Pathways SouthWest Annual Report 2025 - 2026

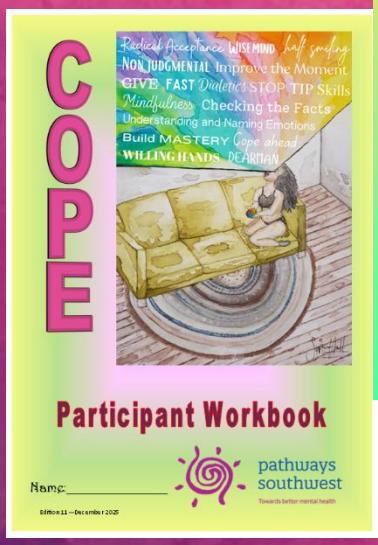
pathways southwest
Towards better mental health

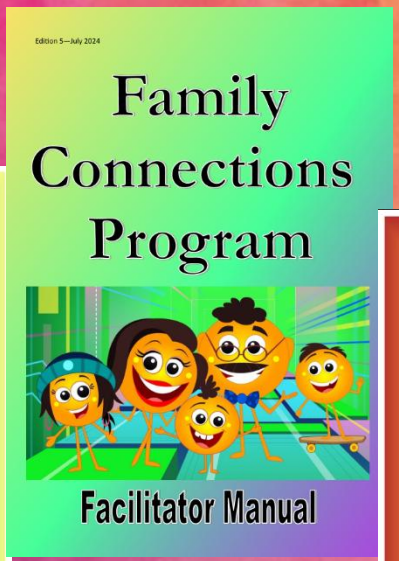
An independent community-based mental health service

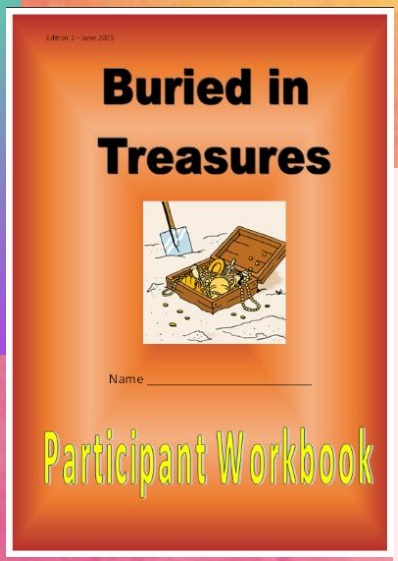
Prepared for participants, families, carers, volunteers, staff, funders, partners and community stakeholders across the South West of Western Australia.

