of clinical tools to help hearing care professionals deliver improved outcomes with their clients.

More details of all projects NAL can be found at NAL's website: [Research projects – NAL](#).



World first large-scale multi-site trial of the benefits of cochlear implant processor upgrades

A cochlear implant system includes a part which is implanted in the inner ear plus a part that is worn on the head or behind the ear (the sound processor). Sound processors may be upgraded without the need for additional surgery, and cochlear implant manufacturers are regularly releasing new models which include additional features. Many people are relying on very old processors, some of which are no longer supported by manufacturers, because of lack of access to funding to upgrade them. There is also a lack of evidence for the benefits of replacing older processors with the latest technology, which limits justification for upgrading them.

In response to this challenge, NAL, supported by the Australian Government Department of Health and Aged Care, investigated the impact of upgrading cochlear implant sound processors with a large cohort of 304 adults

aged 65 years or older in an Australian-wide study, spanning 14 collaborating sites.

This was a first-in-the-world study of the benefit of upgrading sound processors on a very large cohort of older adults. Overall, the study provided evidence that upgrading sound processors offers significant benefits and is economically sound in cases where it avoids someone losing access to sound completely, due to a total device failure. These research findings extend beyond traditional clinical measures, providing new insights into patient-focused benefits of cochlear implant technology.

"I enjoy having the opportunity to provide research evidence might guide policy, and design products to empower individuals throughout their hearing health journey." – Dr Paola Incerti, Senior Research Audiologist, NAL

Emerging solutions for people with perceived mild to moderate hearing loss

Traditionally, hearing aids have been exclusively available for people who have been diagnosed with hearing loss by a hearing health care professional, such as an audiologist. However, a paradigm shift is occurring, particularly with direct-to-consumer hearing aids, with hearing aids increasingly being offered directly to consumers with perceived hearing loss, but without evidence that the person has a clinically diagnosable hearing loss.

There has been limited evidence to show whether people can benefit from hearing aids based solely on them self-identifying as having hearing problems, in cases where they may or may not have a clinically diagnosed hearing loss.

NAL recruited 26 adult participants who reported problems with their hearing, but had not been diagnosed with a hearing loss by a hearing health care professional. All but two of the participants had average hearing thresholds in the normal range, with the remaining two people having only mild hearing loss. These study participants were invited to visit NAL where they were fitted

with hearing aids. The fitting of the hearing aids did not follow the typical process that would be used in a clinic, but rather was designed to reflect how over-the-counter hearing aids may be personalised for an individual buying them online, following a brief online hearing test.

Despite participants having normal or near-normal hearing, they reported benefits from using the hearing aids in everyday situations, particularly in noisy environments. They also reported satisfaction with the hearing aids, reporting reduced listening difficulty, and reduced impact of hearing loss on their emotions and social life. The results of this study suggest that individuals with mild hearing problems may benefit from using hearing aids.

“A major focus of NAL is now to develop evidence-based recommendations to address these questions so that hearing health professionals can feel confident in managing the hearing needs of this underserved segment of people with hearing needs.” – Dr Pádraig Kitterick, Head of Adult Research Program, NAL



A high performing organisation

Overview

Hearing Australia aspires to be a high performing organisation which is financially sustainable, is successful in pursuing its strategic objectives, and meets its commitments to its people, the Australian Government, and the broader community.

Our key priorities for 2023-24 in this area were working with our people to establish a new Enterprise Agreement, investing in our people's skills and our leadership capabilities, increasing workforce engagement, and prioritising employee wellbeing. We also continued our drive to increase our adoption of digital service models and technologies, and to enhance our capabilities in data and analytics to drive better informed decision-making and improved customer outcomes. A further priority was to strengthen our commitments to social responsibility and sustainability and to focus on ways to reduce our environmental impact.

Our People

Our people are the key to our success. In 2023-24 we delivered on our commitment to our people to establish a new Enterprise Agreement, providing an opportunity to modernise our employment arrangements, aligned with our drive to remain an employer of choice in a competitive marketplace. We also redesigned our learning and development framework and performance management approaches,

to align these with contemporary needs and better practice. We also provided leadership training to key staff cohorts, ensured that our clinical employees maintained accreditation for clinical practice, and continued to attract strong graduate audiologists to join the organisation and supported them to achieve their certification and to build their capabilities.

Keeping our people and clients safe

During the year we continued to deliver against our *Wellbeing Strategy 2022-24*, which provides a framework to support our commitment to provide a coordinated, holistic approach to staff wellbeing. We also conducted with staff the nationally benchmarked *People@Work* survey to identify potential psychosocial hazards and risks and ran a series of focus groups to inform responding controls and measures.

We are continuously improving our performance to make our workplace injury free while meeting our obligations under the *Work Health and Safety Act 2011* and the *Safety, Rehabilitation and Compensation Act 1988*.

In 2023-24, our staff had access to:

- workplace assessments and ergonomic equipment
- early intervention support for injury, to support return to work
- wellbeing programs including access to the Fitness Passport program, 15-minute challenge, and our monthly wellbeing publication *Good Vibrations*

- work role specific safety and wellbeing training, with a focus on psychological wellbeing
- influenza vaccinations.

The Hearing Australia Workers compensation prescribed rate for 2023-24 was 0.22 per cent, which was consistent with the previous year's rate, and compares favourably with the average of 0.95 per cent for Australian Government entities under the Comcare scheme. We also achieved a 100 per cent return to work rate, compared with the overall Commonwealth rate of 77 per cent. This demonstrates our ongoing commitment to injury prevention and early intervention. The ability to prevent injury and manage lost time and resultant claim costs contributes to an improved capacity to provide services to our clients and retain our valued employees.

Embedding and leveraging our key corporate values

In 2023-24, Hearing Australia developed an Employee Value Proposition (EVP) which embodies our corporate values

and is supporting us attract and retain the talent we need to achieve our vision.

Our EVP was informed by comprehensive research with our people, formally confirming our understanding that that they have a deep commitment to purpose and to enriching lives by delivering improved hearing health outcomes across the nation.

This powerful connection to purpose inspired the creation of our EVP - *It matters more at Hearing Australia*. The EVP's three pillars explain why *It matters more*: it's because of how we do what we do, who we work with and where we're going next.

To support the rollout of the EVP, we developed a suite of assets including videos and stories from our people. As a result, we have seen an increase in engagement on the careers section of our website and on our social media channels. Our EVP is being used extensively in our recruitment activity and in internal communications and is supporting us to attract high quality talent in a tight labour market.



Hearing Australia's Reconciliation Journey

Our Stretch RAP was endorsed by Reconciliation Australia in July 2023, with an official launch held at Hearing Australia's Leadership Conference in November 2023. The launch was followed by a series of roadshows across the business to raise awareness of the RAP and drive action at the individual, team and organisational level.

We are committed to having First Nations voices front and centre in our Reconciliation activities, with our RAP Working Group having 16 members, nine of whom identify as Aboriginal and/or Torres Strait Islander. The impact of this group is evidenced by it being recognised as the winner of the 2024 *Enabling Team of the Year* at the Hearing Australia Excellence Awards.

We further developed and delivered cultural awareness and competency training for all staff, including our senior leaders, with high levels of completion

across the organisation. This was followed by the launch in May 2024 of a Cultural Protocol Guide, supported by engagement and education plans.

Our annual First Nations staff conference was held in May 2024 with the majority of Hearing Australia's First Nations staff participating. The conference theme of *Leading the Way Together* focused on further developing the careers of our First Nations staff, in alignment with the aspirations in our Employee Value Proposition. The conference generated highly positive feedback, with 100 per cent of attendees advising that the conference met or exceeded their expectations.

We also held Reconciliation Week and NAIDOC Week events, elevating the voices and experiences of our First Nations staff members and raising awareness across the business of the importance of our Reconciliation agenda.



Business Transformation

Hearing Australia operates in a rapidly changing and highly competitive environment. We are deeply committed to enhancing customer service by embracing a digital future that prioritises convenience, accessibility, and inclusivity.

During the year, we completed the replacement of several of our legacy ICT systems with a new Microsoft Dynamics-based platform, which became operational in July 2024. This change was much needed as our legacy systems had become outdated and did not offer the functionality required for modern high performing and digitally enabled operations.

Our modernisation of systems supporting Practice Management, Customer Relationship Management, and Enterprise Resource Management marked a significant step to ensure we are well-equipped to deliver seamless, efficient services. The transition to the new platform, however, impacted our operational performance in the short term, particularly in the first quarter of the financial year, as a consequence of longer processing times, defects and data issues. We identified these impacts early and implemented actions to stabilise the platform, with our operations in the second half of the year returning to align with our usual targets, alongside the systems commencing operations as intended.

In 2024-25, we will continue to build on the momentum of our digital transformation, including optimising these platforms; with the benefits of this transformation further enhancing our ability to meet evolving client needs with greater efficiency and precision.

Another key component of our digital transformation during the year has been the successful launch of our new website, designed to provide an optimised self-service journey for a broader range of clients. Our website now offers online self-service appointment bookings for clients, making it even easier for them to access our services. To ensure inclusivity for all Australians, the website's content is available in nine community languages. This platform is a vital part of our strategy to deliver flexible, customer-focused solutions that align with evolving client expectations.

By making our services more accessible, we will better address the diverse needs of Australians and ensure they receive the support they need, wherever and whenever it suits them. These digital initiatives demonstrate our ongoing commitment to improving customer outcomes and delivering services which respond to emerging client needs.

We have also continued to enhance our data and analytics capabilities to drive better informed decision-making and improved client outcomes. By leveraging advanced analytics tools, we now gather deeper actionable insights from extensive data, enabling us to better identify trends, forecast needs, and tailor solutions more precisely to individual clients. This has been supported by establishment of an Enterprise Project Management Office to standardise and improve project and portfolio management, including through enhanced project governance, leading to more strategic use of resources and enhanced performance.

As we continue modernising our systems, we will further maximise the value delivered to our clients and to Government and better anticipate emerging risks and opportunities.



Machine learning for personalised hearing care

One of the greatest promises of machine learning for healthcare is personalised solutions for treatment and diagnostics. Hearing devices, while beneficial, often fail to meet the unique needs of each user, leading to suboptimal experiences, especially in dynamic and noisy environments where they are most needed. By leveraging large comprehensive datasets, the unique needs of hearing device users have been better understood by scientists at NAL who developed a generative AI tool that provides personalised hearing goals tailored to individual needs and lifestyles.

Personalising solutions to the specific needs of hearing device users requires an understanding of their experiences

during their daily lives. The NAL Ecological Momentary Assessment (NEMA) system allows researchers to survey users about their current hearing difficulties and experiences throughout their day while capturing acoustic information about their listening environment. By using machine learning with the NEMA data, NAL researchers have derived insights about where hearing aid and cochlear implant users are having the greatest difficulty.

“This innovative approach not only enhances understanding of user experiences in real-world environments but also guides the development of more effective hearing solutions.”

– Dr Nicky Chong-White, Principal Engineer, NAL

Managing Risk and Compliance

Effective risk management and compliance are an integral part of Hearing Australia's operations. We manage risk and compliance in accordance with section 16 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), the Commonwealth Risk Management Policy and in alignment with international standards for risk and compliance.

The Hearing Australia Board oversees risk management and internal control within Hearing Australia, including approving and regularly reviewing the organisation's risk appetite, in alignment with the Commonwealth Risk Management Policy, on advice from the Managing Director, the Chief Risk Officer and the Board's Audit and Risk Management Committee. Members of the Executive Team are responsible for implementing risk management within their business and operational units, and report regularly to the Chief Risk Officer and Managing Director.

Our approach to risk and compliance

Hearing Australia recognises that deliberate risk and compliance management is an integral part of good business and governance and is committed to building a culture where risk and compliance management is part of Hearing Australia's ways of thinking and working.

Our risk management and compliance policies ensure that a clear and consistent approach to risk and compliance management is applied across our business. Our Risk Management Framework and Compliance Framework provide guidance to our people to understand the expectations they must meet and processes they need to apply in their day-to-day work.

Our strategic risks

Under the PGPA Act, the Board is responsible for overseeing the establishment and maintenance of Hearing Australia's systems for managing risks and for internal control. The Board regularly considers Hearing Australia's strategic risk environment and the effective management of risks, including approving Hearing Australia's Risk Management Policy

The Executive Team of Hearing Australia regularly reviews the organisation's strategic risks and reports to the Audit and Risk Management Committee on a quarterly basis. All strategic risks are assigned a risk owner from the Executive Team. Risk owners must ensure risks are actively managed with emerging threats and opportunities identified and addressed.

Competition and Competitive Neutrality

In support of established policy regarding choice and competition, Hearing Australia operates in accordance with the Australian Government's competitive neutrality policy, a policy first established in 1996 to ensure that Government businesses do not enjoy market advantages because they are owned by Government. Hearing Australia is fully compliant with this policy.

Corporate Planning

Hearing Australia's Board and Executives undertake annual strategic planning sessions and present a Corporate Plan to the Minister for Government Services and the Minister for Finance by the end of April each year. This Corporate Plan must meet the requirements of the AHS Act and the PGPA Act. In 2023-24, Hearing Australia prepared a Corporate Plan which met these requirements.

Reporting and Analysis

In addition to reporting to our Board of Directors, we provide regular reporting against our Corporate Plan to the Minister for Government Services. These reports contain information on key performance and financial indicators, as well as performance against strategic objectives.

Financial Performance

During 2023–2024 Hearing Australia generated \$257.6 million in total revenue, some \$26.4 million or 9.3 per cent lower than the results from 2022–23.

We also produced an operating loss of \$17.5 million to 30 June 2024, compared with a loss of \$5.1 million in the previous year.

These results were due to the unintended operational and financial impacts associated with the implementation of our new ICT platform in July 2023, which predominantly impacted our operations in the first quarter of the financial year. We identified this impact early and, in response, implemented actions to support our clients and people and to stabilise the platform, maximise our revenue and manage costs prudently. These actions were successful, and by the fourth quarter of the financial year we had returned to delivering monthly profits.

Further details of our financial performance are in the Financial Statements and our Annual Performance Statement. Hearing Australia's financial results have been audited by the Australian National Audit Office, in its role as Hearing Australia's external auditor.



Additional Supporting Information

Annual Performance Statement

Chair's Statement

I, Elizabeth Crouch AM, as the Chair of the accountable authority, which is the Board of Hearing Australia, present the 2023–24 Annual Performance Statement of Hearing Australia, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). It is the opinion of the Board that this annual performance statement is based on properly maintained records and accurately reflects the performance of the entity during the period and complies with subsection 39(2) of the PGPA Act.

Purpose

Hearing Australia's purpose is outlined by the Parliament in our enabling legislation, the *Australian Hearing Services Act 1991* (AHS Act), with specific Powers and Functions outlined in Part 2, Sections 8 and 9 of the Act.

Our mission is to provide world leading research and hearing services for the wellbeing of all Australians.

Performance Analysis

During 2023–24 Hearing Australia helped 246,998 children and adults across Australia through the provision of hearing assessments, hearing devices, and rehabilitation and support services, achieving client satisfaction rates of over 87 per cent.

By the end of the financial year, we had helped 62,041 children and adults with permanent hearing loss through the Australian Government's Community Service Obligations (CSO) program and had assessed 10,742 young First Nations children through our Hearing Assessment Program – Early Years (HAPEE).

These programs are delivered through our network of 189 hearing centres, through thousands of home visits, and visits to many metropolitan, regional and remote community locations across Australia. Through Hearing Australia, our CSO clients benefit from high quality clinical services and hearing devices. Pleasingly, the HAPEE program has proven instrumental in identifying young First Nations children with undiagnosed ear disease and hearing loss, providing them with pathways to the help they need and a better future.

We helped a further 174,215 commercial clients across our network of hearing centres, via our call centre, and through our online and telehealth services.

Client satisfaction levels remained consistently high across all segments, reflecting Hearing Australia's enduring commitment to delivering quality services through the professionalism and dedication of our people.

Our engagement and collaboration with the Australian Government and our partners remained strong and was a pivotal area of focus throughout the year, producing new opportunities to improve both Government-funded hearing services and to improve the way Hearing Australia's services are delivered.

Our research arm, the National Acoustic Laboratories, had an outstanding year, collaborating with government, with sector and technology partners and completing a range of high-quality projects to improve the lives of all people with hearing loss.

System and business transformation, including the upgrade of our ICT systems, remained a priority this year. Our new ICT platform, which became operational in July 2023, replaced ageing client management and financial systems, enhancing our data and reporting capability and creating new opportunities to add value to our client base.

The transition to the new platform heavily impacted our operational performance, particularly in the first quarter of the financial year. While we saw all clients who wanted an appointment, clients and staff experienced longer processing times.

System defects and data issues also impacted operational performance and the ability to maximise our clinical workforce.

We identified these impacts early and implemented actions to support our people and clients and to stabilise the platform. These actions delivered improved results in the second half of the year which were in line with our normal operational and financial targets. The impacts in the first half of the year meant Hearing Australia saw 12.6 per cent less clients over the financial year compared with the record number of clients seen in 2022-23.

The following table outlines the results achieved by Hearing Australia against the activities and targets in our 2023-24 Corporate Plan. These results highlight the enduring strength of the organisation and its positive impact supporting people with hearing loss in metropolitan, regional and remote locations across Australia.

Notes supplementing each KPI are also included, providing context to the metric.

Performance Activities

Strategic Pillars	Priority Area	Performance Measurement	Target 2023-24	Results Achieved 2023-24
Delivering Excellent Outcomes	To make it easier, faster and better for our clients to get the help and outcome that improves their quality of life	1. Adult client satisfaction rates	86-90	87
		2. Number of CSO clients seen	74,100	62,041
		3. Percentage of children and young adults with a permanent hearing loss seen within two weeks of referral	85%	85%
	To make a significant contribution to the prevention of hearing loss in high-risk communities	4. Number of First Nations children aged 0-6 years seen	14,000	10,742
		5. Number of First Nations communities visited	270	290
		6. First Nations Action Plan Milestones	Achieved	Underway
		7. Percentage of First Nations children aged 0-6 with a hearing loss	25%	On Track
Providing Great Value to Government and Partners	To deliver greater value for Government and partners	8. Research milestones	Achieved	Achieved
		9. Quality of advice given and support to Government and Partners	Achieved	Achieved
Being a High Performing Organisation	Grow our workforce wellbeing, capability and alignment	10. Staff engagement and wellbeing survey results	>70%	66%

The source of these activities is the 2023-24 to 2026-27 Corporate Plan.

Detail on Performance Measurements

1. **Adult Client Satisfaction Rate** is a measure based on all appointments and remains high across all cohorts.
2. **Total CSO clients seen** is the unique count of clients seen under the CSO Program. This target was partially met due to reduced workforce productivity in the first quarter of the financial year, associated with the implementation of the new ICT platform.
4. **We are expected to see 85 per cent of children and young adults with a permanent hearing loss within two weeks of receipt of a referral.** In FY24 we achieved this target.
5. **The number of First Nations children seen** is a unique count of children seen through the HAPEE program. This target was partially met due to reduced workforce productivity in the first quarter of the financial year, associated with the implementation of the new ICT platform.
6. **The number of First Nations communities visited** is a unique count of Aboriginal and Torres Strait Islander locations visited by the HAPEE program.
7. **The First Nations Action Plan** was launched in May 2022. The milestones in the Plan were achieved during FY24 and implementation of further actions will be undertaken in FY25.
8. **Percentage of First Nations children aged 0–6 with a hearing loss.** Hearing Australia is working with multiple partners to significantly reduce the number of young First Nations children with hearing loss by 2029. At this stage this goal is on track, based on data collected via the HAPEE program.
9. **Research milestones.** In FY24 NAL achieved its research milestones, completing 16 research projects and managing a further 28 projects over the year. These projects supported the objectives identified in the Department of Health and Aged Care's Research Strategy for Hearing Health.
10. **Quality of advice and support.** During FY24 we provided high quality, timely advice to the Minister for Government Services, other ministers and government departments in relation to our corporate responsibilities and key priorities.

Financial Statements

Australian Hearing Services
Trading as Hearing Australia
ABN 80 308 797 003

Financial Statements – 30 June 2024

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General information

The financial statements cover Australian Hearing Services (hereinafter referred to as Hearing Australia) as an individual entity. The financial statements are presented in Australian dollars, which is Hearing Australia’s functional and presentation currency.

Hearing Australia is a corporate Commonwealth entity, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 5, 16 University Avenue
Macquarie University
NSW 2109

Principal place of business

Level 5, 16 University Avenue
Macquarie University
NSW 2109

A description of the nature of the entity’s operations and its principal activities are included in note 1 of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 August 2024.



INDEPENDENT AUDITOR'S REPORT¹

To the Minister for the National Disability Insurance Scheme

To the Minister for Government Services

Opinion

In my opinion, the financial statements of the Australian Hearing Services, trading as Hearing Australia (the Entity) for the year ended 30 June 2024:

- (a) comply with Australian Accounting Standards – Simplified Disclosures and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2024 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2024 and for the year then ended:

- Statement by the Accountable Authority, Managing Director and Chief Financial Officer;
- Statement of Profit or Loss and Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and their delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Directors are responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the rules made under the Act. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Directors are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

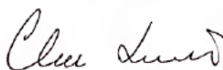
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Clea Lewis

Executive Director

Delegate of the Auditor-General

Canberra

15 August 2024

Statement by the Accountable Authority, Managing Director and Chief Financial Officer – For the year ending 30 June 2024

Australian Hearing Services

Trading as Hearing Australia

Statement by the Accountable Authority, Managing Director and Chief Financial Officer
For the year ended 30 June 2024

In our opinion:

- the attached financial statements for the year ended 30 June 2024 comply with subsection 42(2) of the Public Governance, Performance and Accountability Act 2013 ('PGPA Act'), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act;
- at the date of this statement, there are reasonable grounds to believe that Hearing Australia will be able to pay its debts as and when they fall due.

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



Elizabeth Crouch AM
Chair



Kim Terrell
Managing Director



David Cuda
Chief Financial Officer

15 August 2024

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Revenue			
Revenue from contracts with customers	4	234,913	258,916
Grant Income	5	16,303	20,009
Other income	6	6,433	5,082
		257,649	284,007
Expenses			
Employee benefits	7	(152,366)	(146,580)
Goods and services received	8	(97,668)	(117,101)
Depreciation and amortisation	19,18,17	(20,622)	(21,683)
Lease rental	18	(2,077)	(1,615)
Workers compensation premiums		(174)	(376)
Finance costs	9	(2,240)	(1,770)
Total expenses		(275,147)	(289,125)
Deficit before income tax equivalent benefit		(17,498)	(5,118)
Income tax equivalent benefit	10	4,989	1,334
Deficit after income tax equivalent benefit for the year		(12,509)	(3,784)
Total comprehensive income for the year		(12,509)	(3,784)

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

Statement of Financial Position

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		11,789	14,878
Trade and other receivables	12	4,657	3,977
Inventories	13	5,887	6,329
Prepayments		3,376	4,707
Contract assets from contracts with customers	14	3,856	4,069
Investments under s.59 of the PGPA Act	16	76,848	88,548
Other current assets	15	58	200
Total current assets		106,471	122,708
Non-current assets			
Property, plant and equipment	17	21,936	24,615
Right-of-use assets	18	48,956	48,422
Intangible assets	19	562	993
Deferred tax assets	20	27,375	22,386
Total non-current assets		98,829	96,416
Total assets		205,300	219,124
LIABILITIES			
Current liabilities			
Trade and other payables	21	18,379	16,732
Lease liabilities	18	12,537	11,892
Provisions	22	22,201	23,077
Contract liabilities for contracts with customers	23	12,319	13,461
Tax liabilities		0	791
Grant liabilities	5	6,746	8,041
Refund liabilities	24	1,206	1,008
Total current liabilities		73,388	75,002
Non-current liabilities			
Lease liabilities	18	44,585	45,001
Provisions	25	12,828	12,113
Total non-current liabilities		57,413	57,114
Total liabilities		130,801	132,116
Net assets		74,499	87,008
EQUITY			
Retained surplus		74,499	87,008
Total equity		74,499	87,008

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

Statement of Changes in Equity
For the year ended 30 June 2024

	Retained Surplus \$'000	Total Equity \$'000
Balance at 1 July 2022	90,792	90,792
Deficit after income tax equivalent benefit for the year	(3,784)	(3,784)
Other comprehensive income for the year, net of tax	0	0
Total comprehensive income for the year	(3,784)	(3,784)
Balance at 30 June 2023	87,008	87,008

	Retained Surplus \$'000	Total Equity \$'000
Balance at 1 July 2023	87,008	87,008
Deficit after income tax equivalent expense for the year	(12,509)	(12,509)
Other comprehensive income for the year, net of tax	0	0
Total comprehensive income for the year	(12,509)	(12,509)
Balance at 30 June 2024	74,499	74,499

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

Statement of Cash Flows

For the year ended 30 June 2024

	2024 \$'000	2023 \$'000
Cash flows from operating activities		
Receipts from goods and services	248,688	274,305
Interest received	6,240	4,184
Rent received	37	39
Royalty received	21	5
Net GST received	4,228	5,631
Payments to employees	(151,960)	(145,909)
Payments to suppliers	(101,317)	(128,250)
Income tax equivalent	(791)	(287)
Interest paid on lease liabilities	(1,954)	(1,539)
Net cash from operating activities	3,192	8,179
Cash flows from investing activities		
Payments for property, plant and equipment	(5,758)	(10,390)
Payments for intangibles	0	(564)
Net Receipts from investments	11,700	18,758
Net cash from investing activities	5,942	7,804
Cash flows from financing activities		
Principal paid on lease liabilities	(12,223)	(12,102)
Net cash used by financing activities	(12,223)	(12,102)
Net increase/(decrease) in cash and cash equivalents	(3,089)	3,881
Cash and cash equivalents at the beginning of the financial year	14,878	10,997
Cash and cash equivalents at the end of the financial year	11,789	14,878

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

Notes to the Financial Statements
For the year ended 30 June 2024

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Note 1. General Information

Australian Hearing Services ('AHS') trading as Hearing Australia (hereinafter referred to as Hearing Australia) is a corporate Commonwealth entity created under the provisions of the *Australian Hearing Services Act 1991* and operates on a for-profit basis. The entity is incorporated in Australia and has its registered address at; Level 5, 16 University Ave, Macquarie University NSW 2109.