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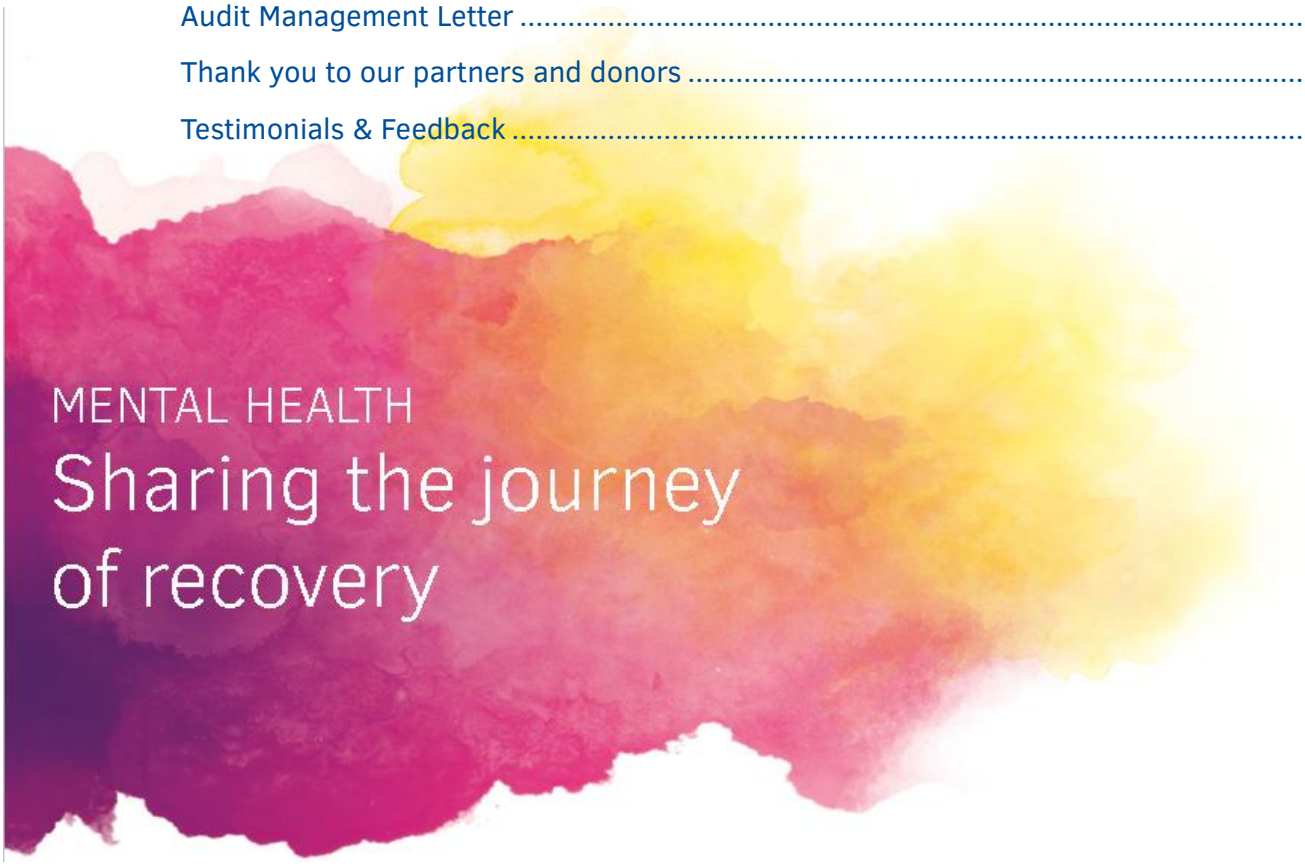






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Acknowledgement of Country

Pathways SouthWest acknowledges the Traditional Owners of the lands on which we meet and provide services, the Wardandi People. We pay our respects to Elders past, present and emerging, and acknowledge the important role Noongar people continue to play within our community.

Acknowledgement of Lived Experience

Pathways SouthWest recognise those with lived or living experience of mental health issues in the South West.

We acknowledge that we can only provide quality care through valuing, respecting, and drawing upon the lived experience and expert knowledge of consumers, their families, carers, and their communities in the design and delivery of appropriate services.

About Us

Pathways SouthWest is an independent community based mental health service located in the South West of Western Australia. We provide support, education and advocacy to people with lived or living experience of mental health issues, their families and carers in our region. We support our local communities to embrace the concept of mental health wellbeing via community consultation, education and advocacy.

OUR PURPOSE

Providing access to responsive, holistic services for consumers, carers, families and the community to reduce the impact of mental illness.

OUR VISION

To see anyone impacted by mental illness supported, nurtured and encouraged to live their best lives free from fear and discrimination

OUR VALUES

Hope: Belief in the potential of individuals affected by mental illness to live life to the full

Courage: Ensuring mental health be seen

Respect: Acknowledging other opinions as having value

Humility: Willing to appreciate others

Responsibility: Everyone is responsible to commit to action towards our Purpose

President's Report

Compiling this annual report each year gives myself and fellow members of the Pathways SouthWest Board of Management a time to reflect on what we and the organisation has achieved over the past 12 months and look at what has been accomplished over & above the day-to-day operations which we leave in the capable hands of Steve and his team.

Our strategic plan 2019-2026 was reviewed during the year, with a five-year focus to take us through to 2030 (2026-2030). The Board and Management Team looked at what Pathways SouthWest's core business was and where our strengths lay. It was clear that what we are doing is effective and demand for our services increasing. Our focus is to do what we do well and not deviate or change for changes sake. In reviewing our strategic direction, we have decided to remain on course with our core values and in keeping with the Objects of our Constitution.