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

The principal activities of Hearing Australia are to provide hearing services and to carry out research and development in hearing related matters.

The continued existence of Hearing Australia in its present form and with its present programmes is dependent on Government policy in relation to the provision of hearing services.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 August 2024.

Note 2. Material accounting policies

The accounting policies that are material to the entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

Adoption of New Australian Accounting Standard Requirements

In the 2022-23 reporting period, two amending standards (AASB 2021-2 and AASB 2021-6) were adopted earlier than the application date as stated in the standard.

There are no changes to accounting policies and no adjustments arising from these or any other new or amending standards issued by the standard setters that are applicable to the entity in the current reporting period.

Basis of Preparation

These general purpose financial statements are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* ('PGPA Act').

The financial statements have been prepared in accordance with Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 ('FRR'), and with Australian Accounting Standards - Simplified Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared on an accruals basis under the historical cost convention, except for, where applicable, certain assets and liabilities at fair value.

Amounts in the financial statements have been rounded off to be the nearest thousand dollars, unless otherwise specified.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Hearing Australia's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed in note 3.

Interests on deposits calculated using the effective interest method

Interest is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Current and non-current classification

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

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

A liability is classified as current when: it is either expected to be settled in Hearing Australia's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

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

In accordance with the financial targets and performance considerations contained in the Australian Hearing Services Act 1991, the level of cash resources held by Hearing Australia is, in the opinion of the board of directors, sufficient to maintain:

- a reasonable level of reserves, having regard to estimated future infrastructure requirements;
- the extent of the Commonwealth equity in the entity; and
- Hearing Australia's commercial operational requirements.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Comparatives

Comparatives have been realigned, where necessary, to be consistent with current year presentation. There is no effect on the results or net assets of Hearing Australia.

Fair value measurement

Hearing Australia operates on a for-profit basis. As per approved exemption 17.7 under the FRR, Hearing Australia is exempted from the requirement of fair value measurement for valuation of non-financial assets.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account recent sales experience, the ageing of inventories, damaged, obsolete, slow moving inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

Hearing Australia determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account, based on actuarial assessments. The last actuarial assessment was in June 2023.

Restoration obligations

The provision for restoration obligations provides for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with vacating of premises. The calculation of this provision requires assumptions such as the exit date and cost estimates. The provision recognised is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset are recognised in profit or loss.

Lease term

The determination of the lease term requires management judgement regarding whether extension options are reasonably certain to be exercised. Whilst each lease is assessed individually, in general, for property leases the next option is considered reasonably certain, however subsequent options are not reasonably certain as management believe these are too far into the future to be reasonably certain.

Incremental borrowing rate

Hearing Australia are not able to determine the interest rate implicit in the lease for a large number of leases. Therefore, management have determined the incremental borrowing rate taking into consideration entity and asset specific factors relevant to each lease.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Impairment of non-financial assets and other indefinite life intangible assets

Hearing Australia assesses impairment of non-financial assets other than indefinite life intangible assets at each reporting date by evaluating conditions specific to the entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Configuration and customisation costs for cloud-based software - Software-as-a-Service (SaaS).

SaaS arrangements are service contracts providing the entity with the right to access a cloud provider's application software over the contract period. As such the entity does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software does not, at the contract commencement date, give the customer right to obtain the future economic benefits flowing from software itself and to restrict other' access to those benefits. Costs incurred for such arrangements are expensed as incurred.

Note 4. Revenue from contracts with customers

	2024 \$'000	2023 \$'000
Sale of goods	119,020	142,621
Rendering of services	115,893	116,295
	234,913	258,916

Disaggregation of revenue

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

	2024 \$'000	2023 \$'000
Major product & service lines		
Fittings and sales of devices	171,158	195,505
Hearing assessments and maintenance	63,755	63,411
	234,913	258,916
Geographical regions		
Australia	234,913	258,916
Timing of revenue recognition		
Goods and services transferred at a point in time	210,885	224,918
Goods and services transferred over time	24,028	33,998
	234,913	258,916

Accounting policy for revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which Hearing Australia is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, Hearing Australia: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes

into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Revenues from Government

Hearing Australia receives a significant amount of its sales revenue (as disclosed above) from the Federal Government. This consists of an allocation of Federal budget funding which is received in the form of sales consideration, received from the Department of Health ('DoH') for (i) revenue received through a competitive voucher scheme administered by the DoH; and (ii) the provision of goods and services to the community.

Funding from the DoH is recognised when the service or goods have been provided, in accordance with the accounting policy above.

Revenue for services provided under the competitive voucher scheme is recognised when the services are provided, in accordance with the accounting policy above. Where fees for maintenance services are received in advance, the amount is initially recognised as a contract liability and revenue is recognised over the service period.

Note 5. Grant income and liabilities

	2024 \$'000	2023 \$'000
Grant income	16,303	20,009
Grant liabilities	6,746	8,041

The Australian Government provides additional grants to Hearing Australia for the funding of various activities including: i) Ongoing research and development into hearing health, rehabilitation and prevention program, ii) Activities related to online hearing tests under the hearing services development program, and iii) Hearing assessment activities under the indigenous Australian health program.

Hearing Australia, through its research division NAL, also receives grants from a variety of external organisations to conduct research into hearing loss, diagnostics, outcomes, behaviours, technologies and preservation

Accounting policy for grant income and grant liabilities

Grant income is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Where grant monies are received in advance, a liability is initially recognised and subsequently recognised as income when the services have been performed.

Note 6. Other income

	2024 \$'000	2023 \$'000
Royalties	21	5
Rental income	37	39
Interest on deposits	6,063	4,738
Proceeds from Insurance claims	313	300
	6,434	5,082

Accounting policy for royalties

Royalty income is recognised by Hearing Australia when the funds are received.

Note 7. Employee benefits

	2024 \$'000	2023 \$'000
Wages and salaries	108,481	105,547
Superannuation - defined contribution plans	19,373	18,536
Leave and other entitlements	16,798	14,347
Taxes	7,714	8,150
	152,366	146,580

Note 8. Goods and services received

	2024 \$'000	2023 \$'000
Aids and appliances	59,453	63,057
Consultants	3,225	8,584
Contractors	533	3,138
Information and communication technology	10,795	10,640
Marketing	5,117	7,727
Property	6,005	5,845
Travel	5,172	6,734
Other	7,368	11,376
Goods and services received	97,668	117,101

Note 9. Finance costs

	2024 \$'000	2023 \$'000
Interest expense - Leases	1,954	1,539
Unwinding of discount on restoration provision liability	286	231
	2,240	1,770

Accounting policy for finance costs

All finance costs are expensed in the period in which they are incurred.

Note 10. Income tax equivalent expense

	2024 \$'000	2023 \$'000
<i>Income tax equivalent expense/(benefit)</i>		
Current tax	0	791
Deferred tax - origination and reversal of temporary differences	(4,989)	(2,125)
Aggregate income tax equivalent benefit	(4,989)	(1,334)
Deferred tax included in income tax equivalent benefit comprises: Increase in deferred tax assets (note 20)	(4,989)	(2,125)
<i>Numerical reconciliation of income tax equivalent benefit and tax at the statutory rate</i>		
Deficit before income tax equivalent benefit	(17,498)	(5,118)
Tax at the statutory tax rate of 30%	(5,249)	(1,535)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expense/(Non-taxable income)	260	273
Reduction to tax losses for tax exempt income	41	
National Acoustic Laboratories exempt from income tax equivalent	(41)	(72)
Income tax equivalent expense/(benefit)	(4,989)	(1,334)

The above amounts have been calculated in the form of company income tax under the Income Tax Assessment Acts, had they applied, in accordance with the accounting policy for competitive neutrality (note 11). There is no income tax payable to the Australian Government for the year ended 30 June 2024 (\$790,280 was payable for the year ended 30 June 2023).

Accounting policy for taxation

Hearing Australia is exempt from all forms of taxation except fringe benefits tax ('FBT') and goods and services tax ('GST').

Revenues, expenses and assets are recognised net of GST except for: (i) where the amount of GST incurred is not recoverable from the Australian Taxation Office ('ATO'); and (ii) receivables and payables.

Note 11. Competitive neutrality

	2024 \$'000	2023 \$'000
State tax equivalent expense	7,079	6,952
Commonwealth tax equivalent expense	0	791
Neutrality expense due to benefits under the workers compensation regulatory scheme	50	40
	7,129	7,783

Accounting policy for competitive neutrality

Hearing Australia provides services on a for-profit basis. Under competitive neutrality arrangements Hearing Australia is required to make payroll tax and income tax equivalent payments to the Commonwealth Government

in addition to statutory payments for FBT and GST. Hearing Australia pays an annual regulatory neutrality payment to the Official Public Account to offset the cost advantages relative to its competitors as a result of operating under one national workers compensation regulatory scheme.

Note 12. Current assets – Trade and other receivables

	2024 \$'000	2023 \$'000
Trade receivables	4,071	2,764
Less: Allowance for expected credit losses	(410)	(71)
	3,661	2,693
Interest receivable	539	716
GST receivable	457	568
	996	1,284
	4,657	3,977

Allowance for expected credit losses

Hearing Australia has recognised an increase of allowance for expected credit losses of \$338,764 in profit or loss for the year ended 30 June 2024. (2023: a reversal of allowance for expected credit losses of \$42,000).

Accounting policy for trade and other receivables

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

for goods and services are generally due for settlement within 30 days from date of invoice and 3 days for DoH claims for payment.

Hearing Australia has applied the simplified approach to measuring the allowance for expected credit losses,

which uses a lifetime expected loss allowance. To measure the allowance for expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less allowance for expected credit losses.

Note 13. Current assets – Inventories

	2024 \$'000	2023 \$'000
Inventories held for sale – at cost	2,811	3,790
Inventories held for distribution – at cost	5,162	4,258
Less: Provision for impairment	(2,086)	(1,719)
	5,887	6,329

Inventory held for sale and distribution that was recognised as an expense in profit or loss amounted to \$59,453,000 for the year ended 30 June 2024 (2023: \$63,057,000).

Accounting policy for inventories

Inventories held for sale are stated at the lower of cost and net realisable value on an 'average cost' basis. Cost comprises of purchase and delivery costs, where applicable, net of rebates and discounts received or receivable.

Inventories held for distribution are stated at cost and are adjusted for any loss in service potential.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Note 14. Current assets – Contract assets from contracts with customers

	2024 \$'000	2023 \$'000
Services and sale of goods	4,350	4,187
Less: Allowance for expected credit losses	(494)	(118)
	3,856	4,069

Hearing Australia has recognised an increase of impairment of expected credit losses of \$375,670 in profit or loss for the year ended 30 June 2024 (2023: an increase of impairment of \$16,000).

Accounting policy for contract assets

Contract assets are recognised when Hearing Australia has transferred goods or services to the customer but where Hearing Australia is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Under the current claims process with the DoH, Hearing Australia is remunerated on completion of a fitting which occurs when a customer returns for their follow up appointment. Services and sale of goods classified as contract assets represents revenue activities that are partially completed, usually when a customer has been fitted with a hearing device and has yet to return for the follow up appointment.

Note 15. Current assets – Other current assets

	2024 \$'000	2023 \$'000
Grants receivables	30	193
Security deposits	7	7
Other Income	21	0
	58	200

Note 16. Current assets – Investments under s.59 of the PGPA Act

	2024 \$'000	2023 \$'000
Fixed term cash deposits	76,848	88,548

Accounting policy for investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Hearing Australia has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest. In accordance with section 59 of the PGPA Act, the funds are invested on deposit with a bank, including a deposit evidenced by a certificate of deposit, all maturing within 12 months. All fixed term cash deposits are carried at amortised cost.