Our core strategic directions remain;

1. Ensure that people with a lived or living experience of mental health issues can live their best life by increasing their mental health literacy.
2. Ensure people who care and support someone with a lived or living experience of mental health issue have the knowledge and support required to care for their loved ones and themselves.
3. Ensure Pathways SouthWest continues to be a well-respected source of mental health and wellbeing information, advocacy and positive change in our community.

We achieve these outcomes by continuous improvement in the way the organisation functions. Measuring ourselves against industry best practice through accreditation schemes and programs which give us the tools for both internal and external assessments and assessing our standards against the best, adapting as required.

As part of our strategic objectives, Pathways SouthWest has adopted the National Standards for Mental Health Services (NSMHS). This values-based framework enhances the safety, quality, and governance of mental health service delivery across the government, private, and non-government sectors. By embedding these national benchmarks, we deliver structured benefits across three key areas:

For Consumers, Families, and Carers

- **Upholds human rights:** Establishes protected baselines for individual dignity, consumer privacy, informed consent, and systemic empowerment.
- **Recovery-oriented outcomes:** Focuses care on independent living, self-determination, and individualised goals to optimize overall quality of life.
- **Mandated carer inclusion:** Formally recognises and integrates families and carers into the design, delivery, and evaluation of care.
- **Responsive to diversity:** Ensures all support and communication are tailored to respect unique cultural, social, and spiritual identities.

For Our Workforce

- **Defined professional roles:** Outlines clear systemic expectations to reduce multidisciplinary workplace friction and minimise ambiguity.
- **Continuous skill development:** Invests in ongoing professional education and competency training to maintain high-quality care standards.

- **Safe environments:** Prioritises a secure, trauma-informed physical and psychological environment for both staff and service users.
- **Cross-sector alignment:** Standardises practices to foster seamless communication and professional collaboration across different healthcare sectors.

For Pathways SouthWest

- **Robust practice governance:** Mandates measurable accountability, leadership frameworks, and proactive risk mitigation systems.
- **Seamless service integration:** Establishes formal partnership networks with external providers to guarantee continuity of care.
- **Funding and licensing compliance:** Ensures absolute adherence to legal obligations, statutory regulations, and state funding criteria.

Holding this accreditation will allow us to seamlessly transition to the new standards, the National Safety and Quality Mental Health Standards for Community Managed Organisations, as they are introduced.

Similarly, our accreditation as a Community Housing Provider provides us with access to State Government Funding and Grants, such as the $152 million Community Housing Grants Program used for constructing new social housing and refurbishing existing stock as well as access to dedicated regional and remote maintenance grants to preserve current housing assets. The regulatory framework establishes strict governance infrastructure, verifying to external investors that government-funded assets are protected and efficiently managed which again feeds into our continuous improvement and best practice which supports us in achieving our strategic objectives of giving our consumers and carers the best outcomes.

Securing these and other accreditations demands rigorous attention to detail and a sustained investment of time. To succeed we have established and maintained comprehensive policies and procedures that objectively prove our operational capabilities.

I would like to acknowledge the work and dedication of the staff who have achieved accreditation & recognition during the year whilst also continuing to deliver the best quality services to our carers & consumers. As always, my thanks to the staff and volunteers as well as my fellow members of the Board of Management for another very successful 12 months for Pathways SouthWest. This is a unique organisation, providing outstanding service & support to our community through dedication, professionalism, and compassion. Under Steve's leadership we are set up for the long-term and I thank all involved for their support.

Ian Telfer
President

We support our local communities to embrace the concept of mental health wellbeing via community consultation, education and advocacy. Pathways SouthWest demonstrates cultural safety, financial responsibility and good governance in all its operations. Pathways SouthWest operates service delivery that complies with the requirements of the National Standards for Mental Health Services, and we are accredited by HDDA.

Chief Executive Officer's Report

Our Programs are all well established and are the backbone of the organisation. Referrals for these programs comes from a wide variety of service providers and are delivered with integrity and quality.

One area that we have refined and developed during the preceding 12 months has been our Psychoeducation Programs. Pathways SouthWest is an approved sponsor for the "Work & Development Permit Scheme". This assists clients with outstanding court-imposed fines, listed with the Fines Enforcement Registry, to reduce the financial burden through attendance at these programs.

Our flagship program COPE, "Changing Our Problematic Emotions", is a 15-week Dialectical Behaviour Therapy (DBT) informed program available to people who have emotion dysregulation. The program covers the four pillars of DBT, Mindfulness Skills, Emotion Regulation Skills, Distress Tolerance Skills and Interpersonal Effectiveness Skills. We commenced running this program in 2018 and currently run it four times per year. We generally have more than 200 people registered to attend although participation is on a self-selection basis. There are strict attendance requirements.

Our Family Connections 12-week program is for family members and friends of people who experience emotion dysregulation. We offer the program twice a year and commenced delivering it in 2017. Family Connections is an evidence-based program supported by National Education Alliance for Borderline Personality Disorder (NEABPD Australia). The course content offers education and research on Borderline Personality Disorder (BPD), skills training based on DBT, in a supportive group environment, with application and practice of skills and development of a support network. Topics include Family Perspectives and Experiences; Relationship Mindfulness skills; Effective Communication Skills; Validation Skills and Problem Management Skills.

However, we do not remain static in our offerings. During 2026 we have introduced two new programs "Buried in Treasures" and "Hearing Voices".

Buried in Treasures, a 15-week group program based on the book "Buried in Treasures: Help for Compulsive Acquiring, Saving and Hoarding". It is designed to help people with "Hoarding Disorder" to understand the causes of their behaviour and to provide practical strategies / skills to declutter their home. It is a scientifically based model for helping people manage hoarding and addresses both the behavioural and emotional aspects of hoarding – not just the physical clutter.

The Hearing Voices approach is a way of understanding voices that respects and favours the voice-hearer's beliefs which entails a way of working with voice-hearers that allow the person to be the expert of their own experience by way of making sense of voices and providing hope to people to support their recovery goals.

Of course, my thanks to the Board of Management for encouraging and allowing this direction, and our hard-working staff and volunteers who implement it.

Steve Blackwell
Chief Executive Officer

Board of Management Profiles

The Board of Management is responsible for overseeing the strategic direction, operational integrity, and financial sustainability of the organisation. During the fiscal year, the Board actively monitored risk frameworks, corporate compliance, and financial performance with a total of 6 scheduled meetings and two Finance, Risk & Audit Committee meetings.

Ian Telfer
President

Ian has been on the Board of Pathways SouthWest since 2013. He is currently CEO of WAPRES (Forrest Industries). Ian's other Community role is Chair, Investing in our Youth. Ian has previously had a long association as a Volunteer Ambulance Officer with St John Ambulance Donnybrook and as a member of the Rotary Club of Bunbury, Leschenault.



Kathy Johnson
Vice President



Following a substantial executive career, I am now focusing on Board, strategic, advisory and project opportunities where I can contribute practical leadership experience without becoming involved in day-to-day operations. I bring particular strengths in governance, strategy, financial stewardship, risk and compliance, organisational development, workforce leadership, funding relationships, stakeholder engagement and supporting organisations through growth and change.

Zona Richards
Secretary/Carers Representative

Zona was elected as the Carers' Representative to the Pathways SouthWest Board at the 2018 AGM and has been Secretary since 2019. Zona has been a resident of Bunbury for over 12 years and spent most of her life in business and farming.



Cheryl Stiles
Treasurer

Cheryl has been involved with Pathways SouthWest as a carer for over 20 years and has been a member of the Board and Treasurer since 2011. Cheryl worked in private enterprise for 50 years in financial management. Cheryl's other community involvement includes the Bunbury Meals on Wheels & Senior Citizens, local fundraising Treasurer for 40 years for Silver Chain Nursing Association and previously volunteering at the Leschenault Community Garden.



In 2025/26 the Pathways SouthWest Board of Management met on nine occasions for formal meetings and the Finance, Risk and Audit Committee two times.

Board of Management Profiles

Gary Brennan

Gary has a long and distinguished career with many years of service to the community including Board member of the South West Development Commission, CEO, and later Mayor of the City of Bunbury, as well as a number of years in various areas of regional development. Gary is now retired and assists as a JP and with other community interests. Gary has been associated with Pathways SouthWest as Patron since 2019 and a Board member since 2023.