Note 17. Non-current assets – Property, plant and equipment

	2024 \$'000	2023 \$'000
Leasehold improvements - at cost	45,042	41,193
Leasehold improvements - accumulated depreciation	(29,545)	(23,969)
	15,497	17,224
Plant and equipment - at cost	21,544	19,666
Plant and equipment - accumulated depreciation	(15,105)	(12,275)
	6,439	7,391
	21,936	24,615

Reconciliations

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

	Plant and equipment \$'000	Leasehold improvements \$'000	Total \$'000
Balance at 1 July 2023	7,391	17,223	24,614
Additions	1,909	3,850	5,759
Disposals	(6)	0	(6)
Depreciation expense	(2,855)	(5,576)	(8,431)
Balance at 30 June 2024	6,439	15,497	21,936

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment, except for items costing less than \$1,000, which are expensed as incurred. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to restoration obligations in property leases taken up by Hearing Australia where an obligation to restore the property to its original condition exists. Plant and equipment acquired at no cost, or for nominal consideration are initially recognised as assets and income at their fair value at the date of acquisition.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	over the expected lease term
Plant and equipment	3 - 7 years

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

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to Hearing Australia. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 18. Non-current assets - Leases

(i) Amount recognised in the statement of financial position

The balance sheet shows the following amounts relating to leases:

	2024 \$'000	2023 \$'000
Right-of-use-assets		
Property	48,458	47,896
Vehicles	498	486
Plant and equipment	0	40
	48,956	48,422
Lease liabilities		
Current	12,537	11,892
Non-current	44,585	45,001
	57,122	56,893

Additions of the right-of-use assets during the year ended 30 June 2024 were \$4,519,040 (2023: \$8,819,503).

(ii) Amount recognised in profit or loss

The following amounts relating to leases are recognised in profit or loss

	2024 \$'000	2023 \$'000
Depreciation charge of right-of-use assets		
Property	11,303	10,836
Vehicles	417	496
Office equipment	40	544
	11,760	11,876
Interest expense (included in finance cost)	1,953	1,539
Expense relating to low-value leases (less than \$10,000 per asset) (included in lease rental expense)	788	391
Expense relating to short-term leases (included in lease rental expense)	1,288	1,224

The total cash outflow for leases for the year ended 30 June 2024 was \$14,176,727 (2023: \$13,641,543).

	2024 \$'000	2023 \$'000
Maturity analysis - contractual undiscounted cash flows		
Within one year	14,022	13,062
One to five years	25,590	26,789
More than five years	79	65
	39,691	39,916

(iii) Hearing Australia's leasing activities and how these are accounted for

Hearing Australia leases properties, vehicles and plant and equipment. Rental contracts are typically made for fixed periods of 3 months to 6 years but may have extension options as described in (iv) below.

Contracts may contain lease components. Hearing Australia allocates the consideration in the contract to the lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable by Hearing Australia under residual value guarantees
- the exercise price of a purchase option if Hearing Australia is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects Hearing Australia exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which apart from motor vehicles is generally the case for leases in Hearing Australia, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Hearing Australia is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If Hearing Australia is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles, and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

(iv) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across Hearing Australia. The majority of extension and termination options held are exercisable only by Hearing Australia and not by the respective lessor.

The lease term is reassessed if an option is actually exercised (or not exercised) or Hearing Australia becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(v) Residual value guarantees

Hearing Australia has residual value guarantees on some motor vehicle leases. On the anniversary of these leases the residual value is re-assessed and where required the monthly lease payments and corresponding lease liability balances are adjusted accordingly.

Note 19. Non-current assets – Intangible assets

	2024 \$'000	2023 \$'000
Computer software internally developed – at cost	3,616	3,616
Computer software internally developed – less accumulated amortisation	(3,054)	(2,623)
	562	993

Reconciliations

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

	Computer software internally developed \$'000	Total \$'000
Balance at 1 July 2023	993	993
Amortisation expense	(431)	(431)
Balance at 30 June 2024	562	562

Accounting policy for intangible assets

Intangible assets acquired are initially recognised at cost. Intangible assets acquired at no cost, or for nominal consideration are initially recognised as assets and income at their fair value at the date of acquisition. The gains or losses recognised in profit or loss arising from the de-recognition of an intangible asset is measured as the difference between net disposal proceeds, if any, and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Computer software internally developed and purchased

Costs relating to computer software internally developed are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; Hearing Australia is able to use or sell the asset; Hearing Australia has sufficient resources; and intent to complete the development and its costs can be measured reliably. Following the initial capitalisation of software internally developed or purchased software, the cost model is applied requiring the assets to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is on a straight-line basis over the period of their expected benefit, being their finite useful lives between three and seven years.

Note 20. Non-current assets – Deferred tax assets

	2024 \$'000	2023 \$'000
<i>Deferred tax asset comprises temporary differences attributable to:</i>		
Property, plant and equipment	(719)	(648)
Contract assets	(2,208)	(1,256)
Right of use assets	(14,687)	(14,527)
Accrued expenses	3,269	1,996
Contract liabilities	2,015	2,148
Provisions	10,509	10,557
Inventories	1,765	516
Intangible assets	5,625	6,499
Lease liabilities	17,137	17,068
Other temporary differences	1,340	33
Tax Losses carried forward	3,329	0
Deferred tax asset	27,375	22,386
<i>Movements:</i>		
Opening balance	22,386	20,261
Credited to profit or loss (note 10)	4,989	2,125
Closing balance	27,375	22,386

Note 21. Current liabilities – Trade and other payables

	2024 \$'000	2023 \$'000
Trade creditors and accrued expenses	9,926	8,889
Salaries and wages	8,453	7,843
	18,379	16,732

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to Hearing Australia prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 22. Current liabilities – Provisions

Provisions	2024 \$'000	2023 \$'000
Employee benefits	21,800	22,353
Restoration obligations	401	724
	22,201	23,077

Restoration obligations

Refer to note 25 for more information on the restoration obligation.

Accounting policy for provisions.

Provisions are recognised when Hearing Australia has a present (legal or constructive) obligation as a result of a past event, it is probable Hearing Australia will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Accounting policy for employee benefits

Short-term employee benefits

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

No provision is made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of Hearing Australia is estimated to be less than the annual entitlement for sick leave.

Superannuation benefits

Employees of Hearing Australia are members of the Commonwealth Superannuation Scheme ('CSS'), the Public Sector Superannuation Scheme ('PSSdb'), the PSS Accumulation Plan ('PSSap') or other superannuation funds held outside the Commonwealth. Directors of Hearing Australia are members of the CSS, PSSdb or other superannuation funds held outside the Commonwealth, but not the PSSap.

The CSS and PSSdb are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme. The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedule and notes.

Hearing Australia makes employer contributions to the Commonwealth employee superannuation schemes at rates determined by an actuary to be sufficient to meet the current cost to the Government, and accounts for the contributions as if they were contributions to defined contribution plans.

Note 23. Current liabilities – Contract liabilities for contracts with customers

	2024 \$'000	2023 \$'000
Maintenance and Hearing Services Card	12,212	13,018
Government funding for goods and services	107	443
	12,319	13,461

Accounting policy for contract liabilities

Contract liabilities represent Hearing Australia's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when Hearing Australia

recognises a receivable to reflect its unconditional right to consideration, whichever is earlier, before Hearing Australia has transferred the goods or services to the customer.

Note 24. Current liabilities – Refund liabilities

	2024 \$'000	2023 \$'000
Current		
Refund liabilities	1,206	1,008

Accounting policy for refund liabilities

Refund liabilities are recognised where Hearing Australia receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which Hearing Australia does not expect to be entitled and is

updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

Note 25. Non-current liabilities - Provisions

	2024 \$'000	2023 \$'000
Employee benefits	5,578	5,231
Restoration obligations	7,250	6,882
	12,828	12,113

Restoration obligations

The provision represents the present value of the estimated costs to make good the premises leased by Hearing Australia at the end of the respective lease terms. Hearing Australia currently

has 197 (2023: 191) agreements for the leasing of premises which have provisions requiring Hearing Australia to fully or partly restore the premises to their original condition at the conclusion of the lease.

Movement in provisions

Movements in each class of provision (current: note 22 and non-current: note 25) during the current financial year, other than employee benefits, are set out below:

	Restoration obligations \$'000
Balance at 1 July 2023	7,606
Additional provisions recognised	543
Provision write backs	0
Makegood utilisation	(459)
Makegood revaluation	(322)
Unwinding of discount	283
Balance at 30 June 2024	7,651

Accounting policy for other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to

expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 26. Dividends paid and payable

Hearing Australia's dividend payment is paid according to a directive from the Portfolio Minister under section 63A of the Australian Hearing Services Act 1991. Dividend payments are typically made to the Official Public Account via the

Department of Social Services in two instalments; an interim dividend paid by 30 April and a final dividend paid by 31 October each year. From time to time there may be a requirement to pay an additional dividend. No dividend was declared this year.

Note 27. Key management personnel disclosures

Key management personnel

Hearing Australia has determined that Key Management Personnel ('KMP') is comprised of all members of the Board and all members of the Senior Management Team as they have the

responsibility for planning, directing and controlling the activities of Hearing Australia.

Compensation

The aggregate remuneration made to directors and other members of KMP is set out below:

	2024 \$	2023 \$
Short-term employee benefits	2,984,446	2,905,294
Post-employment benefits	374,331	386,874
Other long-term benefits	121,340	33,449
Termination benefits	0	107,706
Total aggregate compensation of KMP	3,480,117	3,432,323

Short term employee benefits include estimated bonuses of \$208,657 that are not yet finalised at the time of preparing this report (2023: \$279,486).

There were no material related party transactions with KMP.

The total number of KMP that are included in the above table are 16 (2023:15).

	Directors	Senior Executives
The KMP movements for the year are set out below:		
KMP as at 1 July 2023	8	5
<i>Incoming during the year</i>	1	2
Total KMP included in this year's aggregate compensation	9	7
<i>Outgoing during the year</i>	-1	-1
KMP as at 30 June 2024	8	6

The above KMP remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set out by the Remuneration Tribunal and are not paid by Hearing Australia.

Note 28. Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by Australian National Audit Office, the auditor of Australia:

	2024 \$	2023 \$
Audit services:		
Audit of financial statements	185,000	141,000

Note 29. Contingent liabilities

Hearing Australia had no contingent liabilities or assets as at 30 June 2024 and 30 June 2023.

Accounting policy for contingent liabilities and contingent assets

Contingent liabilities and assets are not recognised in the statement of financial position but disclosed in these financial statements. They may arise

from uncertainty as to the existence of a liability or asset or represent a liability or asset in respect of which the amount cannot be reliably measured.

Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are recognised when settlement is greater than remote.

Note 30. Commitments

	2024 \$'000	2023 \$'000
Lease commitments - Operating		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	23	57
One to five years	4	7
	27	64
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	270	641
	270	641

Commitments are GST exclusive.

Note 31. Related party transactions

Related party relationships

Hearing Australia is an Australian Government controlled entity. Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment by Hearing Australia of taxes, workers compensation and receipt of grants and payments under the hearing services program.

Giving consideration to relationships with related entities, and transactions entered into during the reporting period by the entity, it has been determined that there are no related party transactions to be separately disclosed.

Note 32. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 and at the date of this report that has significantly affected, or may significantly affect Hearing Australia's operations, the results of those operations, or its state of affairs in future financial years.

Glossary

Acronym/ Specialist Term	Expansion/Meaning
ACCHO	Aboriginal Community Controlled Health Organisation
AHS Act	<i>Australian Hearing Services Act 1991</i> , Hearing Australia's enabling Act, which establishes and governs us as a corporate Commonwealth entity.
AI	Artificial Intelligence
ANAO	The Australian National Audit Office, Hearing Australia's External Auditor
APS	Australian Public Service
ARMC	Audit and Risk Management Committee (of the Board)
Commercial Services	Services offered in competitive aspects of the Australian market
Corporate Plan	Hearing Australia is required to provide to the Minister for Government Services and Minister for Finance each year a Corporate Plan, which covers the following four financial years.
CSC	Customer Service Centre – centrally handles calls and other non-clinical client interactions. Based at Port Macquarie, NSW.
CSO	Community Service Obligations (CSO) program is a sub-program of the HSP. Covers services to children and young people under the age of 26 years, including First Nations children and young adults plus adults with complex needs and eligible First Nations adults. Hearing Australia is the only provider of these services in Australia.
EA	Enterprise Agreement
FTE	Full Time Equivalent
FY	Financial Year
HAPEE	Hearing Assessment Program – Early Ears Provides free hearing screening to First Nations children aged 0–6 years and who are not yet attending full time school. Funded through the Department of Health and Aged Care.
HSP	Hearing Services Program – funded by the Department of Health and Aged Care, and covers services for eligible pensioners and veterans, plus services under the CSO.
KPI	Key Performance Indicator
MOU	Memorandum of Understanding – often used for documenting agreements with other Commonwealth entities
NAL	National Acoustic Laboratories – the research division of Hearing Australia
PGPA Act	<i>Public Governance Performance and Accountability Act 1993</i> – governs Hearing Australia's systems of financial and performance management, systems of internal control and risk management and reporting obligations to Government
RAP	Reconciliation Action Plan
YTD	Year To Date

Appendices

Appendix 1: Board of Directors

Board appointments

Directors are appointed to the Board of Hearing Australia on fixed terms by the Minister. All are Non-Executive or Special Purpose Directors, except for the Managing Director. The Board consists of highly credentialed Directors with significant and extensive expertise across a variety of areas relevant to Hearing Australia's operations. The Directors oversee performance and shape our strategic direction.