Heather Foster

Consumer Representative



Heather Foster is married, with two adult children and a granddaughter. For five years of her childhood her family lived in Northern British Columbia. This was a real adventure, and she still keeps in contact with special friends. Heather has a great love of travelling and adventuring, at this point has visited 29 countries. A retired Primary School teacher, a job that she absolutely loved. At home, Heather really enjoys sewing, gardening and a variety of other crafts. Volunteering at Pathways is something that she relishes "*it is so rewarding to be able to help those who help me*".

Bonnie Allen

Bonnie has worked across tourism and health during her career. A background in psychology has been useful across both industries. She is passionate about giving back to the community and from close personal experience knows that mental health support and recovery is crucial to us as a society. Bonnie joined the Pathways Board in 2023 to contribute to the amazing work being done here.



Annette Garlett

Annette has been a board member of Pathways SouthWest since 2018. Annette is committed to assisting youth to learning about Aboriginal culture and history and also doing cultural awareness presentations to community service agencies.



Stephen Blackwell

Chief Executive Office



Stephen has a long career as a registered nurse, counsellor and has been working in senior management or executive positions in both government and non-government agencies for the past 30 years. Stephen's clinical work involved many years working at Graylands Hospital in Perth and was for several years the Clinical Nurse Specialist of the Admission's Unit at Graylands Hospital

After moving on from clinical mental health Stephen worked at Next Step (drugs and alcohol), taught at Curtin University in nursing and Aboriginal health and then moved into sexual and reproductive health at Family Planning WA (FPWA). Stephen held the position of Chief Executive Officer at FPWA from January 2008 until September 2014. Stephen joined Pathways SouthWest as Manager Service Delivery, Quality and NDIS in 2017 and in February 2021 was appointed CEO.

Year in Review

RECOVERY PROGRAM

People 145
Contacts 5183
Hours 6213

SOCIAL PROGRAMS

(Clubhouse)
People 56
Contacts 2895
Hours 568

PSYCHOEDUCATION

People 77
Contacts 714
Hours 1742

ONE to ONE SUPPORT

People 94
Contacts 74
Hours 789

GROUP SUPPORT

People 34
Contacts 109
Hours 219

PSYCHOEDUCATION

People 38
Contacts 276
Hours 573

Ensure Pathways SouthWest continues to be a well-respected source of mental health and wellbeing information, advocacy and positive change in our community

- Chair Bunbury Mental Health Week Consortia
- South Regional TAFE collaborations
- South West Mental Health and AOD Collaborative member
- Safer Steps Busselton AOD Prevention Network Member



359 hours devoted to staff training & development

Transport

- People 645
- Contacts 2371

Housing Support (MHC)

- People 31
- Contacts 1496
- Hours 1540

Housing Maintenance

- Cyclical $19,273
- Major $95,028
- Minor $20,769

Subsidised meals

- 1200

SecondBite (food distributed)

- Fruit 366g
- Vegetables 504kg
- Bakery 1,339kg
- Eggs 20doz

Clubhouse and Service Delivery

Since opening in 2022, the Pathways SouthWest Clubhouse has been providing a safe space for adults with a lived or living experience of mental health issues. It is an accepting place for anyone in need of social connection in a psychosocially informed setting.

The Clubhouse provides a structured program to support recovery by providing social connection with peers and access to staff dedicated to working alongside consumers to provide practical support and connection to other services, or inclusive opportunities as required.

The location is removed from the day-to-day stresses of the city bordered by the inlet and in a bushland setting. We believe that the peaceful situation of the Clubhouse at Turkey Point provides a unique opportunity for the provision of a restorative mental health service in Western Australia – and be available to all those in need throughout our Southwest region.

The Clubhouse remains open five days per week from Monday to Friday, excluding public holidays.

Activities available at the Clubhouse on June 30, 2026, are;

- Walk ' n' Talk (various local locations)
- Walk Talk n Fish (various local locations)
- Sewing and Creative Crafts
- Cooking Group (Structured 8-week program: limited numbers)
- Games Day (various boardgames and puzzles)
- Taste of Life (outings/activities to local and surrounding locations)
- Pool & Snooker
- Swimming & Pool Walking
- Art Group (various mediums)
- Guided Mini Projects
- 10 Pin bowling
- Shifting Gears (Social Fridays with lunch available)
- Computer/internet access, Books and DVD library
- Free tea/coffee and conversation

Christmas 2025

For Christmas 2025 staff and supporters were encouraged to donate suitable goods to make up hampers for consumers who would benefit from some additional Christmas cheer. Donations included food goods as well as some small luxuries to spread some festive joy. Support and Recovery Workers delivered the hampers to consumers in the weeks before Christmas.

Of course, our traditional consumer Christmas lunch at the Clubhouse proved to be extremely popular with consumers and staff alike. Consumers participated very generously in Secret Santa for their peers. The Clubhouse also received new fishing rods, tackle and Pickle Ball from "Santa".

Clubhouse and Service Delivery

Recovery Program



The Recovery Program commences with a face-to-face assessment, allowing a recovery plan to be written with the support of a Recovery Worker. This plan encompasses all aspects of a person's life, including their dreams, goals and aspirations for the future.

Shifting Gears- An informal social activity available weekly (Fridays), where those experiencing mental illness can mingle, play games, engage in artwork, and have social interactions. At the Clubhouse consumers are encouraged to take part in the activity preparations to assist in developing skills as part of the group.

Sewing- Our sewing groups are based around learning new skills while enjoying good company and being productive. The groups make practical products, stuffed toys, embroidery, clothing repairs and alterations as well as other craft activities. In the Clubhouse they have a dedicated area for their machines and to store their supplies.

Taste of Life- Occurring regularly at approximately six-week intervals we offer our consumers an outing selected from a variety of venues and places of interest within our community and surrounding areas. This activity includes outings to the beach or bush with a shared lunch, either bought or taken with us as a BBQ or picnic. Cinema visits and gallery excursions, op-shopping outings and scavenger hunts are just a few examples. Destinations have included Driving Range at Capel Golf Club, Jetty Walk in Busselton and the annual Nannup Garden Festival.

Ten– Pin Bowling and Pool- Conducted Wednesday afternoons at the Bunbury Ten Pin Bowl and Family Fun Centre as a social outing continues to be competitive and well attended. Pool and snooker are available daily at the Clubhouse as well as giant Jenga, table tennis, Wii and Play Station games.

Walking Group- Conducted on Thursday mornings at various locations around Bunbury. These locations alternate and are dependent on weather conditions. All locations are vetted to ensure amenities are close by.

Cooking Group- Consumers are encouraged and provided with the opportunity to continue to develop basic kitchen and cooking skills. Monday afternoon we have a group activity where over an eight-week structured program consumers attend the Clubhouse and prepare a meal from a recipe that they can take home to repeat.

Op Swap Shop- Free Op Swap Shop. Take what you need, leave something if you can. There is a range of clothing, household goods, books and even bric-a-brac, with new donations arriving regularly. Any electrical items in good repair are tested before being offered to consumers.

The Pathways SouthWest commuter bus provides transport from Bunbury and surroundings to and from the Clubhouse. Individual supported transport can be arranged according to individual need, for specific activities for those who may require it.

Bunbury Mental Health Week 2025

Bunbury Mental Health Week 2025 Program Launch and screening of "Just a Farmer"

Coordinated by Pathways SouthWest, St John of God Outreach Service & the WA Primary Health Alliance
Monday 6th October, 5pm – 9pm
Location: Bunbury Regional Entertainment Centre (BREC)
The official launch of the Bunbury 2025 program of events and opening of the 2025 Bunbury Mental Health Week Art Exhibition was held at BREC at 5pm



Sponsored by the City of Bunbury, WA Primary Health Alliance, St John of God Outreach Service and Western Australian Association for Mental Health with the support of Lotterywest.

A newly widowed mother is left with the care of an alcoholic father-in-law and a failing farm. She is forced to forge a new path for her family, all while struggling to pick up the pieces of her life. At the conclusion of the movie St John of God Outreach Service facilitated a Q & A session with a panel discussing suicide and their experiences.

2025 Bunbury Mental Health Week Art Exhibition

Coordinated by Pathways SouthWest and hosted by the Bunbury Regional Entertainment Centre (BREC)
Location: Bunbury Regional Entertainment Centre (BREC)





A total of 40 pieces were received for the exhibition which ran from 6th October until 10th October and was open to the public from 9am-4pm daily. Pieces ranged from paint on canvas, tapestry, textile, and collaborative works.