The Minister for the National Disability Insurance Scheme (NDIS) and Minister for Government Services, the Hon Bill Shorten, reappointed Mr Kim Terrell as Managing Director for a period of three years from 1 September 2023, and appointed Ms Loretta Di Mento to the Australia Board on 19 June 2024.

Ms Shirley Liew completed her term as a member of the Board on 31 December 2023.

Directors' details

Ms Elizabeth Crouch AM, BEc, M.Cyber FAICD, Chair

Ms Elizabeth Crouch AM was appointed Chair of Hearing Australia's Board of Directors on 10 April 2022 for a term of three years, following a period as Non-Executive Director from September 2020.

Ms Crouch brings strong government and policy expertise and extensive Non-Executive Director experience to Hearing Australia's Board including as Chair of the boards of Ochre Health, the Customer Owned Banking Association, Catholic Schools Parramatta Diocese Ltd and the Sydney Children's Hospital Network. She has also held board roles with ReadyTech, Health Infrastructure, Bingo Industries, Angus Knight, Chandler Macleod and McGrath. Ms Crouch chairs Audit and Risk Committees for the State Emergency Service and the NSW Department of Enterprise, Innovation and Trade.

She is the Emerita Deputy Chancellor of Macquarie University and is skilled in business strategy and service delivery, cyber security, enterprise risk management, leadership and mentoring, policy and stakeholder relations and culture change. She is a Fellow of the Institute of Company Directors and a member of the Association of Certified Fraud Examiners (ACFE).

Mr Kim Terrell, Managing Director, B Arts, Master's Degree in Public Policy, OLY

Mr Kim Terrell was appointed Acting Managing Director of Hearing Australia on 1 March 2018 and Managing Director on 30 August 2018.

Mr Terrell's extensive career includes working as a senior executive within the Department of the Prime Minister and Cabinet, the Department of Human Services, the Attorney-General's Department and several small agencies. He played a key role in establishing the Digital Transformation Office (DTO), the Australian Sports Anti-doping Authority (ASADA) and CrimTrac, and is highly experienced in building innovative, high performing teams. Mr Terrell was instrumental in creating myGov and driving digital transformation across the Department of Human Services and the government.

He has a Bachelor of Arts degree, a Master's Degree in Public Policy and has received four Australia Day awards. In addition to his professional achievements, Kim was an Australian Swim Team member from 1981-1986. During this time Kim won ten national titles, established six Australian records and attended the 1982 Commonwealth Games and 1984 Olympics.

Professor Jody Currie, Non-Executive Director, BA, MAICD

Ms Jody Currie is currently a Professor of Practice at the Queensland University of Technology in the Health Faculty. Ms Currie has over 20 years' experience in health, housing and human service delivery, with a particular focus on vulnerable families and Aged Care, working in several Executive positions in both the community and government sector. She was most recently Chief Executive Officer of the Aboriginal and Torres Strait Islander Community Health Service (ATSICHS) Brisbane. Ms Currie established ATSICHS Brisbane as a Nationally Registered Early Childhood Education provider, a Nationally Registered Housing Provider, and a Registered National Disability Insurance Scheme Provider. She is an appointed member to the Federal Government's National Aged Care Advisory Council, and a Non Executive Director on Brisbane North Primary Health Care Network, Cape York Partnerships, Opera Queensland and TAFE Queensland, and has expertise in government and stakeholder engagement.

Ms Loretta Di Mento, Non-Executive Director, BCom, CA, GAICD (from 19 June 2024)

Ms Loretta Di Mento was appointed to Hearing Australia's Board and as Chair of its Audit and Risk Management Committee in June 2024. Ms Di Mento has a wealth of experience in governance, audit and financial oversight. She is Chair of the Board of the Western Sydney Local Health District, having been a member of that Board since 2020; Deputy Chair of Museums of History NSW, and holds Board roles with Sydney Catholic Schools and Opportunity International Australia. Loretta is Chair of the Audit and Risk Committees of the Australian Law Reform Commission, Health Infrastructure NSW, Justice Health NSW and TAFE NSW and is a member of the Audit and Risk Committees of the National Australia Day Council and the NSW Electoral Commission. Loretta is a Graduate Member of the Australian Institute of Company Directors (AICD) and Member of Chartered Accounts Australia and New Zealand. She was formerly a registered Company Auditor.

Professor Sharon Goldfeld AM, Non-Executive Director, PhD, MBBS(Hons), FAFPHM, FRACP, MAICD

Professor Sharon Goldfeld is a paediatrician, researcher and policy advisor focussing on child development and health equity. She is Director of the Centre for Community Child Health at the Royal Children's Hospital's, and Theme Director for Population Health at the Murdoch Children's Research Institute. With a decade of experience in state government as a senior policymaker in health and education, including holding the role of Principal Medical Advisor in the Victorian Department of Education and Training, Professor Goldfeld is uniquely positioned to seamlessly straddle research, policy, and practice. Her expertise is highly sought after with appointments to government Expert Advisory Groups in health, education and social services departments including her recent appoint to the National Early Years Strategy Advisory Group. Professor Goldfeld is a member of the Australian Institute of Company Directors.

Dr Jim Hungerford, Special Purpose Director, BVSc, GAICD

Dr Jim Hungerford has over 10 years' experience in the hearing and not for profit sectors in Australia and was appointed to the Hearing Australia Board in June 2023. From 2011–2023, Dr Hungerford was the Chief Executive Officer of The Shepherd Centre, a world-leading early intervention support service for children with hearing problems. During this time, Dr Hungerford was also the Chair of First Voice, a peak body for eight charities which focus on providing listening and spoken language therapy services to children who are deaf or hearing-impaired. Dr Hungerford was a member of the NDIS Early Intervention Hearing Expert Reference Group from 2017–2019 and a member of the NSW Government Ministerial Standing Committee on Hearing from 2011–2012. Dr Hungerford is currently a member of the Board of the NSW Returned Services League (since 2022), and the Board of the Fundraising Institute of Australia (2018 to present). Dr Hungerford held early career roles in veterinary, biotechnology and pharmaceutical companies in Australia and overseas, in private veterinary practice and in the Australian Army Reserve. He is a Graduate Member of the Australian Institute of Company Directors (AICD) and holds a Bachelor of Veterinary Science from the University of Sydney.

Mr Kim Keogh, Special Purpose Director

Mr Keogh was appointed as a Special Purpose Director of Hearing Australia on 1 September 2018. Mr Keogh was previously a Director of Hearing Australia over the period of 2007 to 2013. He is currently an Executive Director of Darlot Brothers Pty Ltd and a government relations/public affairs advisor to Atlas Iron Ltd, Pilbara Minerals Ltd and Balla Balla Infrastructure Pty Ltd. Previously he was a member of the National Heritage Trust Advisory Board, Chair of the Ministerial Reference Group (Agriculture and Environment), member of the National Weeds Advisory Group and a pastoralist. He is a member of the Australian Institute of Company Directors.

Ms Shirley Liew, Non-Executive Director, BBus, MBA, GDip Corporate Finance, FCPA, FAICD (to 31 December 2023)

Ms Shirley Liew brings extensive public and private health experience, including in the ageing sector, and has a strong commercial background in finance, retail, transport, food, and mergers and acquisitions. She also chairs various risk, finance and audit committees, including the Central Coast Local Health District. Ms Liew is a Fellow of CPA Australia as well as being a Chartered accountant with extensive experience in leadership and senior technical roles as audit, assurance and advisory partner for major accounting firms.

Dr Stephen Parnis, Non-Executive Director, MBBS, PGDipSurgAnat, FACEM, FAICD

Dr Stephen Parnis was appointed to the Board in June 2023 and is an accomplished medical specialist, experienced company director and opinion leader and advocate. As a senior specialist in emergency medicine, he has played leadership roles across hospitals in regional and metropolitan Victoria, in the provision of clinical care, education, research and clinical administration in the public and private hospital sectors. As a company director in the medical and professional insurance industries for over 18 years, Dr Parnis has contributed to the governance of professional associations and the medical indemnity sector. His leadership within the medical profession and influence in the wider community began in 2004 in areas including public health, industrial relations and workforce policy, end of life care, health funding and medical ethics. He continues to advise medical and political leaders on medical practice and health policy, and to speak on matters of public importance.

Board Governance

Hearing Australia operates under the *Australian Hearing Services Act 1991* (AHS Act) and the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). Under the PGPA Act, Hearing Australia is defined as a corporate Commonwealth Entity.

The Board of Hearing Australia is our accountable authority, and it is responsible for determining the objectives, strategies and policies to be followed and to ensure Hearing Australia performs its functions in a proper, efficient and economical manner.

The functions and powers of Board are set out in section 8 and 9 of the AHS Act and are summarised as follows:

- to decide the objectives, strategies and policies to be followed by Hearing Australia, in accordance with section 14(1)(a) of the AHS Act
- to ensure that Hearing Australia performs its functions in a proper, efficient and economical manner in accordance with section 14(1)(b) of the AHS Act
- to act in accordance with the duties of officials required by the PGPA Act which include the obligations provided for in Division 3 (Subdivision A sections 25 – 29) dealing with the general duties of officials

In practice, the Board is responsible for a range of functions, including:

- setting the strategic directions of Hearing Australia
- representing the interests of stakeholders, especially the Minister
- working with the Managing Director to improve the ongoing performance of Hearing Australia
- providing guidance, support and advice to the executive management team
- monitoring the organisation's performance
- ensuring that the organisation meets its legislative and regulatory compliance responsibilities
- determining the Managing Director's terms and conditions, consistent with the provisions of the AHS Act and Remuneration Tribunal Determinations
- recommending to the Minister the appointment and termination (if necessary) of the Managing Director, and
- delegating to management the day to day running of Hearing Australia.

The Board is also responsible for ensuring that Hearing Australia meets its legal, accounting, regulatory and compliance requirements, including those outlined in the PGPA Act.

Directors are appointed by the Minister in line with the AHS Act and have qualifications relevant to, or special experience or interest in, a field related to Hearing Australia's functions. The duties of the Managing Director as prescribed in Section 42 of the AHS Act.

The Board meets on a regular basis and has a number of committees. Table A1.1 lists the qualifications and experience of each Board member and the number of formal meetings attended by each member during 2023-2024.

Induction

New Directors are provided with a briefing and information to ensure they understand their roles, responsibilities, and key features of Hearing Australia, including its operations, policies and strategies. Ongoing Director education is provided through site visits and presentations.

Confidentiality

All Directors are required to sign a confidentiality agreement on commencement with Hearing Australia. These agreements set out the obligations of Directors to not disclose confidential information obtained through their duty as Directors.

Indemnity and Insurance of Officers

During the year, Hearing Australia paid a premium of ex GST \$59,610 to insure the Directors and Officers of Hearing Australia. The liabilities insured were legal costs and other expenses that may be incurred in defending any civil or criminal proceedings brought against them in their capacity as Directors and Officers of Hearing Australia.

Performance Assessment

An appraisal of the performance of the Board is undertaken on an annual basis to ensure the effectiveness of operations of the Board and its Committees. This includes completion of a formal questionnaire based on guidance from the Australian Institute of Company Directors and action to improve internal governance arrangements.

Certification

The Managing Director and the Chief Financial Officer provide written certification regarding the integrity of the controls and activities of the organisation, including assurances as to Hearing Australia's financial situation. This assurance supports the Audit and Risk Management Committee in one of its key responsibilities – reviewing the Annual Financial Statements – which culminates in the acceptance of the Annual Financial Statements by the Board.

Independent Professional Advice

Directors have the right, with the prior agreement of the Chair, to obtain relevant independent professional advice at the expense of the organisation on any matter connected with the discharge of their duties as a Director.