Coffee & Muffins at APU

Coffee & Muffins, outside the Psychiatric Unit at Bunbury Regional Hospital in the Yarning circle. Roughly 50 people attended throughout the event, including inpatients/outpatients & staff. Coffee from the New Beaut Coffee Ute, muffins, cupcakes, gratitude activities, along with handing out mental health week bags.

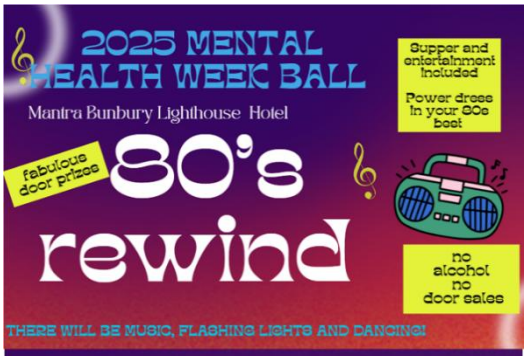
Bunbury Mental Health Week 2025



Open Day at the Pathways SouthWest Clubhouse

Tuesday 7th October, 10am-2pm
Location: Pathways SouthWest Clubhouse, Turkey Point

Activity: Open day at the Pathways SouthWest Clubhouse. Located on the banks of the Leschenault Inlet, Vittoria. A sausage sizzle and a range of activities including Jenga, sewing, boule, and a number of crafts.
Coffee from the You Beaut Coffee Ute and muffins were provided for morning tea to the first 50 attendees.
Live music during the event was provided by Skeleton Crew.





2025 Mental Health Week Ball

Friday 10th October, 6pm-10pm
Location: Quality Lighthouse Hotel
Open to all people with lived experience of a mental health issue, their families and carers. The theme of the Ball in 2025 was "80s Rewind".

Tickets were $10 per person including soft drinks, entertainment, supper and door prizes. The Ball Room was decorated with 80's themed table pieces, posters and balloons and entertainment supplied by DJ, "Rock n Roo", who encouraged guests to dance the night away. A surprise floorshow of 80's pop divas was performed by the Tich Haven Dance Troupe. A selection of finger food was served and a cake decorated with the 2025 Mental Health Week logo was provided for dessert.





Family and Carer Program

Carers Week 2025

Twenty-four Carers attended activities over Carers Week with a choice of an Autism Workshop facilitated by Rikki McCabe from the South West Autism Network, A Chair Yoga relaxation session delivered by Nicky Smith from True Equanimity Yoga and a biscuit decorating morning under the knowledge and experience of our Manager Business Services, Marie Mach.

Once again, a week enjoyed with great company and lots of diverse discussions and laughs.

Our thanks to Carers WA for their support of these events













Psychoeducation Programs

COPE (Challenging Our Problematic Emotions)

We continue to offer a daytime and an evening program twice per year for people who experience emotion dysregulation. The waitlist for the program has grown to over 255 potential participants. Although all people on the waitlist are invited to attend an interview for the program, only about 40 - 50 will book and attend the interview. Attrition in the first few weeks of the program continues to be less than previous years. This may be due to the number of people who are repeating the program and inspiring the new attendees. The evening program is now being offered as face to face or via Zoom. The daytime program is now available as either face to face or Zoom. Although the groups are closed groups, participants are now occasionally able to attend the other group via Zoom if unable to attend their regular time slot. Strict attendance and behaviour guidelines apply. Pre and post course participant evaluations continue to show the value of the program.

Psychoeducation Programs (cont.)

Buried in Treasures

A trial program of Buried in Treasures commenced in January 2026 targeting those who will be potential facilitators for the program. Three participants were taken through the 15-week program. Changes to the program were identified as the program progressed and changes will be made to the manuals prior to the next program being delivered. The three participants will attend a second round of the program prior to undertaking facilitator training.

As a result of trialling the program and feedback from the participants it was identified that a short course for family/support persons would benefit those doing the program. This will be developed using information taken from the notes for carers in the Buried in Treasures book prior to the next program. Three carers also attended this program.

Hearing Voices Program

Hearing Voices Group commenced in January 2026 and is run weekly for those who hear voices, see visions or have similar sensory experiences. It is a structured group run in an environment of understanding, respect and support with no judgement. The group has been attended by 7 participants since commencing with 2 being regular attendees. The feedback from the group is positive and reporting they are learning a lot.