Table A1.1: Details of Accountable Authority during the reporting period (2023–24)

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority	Position Title / Position held Executive / Non Executive	Period as the accountable authority or member within the reporting period		
				Date of Commencement	Date of cessation	Number of meetings of accountable authority attended
Ms Elizabeth Crouch AM	Bachelor of Economics, FAICD, Masters in Cyber Security	Ms Crouch brings strong government and policy expertise and extensive Non-Executive Director experience to Hearing Australia's Board including as Chair of the boards of Ochre Health, the Customer Owned Banking Association, Catholic Schools Parramatta Diocese Ltd and the Sydney Children's Hospital Network. She has also held board roles with ReadyTech, Health Infrastructure, Bingo Industries, Angus Knight, Chamdler Macleod and McGrath. Ms Crouch chairs Audit and Risk Committees for the State Emergency Service and the NSW Department of Enterprise, Innovation and Trade. She is the Emerita Deputy Chancellor of Macquarie University and is skilled in business strategy and service delivery, cyber security, enterprise risk management, leadership and mentoring, policy and stakeholder relations and culture change. She is a Fellow of the Institute of Company Directors and a member of the Association of Certified Fraud Examiners (ACFE).	Director Non Executive, Chair	1 July 2023	30 June 2024	10
Mr Kim Terrell	BA, Master's Degree in Public Policy, OLY	Played a key role in establishing three agencies, the Digital Transformation Office (DTO), Australian Sports Anti-doping Authority (ASADA) and CrimTrac, instrumental in creating myGov and driving digital transformation across the Department of Human Services and the Government. Experience working with and advising various ministers, Prime Ministers and their offices, to initiate significant improvements across various government programs. Australian Swim Team member from 1981-1986 and attended the 1982 Commonwealth Games and 1984 Olympics - winning ten national titles and holding six Australian records. Recipient of three Australia Day Awards.	Managing Director/ Executive	1 July 2023	30 June 2024	10

Table A1.1: Details of Accountable Authority during the reporting period (2023–24)

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority	Position Title / Position held Executive / Non Executive	Period as the accountable authority or member within the reporting period		
				Date of Commencement	Date of cessation	Number of meetings of accountable authority attended
Professor Jody Currie	Bachelor's Degree – Ethnic, Cultural, Gender and Group Studies	CEO of the Aboriginal and Torres Strait Islander Community Health Service (ATSICHS) Brisbane. Member of the Australia Institute of Company Directors, Board of the Brisbane Indigenous Media Association. Formerly a member of the Board of the Queensland Poetry Festival. Previously a member of the ATSICHS board over a six year period, two of these as Chair. Lengthy history in Aboriginal and Torres Strait Islander human service delivery and is a strong advocate for improving the service accessibility to Aboriginal and Torres Strait Islander people.	Director Non Executive	1 July 2023	30 June 2024	8
Ms Loretta Di Mento	Bachelor of Commerce GAICD	Chair of the Board of the Western Sydney Local Health District, and a member of that Board since 2020, Deputy Chair of Museums of History NSW and holds Board roles with Sydney Catholic Schools and Opportunity International Australia. Chair of the Audit and Risk Committees of the Australian Law Reform Commission, Health Infrastructure NSW, Justice Health NSW and TAFE NSW and a member of the Audit and Risk Committees of the National Australia Day Council and the NSW Electoral Commission. Graduate Member of the Australian Institute of Company Directors (AICD), and Member of Chartered Accounts Australia and New Zealand. Formerly a registered Company Auditor.	Director Non Executive	19 June 2024	30 June 2024	1

Table A1.1: Details of Accountable Authority during the reporting period (2023-24)

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority	Position Title / Position held Executive / Non Executive	Period as the accountable authority or member within the reporting period		
				Date of Commencement	Date of cessation	Number of meetings of accountable authority attended
Professor Sharon Goldfeld AM	<p>Doctor of Philosophy</p> <p>Bachelor of Medicine/ Bachelor of Surgery</p> <p>Member of the Australian Institute of Company Directors</p>	<p>Extensive experience in the fields of paediatrics, research and policy advice.</p> <p>Director of the Centre for Community Child Health and the Royal Children's Hospital. Theme Director for Population Health and the Murdoch Children's Research Institute.</p> <p>Holds a decade of experience in state government as a senior policymaker in health and education., including as Principal Medical Advisor in the Victorian Department of Education.</p> <p>She has also been appointed to Expert Advisory Groups in health, education and social services departments, including the National Early Years Strategy Advisory Group.</p>	Director Non Executive	1 July 2023	30 June 2024	9
Dr Jim Hungerford	<p>Bachelor of Veterinary Science</p> <p>Graduate Member of the Australian Institute of Company Directors</p>	<p>Holds over 10 years' experience in the hearing and not-for-profit sectors in Australia.</p> <p>Formerly the Chief Executive Officer of The Shepherd Centre a world-leading early intervention support service for children with hearing problems. Was also formerly the Chair of First Voice, a peak body for eight charities which focus on providing listening and spoken language therapy services to children who are Deaf or hearing impaired.</p> <p>Member of the NDIS Early Intervention Hearing Expert Reference Group 2017-2019 and member, NSW Government Ministerial Standing Committee in Hearing 2011-2012.</p> <p>Holds Board roles for the NSW Returned Services League and the Fundraising Institute of Australia.</p>	Special Purpose Board Director Non Executive	1 July 2023	1 July 2023	7

Table A1.1: Details of Accountable Authority during the reporting period (2023-24)

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority	Position Title / Position held Executive / Non Executive	Period as the accountable authority or member within the reporting period		
				Date of Commencement	Date of cessation	Number of meetings of accountable authority attended
Mr Kim Keogh		<p>Previously a Director of Australian Hearing over the period 2007 to 2013. Executive Director of Darlot Brothers Pty Ltd. Government relations/public affairs advisor to Atlas Iron Ltd, Pilbara Minerals Ltd and Balla Balla Infrastructure Pty Ltd.</p> <p>Previously a member of the National Heritage Trust Advisory Board, Chair of the Ministerial Reference Group (Agriculture and Environment), member of the National Weeds Advisory Group and pastoralist. He is a member of the Australian Institute of Company Directors.</p>	Special Purpose Board Director Non Executive	1 July 2023	30 June 2024	10
Ms Shirley Liew	Bachelor of Business, MBA, GDip Corporate Finance, FCPA	<p>Shirley brings extensive public and private health experience, including in the ageing sector, and has a strong commercial background in finance, retail, transport, food, and mergers and acquisitions.</p> <p>She also chairs various risk, finance and audit committees, including the Central Coast Local Health District. Shirley is a Fellow of CPA Australia as well as being a Chartered accountant with extensive experience in leadership and senior technical roles as audit, assurance</p>	Director Non Executive	1 July 2023	31 December 2023	3

Table A1.1: Details of Accountable Authority during the reporting period (2023–24)

Name	Qualifications of the Accountable Authority	Experience of the Accountable Authority	Position Title / Position held Executive / Non Executive	Period as the accountable authority or member within the reporting period		
				Date of Commencement	Date of cessation	Number of meetings of accountable authority attended
Dr Stephen Parnis	Bachelor of Medicine/ Bachelor of Surgery Postgraduate Diploma of Surgical Anatomy. Fellow of the College of Emergency Medicine Fellow of the Australian Institute of Company Directors	Specialist in Emergency Medicine, in consultant practice at St Vincent's Hospital and the Royal Victorian Eye and Ear Hospital in Melbourne and has played leadership roles across hospitals in regional and metropolitan Victoria in the provision of clinical care, education, research and clinical administration in the public and private hospital sectors. Has held senior roles with the Australian Medical Association, culminating as Federal Vice President from 2014–16. Over 18 years' experience as a company director in the medical and professional insurance industries and has contributed to the governance of professional associations and the medical indemnity sector.	Non Executive Director	1 July 2023	30 June 2024	7

Appendix 2: Audit and Risk Management Committee

The purpose of Hearing Australia's Audit and Risk Management Committee is to assist Hearing Australia's Board to discharge its responsibilities under the AHS and PGPA Acts, including review and oversight of Hearing Australia's financial reporting, performance reporting, risk oversight and management, internal control and compliance with relevant laws and policies.

The Committee endorses Hearing Australia's Internal Audit Plan, Internal Audit provider, Risk Management Framework and organisational assurance map.

Committee members are appointed by the Board, as Hearing Australia's accountable authority. The Committee:

- must include at least three Non-Executive Directors
- may include an external person appointed by the Chair of the Committee and who has specific expertise relevant to the role of the Committee
- must not include the Chair of the Board, the Managing Director or Chief Financial Officer of Hearing Australia.

The Charter of the Audit and Risk Management Committee, which includes further details of Committee Membership, the roles and responsibilities of Members, and functions of the Committee, is available at: <https://www.hearing.com.au/getmedia/1fd9e052-52ab-4623-9ca3-1ec2b04f3def/ARMC-Charter.pdf>

Attendance at Meetings

The Chair of the Hearing Australia Board, the Managing Director, the Chief Financial Officer, the Chief Operating Officer, Chief People and Governance Officer (now the Director, Corporate Services) and other representatives from Hearing Australia management, who are not members of the Committee, may attend all or part of the ARMC meeting as observers, by invitation of the Committee Chair.

Representatives from the ANAO and their contracted service provider - Crowe Australasia - also attend each ARMC meeting, by invitation of the Committee Chair.

KPMG was re-appointed on 1 July 2024 for a one year period to 30 June 2025 to manage Hearing Australia's internal audit function. KPMG representatives attended ARMC meetings, as required, by invitation of the Committee Chair.

Regular reports are received from management, Internal and External Auditors, and recommendations for improved internal controls, processes and efficiencies are implemented on a regular basis.

The following table lists the number of formal meetings attended by each Committee member during 2023-24.

Table A2.1 Members of the Audit and Risk Management Committee

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended / total number of meetings	Total number of meetings held	Total annual remuneration (GST inc.)	Additional Information
<p>Ms Shirley Liew</p>	<p>Bachelor of Business, MBA, GDip Corporate Finance, FCPA</p> <p>Shirley brings extensive public and private health experience, including in the ageing sector, and has a strong commercial background in finance, retail, transport, food, and mergers and acquisitions.</p> <p>She also chairs various risk, finance and audit committees, including the Central Coast Local Health District. Shirley is a Fellow of CPA Australia as well as being a Chartered accountant with extensive experience in leadership and senior technical roles as audit, assurance and advisory partner for major accounting firms.</p>	3	5	\$8,697	Term ended 31 December 2023
<p>Ms Loretta Di Mento</p>	<p>Bachelor of Commerce, Graduate Member of the Australian Institute of Company Directors (AICD), and Member of Chartered Accounts Australia and New Zealand. Formerly a registered Company Auditor.</p> <p>Loretta has extensive Board and Audit Committee experience, She is Chair of the Board of the Western Sydney Local Health District, and has been a member of that Board since 2020. She is also Deputy Chair of Museums of History NSW and holds Board roles with Sydney Catholic Schools and Opportunity International Australia.</p> <p>Further, Loretta is Chair of the Audit and Risk Committees of the Australian Law Reform Commission, Health Infrastructure NSW, Justice Health NSW and TAFE NSW and a member of the Audit and Risk Committees of the National Australia Day Council and the NSW Electoral Commission.</p>	0	0	\$535	Appointed to this Committee on 26 June 2024. No meetings held in 2023–24 during Ms Di Mento's tenure.

Table A2.1 Members of the Audit and Risk Management Committee

Member name	Qualifications, knowledge, skills or experience (include formal and informal as relevant)	Number of meetings attended / total number of meetings	Total number of meetings held	Total annual remuneration (GST inc.)	Additional Information
Mr Ray Armstrong	Extensive experience across areas including risk management, fraud, security and crisis management. Has worked in a wide variety of environments, including in the public sector as Head of Business Resilience for Water NSW, in the Queensland Police and the Australian Army; and in the private sector, including at Coca Cola Amatil and DHL Supply Chain. Qualifications include a Graduate Diploma in Public Policy and a Diploma of Investigations	4	5	\$18,610	
Mr Kim Keogh	Previously a Director of Australian Hearing over the period 2007 to 2013. Executive Director of Darlot Brothers Pty Ltd. Government relations/public affairs advisor to Atlas Iron Ltd, Pilbara Minerals Ltd and Balla Balla Infrastructure Pty Ltd. Previously a member of the National Heritage Trust Advisory Board, Chair of the Ministerial Reference Group (Agriculture and Environment), member of the National Weeds Advisory Group and pastoralist. He is a member of the Australian Institute of Company Directors.	4	5	\$8,702	
Dr Stephen Parnis	Specialist in Emergency Medicine, in consultant practice at St Vincent's Hospital and the Royal Victorian Eye and Ear Hospital in Melbourne and has played leadership roles across hospitals in regional and metropolitan Victoria in the provision of clinical care, education, research and clinical administration in the public and private hospital sectors. Has held senior roles with the Australian Medical Association, culminating as Federal Vice President from 2014-16. Over 18 years' experience as a company director in the medical and professional insurance industries and has contributed to the governance	5	5	\$12,498	Dr Parnis acted as the Chair of the Committee between 1 January 2024 and 26 June 2024, inclusive.

Appendix 3: Remuneration and People Committee

The purpose of Hearing Australia's Remuneration and People Committee is to provide guidance, support and oversight of Hearing Australia's people strategies and policies, including providing advice to the Board and Management in relation to workplace arrangements (including safety and wellbeing), corporate culture, Hearing Australia's Enterprise Agreement and remuneration arrangements, inclusion and talent management.

The Committee is also responsible for making recommendations to the Board regarding the remuneration of the Managing Director, within the terms of the Managing Director's Employment Determination and relevant Remuneration Tribunal determinations and guidelines. This includes providing advice to the Board on the Managing Director's performance and eligibility for performance payments, in line with Remuneration Tribunal determinations.

The table below provides details of Directors' attendance at Committee meetings.

Name	Number of meetings attended / total number of meetings
Ms Elizabeth Crouch AM	2/2
Professor Jody Currie	2/2
Mr Kim Terrell	2/2

Appendix 4: Executive Management and Governance

Executive Governance Structure

Hearing Australia's Executive Team is responsible for the efficient and effective operation of Hearing Australia and for developing strategies and policies for Board consideration.

Members of Hearing Australia's Executive Team during 2023-24 and their responsibilities were as detailed below.

Kim Terrell, Managing Director

Refer to Directors' Details.

David Cuda, Chief Financial Officer

David joined the Hearing Australia Executive Team in April 2021 as the Chief Financial Officer. He has over 30 years' experience having worked across the FMCG, Telco and Media industries in a variety of roles spanning Finance, Strategy, Sales and Customer Marketing. David brings technical expertise, entrepreneurial drive and a deep understanding of customer drivers to champion strategies and solutions focussing on the customer loyalty needed to remain relevant in fast changing markets. He has a strong passion for people and creating high-performance teams that add value to the divisions they support. David has a Bachelor of Economics, MBA, is a Fellow of CPA Australia, is a Justice of the Peace and a Graduate Member of the Australian Institute of Company Directors.

Brent Edwards, Director NAL

Brent is the Director of the National Acoustic Laboratories, where he is currently leading research and innovation initiatives that focus on transforming hearing healthcare. For over 22 years he headed research and technology development at major hearing aid companies (GN ReSound, Starkey) and at Silicon Valley startups that have developed innovative technologies and clinical tools used worldwide. Brent founded and ran the Starkey Hearing Research Center in Berkeley, California that was a leading site for research in hearing impairment and cognition. He is a Fellow of the Acoustical Society of America, a Fellow and current President of the International Collegium of Rehabilitative Audiology, and an Adjunct Professor at Macquarie University. Brent received his Ph.D. in Electrical Engineering and Computer Science from the University of Michigan and was a Postdoctoral Fellow in Psychology at the University of Minnesota.

Gina Mavrias, Chief Operating Officer

Gina has a Bachelor of Science Degree and a Diploma of Audiology from the University of Melbourne. She has also completed the General Management Program at the Australian Graduate School of Management. Gina has been a member of the Hearing Australia Executive team since 2004 and has extensive knowledge of the business and the hearing industry. Gina is responsible for the management of operations and service delivery across a national network of sites. This includes responsibility for clinical policies and procedures.

Siddhartha Parti, Chief Information Officer

Sid joined Hearing Australia in July 2023 as an Executive with extensive expertise in digital transformation and strategic leadership. With over 22 years of international experience, he is recognised for his ability to drive large-scale business and technology transformations with precision and efficiency. Sid specialises in developing and executing comprehensive digital strategies that align with organisational objectives. His background includes significant accomplishments in building and scaling digital capabilities and managing complex transformation programs. Sid's experience spans multiple sectors, including Construction and Engineering, Mining, Manufacturing, Banking and Insurance. Prior to joining Hearing Australia, he held senior executive roles in prominent organisations across Australia, the USA, and Canada. Sid holds a Bachelor of Engineering in Electrical, Electronics and Power.

Robin Priddin, Chief People and Governance Officer

Robin Priddin joined Hearing Australia in October 2018 from the Department of Human Services. She has a graduate certificate in Public Sector Management and is a member of the Australian Institute of Company Directors. She also holds qualifications in program and project management and has an extensive background in the Australian Public Service.

Appendix 5: Key Staffing Statistics

All Ongoing Employees Current Report Period (2023-24)

	Male			Female			Non-binary			Prefers not to answer			Uses different term			
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	
NSW	124	8	132	252	139	391	0	0	0	0	0	0	0	0	0	523
QLD	31	8	39	96	83	179	0	0	0	0	0	0	0	0	0	218
SA	5	1	6	23	21	44	0	0	0	0	0	0	0	0	0	50
TAS	12	1	13	22	16	38	0	0	0	0	0	0	0	0	0	51
VIC	30	2	32	140	117	257	0	0	0	0	0	0	0	0	0	289
WA	12	1	13	40	30	70	0	0	0	0	0	0	0	0	0	83
ACT	1	0	1	9	5	14	0	0	0	0	0	0	0	0	0	15
NT	1	0	1	8	3	11	0	0	0	0	0	0	0	0	0	12
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	216	21	237	590	414	1004	0	0	0	0	0	0	0	0	0	1241

All Non-Ongoing Employees Current Report Period (2023-24)

	Male		Female		Non-binary		Prefers not to answer		Uses different term			Total	
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time		Total
NSW	16	2	18	37	23	60	0	0	0	0	0	0	78
QLD	2	0	2	7	5	12	0	0	0	0	0	0	14
SA	0	0	0	0	0	0	0	0	0	0	0	0	0
TAS	0	0	0	2	1	3	0	0	0	0	0	0	3
VIC	4	1	5	3	21	24	0	0	0	0	0	0	29
WA	0	0	0	2	4	6	0	0	0	0	0	0	6
ACT	0	0	0	0	1	1	0	0	0	0	0	0	1
NT	1	1	2	2	12	14	0	0	0	0	0	0	16
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	23	4	27	53	67	120	0	0	0	0	0	0	147

All Ongoing Employees Previous Report Period (2022-23)

	Male		Female		Non-binary			Prefers not to answer			Uses different term			Total	
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total			
NSW	121	4	125	243	149	392	0	0	0	0	0	0	0	0	517
QLD	35	6	41	98	89	187	0	0	0	0	0	0	0	0	228
SA	6	2	8	23	22	45	0	0	0	0	0	0	0	0	53
TAS	11	1	12	19	19	38	0	0	0	0	0	0	0	0	50
VIC	32	3	35	143	124	267	0	0	0	0	0	0	0	0	302
WA	10	2	12	36	31	67	0	0	0	0	0	0	0	0	79
ACT	1	0	1	10	5	15	0	0	0	0	0	0	0	0	16
NT	1	0	1	8	5	13	0	0	0	0	0	0	0	0	14
External Territories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	217	18	235	580	4444	1024	0	0	0	0	0	0	0	0	1259

All Non-Ongoing Employees Previous Report Period (2022-23)

	Male		Female		Non-binary		Prefers not to answer		Uses different term		Total
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	
NSW	20	2	33	27	0	0	0	0	0	0	82
QLD	2	1	8	6	0	0	0	0	0	0	17
SA	1	0	0	2	0	0	0	0	0	0	3
TAS	0	0	2	2	0	0	0	0	0	0	4
VIC	0	0	7	30	0	0	0	0	0	0	37
WA	1	1	6	5	0	0	0	0	0	0	13
ACT	0	0	0	0	0	0	0	0	0	0	0
NT	1	2	4	12	0	0	0	0	0	0	19
External Territories	0	0	0	0	0	0	0	0	0	0	0
Overseas	0	0	0	0	0	0	0	0	0	0	0
Total	25	6	60	84	0	0	0	0	0	0	175

Appendix 6: Information About Executive Remuneration

In accordance with the requirements of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule) and the Department of Finance Resource Management Guide 38 *Commonwealth Entities Executive Remuneration Reporting Guide for Annual Reports, Hearing Australia reports* on its remuneration practices.

Table 6.1 lists Hearing Australia's 16 Key Management Personnel (KMPs) for 2023–24. This includes all Non-Executive Directors and members of Hearing Australia's Executive. These individuals are identified as KMPs, consistent with the definition in the Australian Accounting Standards Board (AASB) 124 *Related Party Disclosures*.

A further 17 employees are regarded as 'Other Highly Paid Employees' for the purposes of the Commonwealth's remuneration reporting (Table 6.2 refers). 'Other Highly Paid Staff' are employees who are neither KMP nor senior executives and whose total remuneration exceeds the \$250,001 threshold for the 2023–24 reporting period.

Employment Arrangements

Hearing Australia employees are engaged under the *Australian Hearing Services Act 1991* as Commonwealth employees and are not covered by the *Australian Public Service Act 1999*. Some 96 per cent of employees are employed under Hearing Australia's Enterprise Agreement. Approximately three per cent of employees, including members of the Executive and selected other senior staff, are employed under common law contracts. One per cent is employed under Remuneration Tribunal Determinations.

Hearing Australia's employees include audiologists, audiometrists, technicians, researchers and other hearing health professionals. Other roles include support for client engagement and corporate services.

Fixed and Performance Based Pay

To achieve its business outcomes, as outlined in the Corporate Plan, Hearing Australia needs to be able to attract, reward and retain skilled employees. Hearing Australia's performance scheme framework supports that outcome, recognising that Hearing Australia must comply with relevant Commonwealth Government policies.

Remuneration for some employees consists of two components: a total guaranteed package and a variable 'at risk' component which is delivered through the performance scheme framework.

The fixed, guaranteed component of remuneration is comprised of base salary, superannuation contributions, allowances and any non-cash benefits, and aims to compensate employees for executing the core requirements of their role. The performance payment (variable component) is an 'at risk' opportunity where a performance component of remuneration may be awarded to recognise outstanding performance. The provision of performance payments is discretionary and recognises high performing individuals and teams that have exceeded their key performance indicators and have contributed to the overall success of Hearing Australia.

Salary Increases

Hearing Australia works within the parameters of the *Remuneration and Funding Declaration (Declaration)* under the Workplace Bargaining Policy approved by the Australian Public Service Commission.

Those employees engaged under Hearing Australia's Enterprise Agreement received an annual pay increase of 4.4 per cent. In addition, eligible full time and part time employees with at least 12 months service received a gross retention payment equal to 1.0 per cent of their base salary in 2023- 24. Most employees on common law contracts received a 4.0 per cent annual salary increase for 2023-24.

Director Remuneration

All Hearing Australia Directors are appointed by the Minister for Government Services in accordance with section 16 of the *Australian Hearing Services Act 1991*. Board fees for Directors are paid according to the determination of the Commonwealth Remuneration Tribunal (the Tribunal) under the *Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2024*. Hearing Australia has no role in determining the level of the Board Director fees. Statutory superannuation is paid in addition to the fees set by the Tribunal.

Managing Director Remuneration

The Managing Director's remuneration during 2023-24 was determined by the Board of Hearing Australia in line with the *Remuneration Tribunal (Principal Executive Officers - Classification Structure and Terms and Conditions) Determination 2024*.

Remuneration Governance Arrangements

Hearing Australia's Remuneration and People Committee advises the Board on matters relating to employee remuneration. Appendix 3 provides further details on the operation of this Committee.

2023-24 Remuneration Information

The following tables detail the remuneration paid to Hearing Australia KMPs and other highly paid staff in 2023-24.

Table 6.1 Information about remuneration for Key Management Personnel

Name	Position Title	Short-term benefits				Post-employment benefits	Other long-term benefits		Termination Benefits	Total Remuneration
		Base Salary	Bonuses	Other benefits and allowances	Superannuation contributions		Long Service Leave	Other long-term benefits		
E A Crouch	Chair	82,695	0	0	9,107	0	0	0	91,802	
J E Currie	Director	37,221	0	0	4,099	0	0	0	41,320	
S R Goldfield	Director	37,221	0	0	4,105	0	0	0	41,326	
J W I Hungerford	Special Purpose Director	37,221	0	0	4,099	0	0	0	41,320	
K W Keogh	Special Purpose Director	45,922	0	0	5,058	0	0	0	50,980	
S S Liew	Director	27,307	0	0	3,004	0	0	0	30,311	
L M Di Mento	Director	1,258	0	0	146	0	0	0	1,404	
S J Parnis	Director	50,080	0	0	5,516	0	0	0	55,596	
K C Terrell	Managing Director	382,353	39,783	0	58,421	24,476	0	0	505,033	
M K S Brett	Chief Information Officer	27,360	0	0	3,324	0	0	0	30,684	
S Parti	Chief Information Officer	345,825	31,875	0	36,376	2,903	0	0	416,979	
S D J Jean	A/Chief Customer Officer	300,837	27,966	-730	33,995	13,162	0	0	375,230	
D P Cuda	Chief Financial Officer	329,602	37,412	0	40,638	6,502	0	0	414,154	
G Mavrias	Chief Operating Officer	337,978	37,121	26,914	67,093	45,705	0	0	514,811	
B Edwards	Director, NAL Research	368,739	34,500	0	45,672	13,236	0	0	462,147	
R A Priddin	Chief People & Governance Officer	337,986	0	0	53,678	15,356	0	0	407,020	
Total		\$2,749,605	\$208,657	\$26,184	\$374,331	\$121,340	\$0	\$0	\$3,480,117	

Table 6.2 Information about remuneration for Other Highly Paid Staff

Remuneration Band	Number of other highly paid staff	Short-term benefits			Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
		Average base salary	Average bonuses	Average other benefits and allowances		Average long service leave	Average other long-term benefits		
\$250,000- \$270,000	12	189,892	18,002	14,952	29,533	9,030			Average total remuneration 261,409
\$270,001- \$295,000	3	205,126	12,612	22,011	27,422	9,188			276,359
\$295,001- \$320,000	1	205,417	23,050	29,904	26,020	16,598			300,989
\$320,001- \$345,000	1	270,019	20,588		38,708	6,034			335,349

Appendix 7: Code of Conduct

Hearing Australia's Code of Conduct outlines the standards of behaviour required of all individuals who perform work at Hearing Australia. As a corporate Commonwealth entity, Hearing Australia requires anyone who works for Hearing Australia to have the highest standards of personal behaviour and integrity and to actively contribute to a safe, inclusive and respectful workplace.

Employees, Board Directors, consultants and contractors are required to comply with this Code of Conduct to achieve the goals of:

- providing world leading research and hearing services for the wellbeing of all Australians
- meeting in full Hearing Australia's legal and regulatory requirements
- creating an environment that is supportive
- remaining true to Hearing Australia's brand behaviours
- providing everyone who works for Hearing Australia with a safe and respectful workplace.

Appendix 8: Ministerial Directions And Other Statutory Requirements

Hearing Australia is required to make annual disclosures under the following legislation: *Australian Hearing Services Act 1991*, *Public Governance, Performance and Accountability Act 2013*, *Work Health and Safety Act 2011*, *Freedom of Information Act 1982*, *The Environment Protection and Biodiversity Conservation Act 1999*.

No Ministerial directions were issued during the year 2023-24. No Government Policy Orders were applied to Australian Hearing Services (trading as Hearing Australia).

Appendix 9: Freedom of Information

Hearing Australia is subject to the Freedom of Information Act 1982 (FOI Act). The FOI Act provides the public with a general right of access to documents held by Australian Government agencies, by requiring Commonwealth entities, such as Hearing Australia, to publish information and provide a right of access to documents.

The general right is limited by exception to protect essential public interests, including the privacy of individuals and the business affairs of those who give information to the entity. Hearing Australia is required to publish information to the public as part of the Information Publication Scheme (IPS). The IPS is designed to promote open and transparent communications of government information. Hearing Australia's plan showing what information it publishes in accordance the IPS is located at

[https://www.hearing.com.au/About-Hearing-Australia/Corporate-Publications-\(1\)/Information-Publication-Scheme](https://www.hearing.com.au/About-Hearing-Australia/Corporate-Publications-(1)/Information-Publication-Scheme)

Hearing Australia is required to publish on its website information about its structure, functions and statutory appointments. Hearing Australia must also publish its Annual Reports and other types of information including information that guides decisions or recommendations affecting members of the public as well as information about how the public can comment on policy proposals.

This information is available at www.hearing.com.au/About-Hearing-Australia

Enquiries on freedom of information matters, including requests for access to documents, may be directed to:

The FOI Officer
Hearing Australia
Level 5, 16 University Avenue
Macquarie University NSW 2109
Telephone: (02) 9412 6800
TTY: (02) 9412 6802
email: FOI@hearing.com.au

In the reporting year to 30 June 2024, Hearing Australia was not the subject of any report given by the Office of the Australian Information Commissioner.

Appendix 10: Environment

This section is provided in accordance with our requirement to report on environmental performance and how we accord with, and advance, the principles of ecologically sustainable development (ESD) under Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*.

Accountable Authority

Hearing Australia has delivered hearing assessments, services, support and products to Australians for over 75 years. We offer world-leading hearing solutions and seek to make a positive impact and difference to the communities we serve.

We are the nation's largest provider of Government-funded hearing services for children, young adults under 26, Aboriginal and Torres Strait Islander peoples, pensioners and veterans and have over 600 locations across Australia.

In conducting our services, we support sustainable procurement practices set by the Australian Government to drive performance, optimise our resources, and integrate innovation across our product offerings, operations, vendor selection and supply chains.

Ecologically Sustainable Development (ESD)

Pursuant to Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*, and RMG136 of the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule), Hearing Australia reports its commitments and environmental results in support of the Government's ecologically sustainable development (ESD) and Australian Public Service (APS) *Net Zero 2030* targets.

In addition to the information provided within this subsection of our Annual Report, Hearing Australia's *ESG Sustainability Report FY2024* (ESG-SR) will provide a comprehensive view of sustainability and emissions reduction actions and associated outcomes for 2023-24.

The ESG-SR will also include forward looking statements which will be underpinned by the United Nations Sustainable Development Goals (UNSDGs) and provide insights to the foundational pillars of our broader Environment, Social and Governance commitments and results.

Year Ending 2024 ESG Outcomes

Contracts – Suppliers' Environmental Management

Environmental management clauses are included in supplier contracts, in compliance with the National Waste Policy, National Environment Protection Measures, Energy Efficiency in Government Operations Policy and the Green Marketing and Australian Consumer Law guideline.

We continue to review our supplier contracts to strengthen our ESG criteria and to ensure procured goods or services are, where possible, made from recycled material, are energy efficient,

and environmentally preferable; and that our strategic vendors have active and quantifiable ESG programs and commitments which align with global standards.

Hearing Australia has implemented the following initiatives to minimise the effect of our activities on the environment.

Energy Efficiency

Hearing Australia has implemented an Energy Management Plan in support of the objectives of the Australian Government's energy productivity and efficiency priorities.

Our National Head Office located at 16 University Avenue, Macquarie University, NSW is under a Green Lease Schedule and as a tenant, we collaborated with the landlord to improve the energy efficiency of the building and premises.

Enhancement of the ESG Principles is being achieved through all new Hearing Centre builds (small retail sites) incorporating energy efficient lighting. Where possible, aged air conditioning units are replaced with modern units which use environmentally conscious refrigerants, and dual flush toilets are installed.

Additionally, our computers are ecological and power saving compliant, and monitors are automatically set to 'sleep' mode after 10 minutes of inactivity. Other initiatives include incorporating a solid-state storage unit and virtualising approximately 97.5 per cent of Wintel Server workload and 95 per cent of Unix Server workload.

Energy (Electricity)

During 2022-23, Hearing Australia undertook a review of our energy supply arrangements to identify opportunities to introduce renewable energy across our Hearing Centres, which led to 40

per cent of our total of 2.62 million KWh Electricity use in 2023-24 being GreenPower accredited. Our market-based electricity emissions in 2023-24 were 963.8 t CO₂-e – 41 per cent lower than in 2022-23.

Vehicle Fleet

As at 30 June 2024, our vehicle fleet comprised of greater than 75 per cent Hybrid Low Emissions Vehicles (LEV) which meets the Government's commitment to reduce vehicle-induced carbon emissions by ensuring 75 percent of vehicles are LEV's by 2025, in support of Australian Public Service Net Zero 2030 targets. In 2023-24, our fleet emissions were 359.2 t CO₂-e –13 per cent lower than in 2022-23.

Additionally, we encourage the use of biofuels such E10 (10% Ethanol) or clean burning diesel for our twelve hearing buses, where available. Our fleet vehicles are also regularly serviced and maintained to ensure optimum fuel efficiency and are managed by SG Fleet under a Whole of Government Agreement.

Air Travel

To reduce air travel and associated environmental impacts we continue to promote and support the use of video and phone conferencing in place of staff using air travel, where appropriate. All meeting invitations include virtual links by default to allow dial-in options for internal and external attendees, and for events hosted from our National Head Office. This initiative has led to 15 per cent less air travel kilometres in 2023-24.

In 2023-24 we undertook 4,778,531 kilometres of air travel which comprised 86 per cent domestic mileage and 13 per cent international mileage; with less

than 1 per cent on domestic charter flights, to support services for First Nations and Aboriginal and Torres Strait Islander communities. Our aviation emissions from domestic commercial flights in 2023-24 were 448.4 Scope-3 t CO₂-e – 34 per cent lower than in 2022-23.

In 2024-25, we will continue to review our travel activities, including considering the introduction into our travel policy of exclusion provisions for non-urgent or unnecessary air travel and exploring opportunities to offset flight emissions.

Rechargeable Devices

Hearing Australia is transitioning to rechargeable hearing devices, where clinically appropriate, to reduce reliance on single-use disposable batteries. In 2023-24 we reduced our battery consumption by 20 per cent to 11.14 million units compared with 14 million units in the prior year.

In 2023-24, Hearing Australia supplied 98,000 hearing devices compared with 101,000 in 2022-23, a decrease of three per cent as a consequence of reduced operational performance early in the year. Of the devices supplied in 2023-24, more than 32 per cent were rechargeable.

Hearing Australia will continue to promote rechargeable product options to our clients to reduce reliance on disposable battery devices, coupled with reviewing the market for battery-powered products that have a longer useful life. We will also undertake a feasibility study for the introduction of a national battery recycling scheme across our Hearing Centre network.

Paper

In 2023-24, we consumed 26 per cent less paper than in 2022-23 and reduced our emissions from paper waste to 13 t CO₂-e. Greater than 50 per cent of Hearing Australia's photocopier and printer paper was certified carbon neutral.

During 2022-23, we commenced the updating of our printer fleet to more energy efficient machines, embedded with paper and print management technology and designed to consume less energy. We anticipate our printer fleet will be transitioned by late in the 2024 Calendar Year, which will assist us to continue to reduce our paper consumption and related environmental impacts.

We also ensure that our cleaning contractors provide environmentally friendly tissue paper (eg: toilet paper and towels) and cleaning products.

Our ESG Principles are being further enhanced by encouraging a paperless environment and transitioning to e-Forms in lieu of paper based forms, where feasible.

Water

Hearing Australia is not a major water user and our water use is not separately metered in our leased premises

CO₂-e Emissions Summary

Hearing Australia's CO₂-e emissions for the period ending June 2024 pursuant to the APS Net Zero report.

Table A10.1: 2023–24 Greenhouse Gas Emissions Inventory – Location-Based Method

Emission Source	Scope 1 t CO ₂ -e	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e
Electricity (Location Based Approach)	N/A	1,726.103	193.498	1,919.602
Natural Gas	0.000	N/A	0.000	0.000
Solid Waste*	N/A	N/A	0.000	0.000
Refrigerants*	0.000	N/A	N/A	0.000
Fleet and Other Vehicles	288.325	N/A	70.867	359.193
Domestic Commercial Flights	N/A	N/A	448.405	448.405
Domestic Hire Car*	N/A	N/A	0.000	0.000
Domestic Travel Accommodation*	N/A	N/A	31.588	31.588
Other Energy	0.000	N/A	0.000	0.000
Total t CO₂-e	288.325	1,726.103	744.359	2,758.788

Note: the table above presents emissions related to electricity usage using the location-based accounting method. CO₂-e = Carbon Dioxide Equivalent.

*indicates emission sources data collected for the first time in 2023-24. The quality of data is expected to improve over time as emissions reporting matures.

Table A10.2: 2023–24 Electricity greenhouse gas emissions

Emission Source	Scope 2 t CO ₂ -e	Scope 3 t CO ₂ -e	Total t CO ₂ -e	Percentage of electricity use
Electricity (Location Based Approach)	1,726.103	193.498	1,919.602	100%
Market-based electricity emissions	857.924	105.917	963.840	40.41%
Total renewable electricity	0	0	0	59.59%
Mandatory renewables ¹	0	0	0	18.72%
Voluntary renewables ²	0	0	-0	40.87%

Note: the table above presents emissions related to electricity usage using both the location-based and the market-based accounting methods. CO₂-e = Carbon Dioxide Equivalent. Due to the billing cycles not aligning with the end of the financial year, some electricity data was not available during the initial collection process in July-August 2024. Adjustments to the data may be required in future reports.

Emissions from electricity consumed by electric and plug-in hybrid vehicles has only been reported for electricity directly purchased by Hearing Australia. Emissions associated with electricity consumption from public charging stations has not been reported for 2023-24

¹ Mandatory renewables are the portion of electricity consumed from the grid that is generated by renewable sources. This includes the renewable power percentage.

² Voluntary renewables reflect the eligible carbon credit units surrendered by the entity. This may include purchased large-scale generation certificates, power purchasing agreements, GreenPower and the jurisdictional renewable power percentage (ACT only).

APS Net Zero 2030 emissions reporting

APS Net Zero 2030 is the Government's policy for the Australian Public Service (APS) to reduce its greenhouse gas emissions to net zero by 2030, and transparently report on its emissions. As part of this, non-corporate and corporate Commonwealth entities are required to report on their operational greenhouse gas emissions.

The Greenhouse Gas Emissions Inventory presents greenhouse gas emissions over the 2023–24 period. Results are presented on the basis of Carbon Dioxide Equivalent (CO₂-e) emissions. Greenhouse gas emissions reporting has been developed with methodology that is consistent with the whole of

Australian Government approach as part of the APS Net Zero 2030 policy. Not all data sources were available at the time of the report and amendments to data may be required in future reports.

Appendix 11 - PGPA Rule Section 17be (H) – (I) Significant Non-Compliance with the Finance Law

Description of non-compliance	Remedial Action
N/A	N/A
N/A	N/A

Hearing Australia National Support Office:
Australian Hearing Hub
Level 5, 16 University Avenue,
Macquarie University, NSW 2109
Tel: (02) 9412 6800
TTY: (02) 9412 6802

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