Family Connections

Two programs were completed in this year, one commencing September 2025 and one commencing in March 2026. Participants were able to choose to attend the program in person or via Zoom. As one of few organisations offering the program on Zoom, we attracted Carers from the South West region including the greater Bunbury area, Busselton, Margaret River and Brunswick, and from further afield – Christmas Island and multiple Perth suburbs. One on one sessions complement the group education programs by supporting those who feel uncomfortable in larger settings. By subtly integrating skill building into their personal discussions the tailored sessions ensure they leave feeling more confident, deeply understood and truly heard.

Some feedback from our COPE Program:

"Awareness of my emotions. I have learned skills to help me handle these emotions. It's hard work, it's not a quick fix and I know I need to continue to work on these skills. I know I have to practise my exercise muscle every day."

"Better understanding of myself, needs and how not to be ruled by them."

"I've got a long way to go, but I have hope that this programme, over time, does help people like me to improve their effectiveness in life."

Supported Community Housing

Pathways Southwest manages 39 properties leased from the Department of Housing & Works Government of Western. All properties are residential and are leased to consumers of Pathways Southwest. Pathways SouthWest has two lease agreements with the Department of Housing & Works. Our Initial Head lease dated 29 March 2006 is a periodic lease for 34 properties. The other lease is a two-year lease for five properties in Davenport Way, Withers complex, expiring August 2028.

The residential properties are in Bunbury, Australind, Dalyellup and Busselton.

Rents are set in accordance with the Community Housing Organisation rent setting calculator, this is issued every year by Shelter WA, the current peak body for Community Housing.



Management and Maintenance of properties is administered by Pathways SouthWest, this also includes preparation of lease agreements in accordance with WA Residential Tenancy Act, annual reporting, scheduling and performing Inspections, general correspondence, organising contractors for repairs and refurbishments, management of emergency after hours maintenance and replacements forms part of the Head Leases we have for the properties.

We are now a registered Community Housing Provider

Quality and Compliance

Pathways SouthWest successfully completed its mid-term accreditation review against the National Standards for Community Mental Health Services. The organisation was pleased to achieve this milestone with no improvement actions identified or required.
This outcome provides assurance that Pathways SouthWest continues to maintain effective quality systems, governance processes and service practices that meet the requirements of the new National Safety and Quality Standards for Community Managed Mental Health Services.

The successful mid-term accreditation review also reflects the ongoing commitment of the Board, management and staff to maintaining high standards of service delivery and to embedding quality and continuous improvement throughout the organisation.

Quality and Compliance (cont.)

Following the mid-term accreditation review, Pathways SouthWest has progressed to an Internal Audit Working Model to support ongoing compliance and preparedness for the introduction of the new National Safety and Quality Mental Health Standards for Community Managed Organisations. The internal audit approach provides a structured mechanism for regularly reviewing organisational practices, identifying opportunities for improvement, monitoring compliance and ensuring that evidence is maintained to demonstrate the organisation's continued alignment with the relevant standards.

This approach will also support the organisation to identify emerging risks and opportunities for improvement at an early stage, rather than relying solely on external accreditation reviews. As part of preparing for the new standards, Pathways SouthWest undertook a review of its existing quality, compliance and service standards.

The review found that Pathways SouthWest's existing quality and compliance frameworks and service standards already substantially align with the requirements of the new accreditation standards. This provides a strong foundation for the organisation as it transitions to the new standards and demonstrates that quality and compliance are already embedded within the organisation's governance and service delivery frameworks. The organisation will continue to monitor the implementation of the new standards and undertake ongoing internal reviews to ensure that our systems, policies, procedures and service practices remain current and compliant.

The successful completion of the mid-term accreditation review with no improvement actions required is a positive achievement for Pathways SouthWest and reflects the organisation's ongoing commitment to quality, safety, compliance and continuous improvement.

The transition to an internal audit working model, together with the finding that our existing quality and compliance systems already align with the new standards, places Pathways SouthWest in a strong position to continue meeting accreditation requirements and providing safe, high-quality and effective services to the community.

Business Support Unit

The Business Unit incorporates finance, property & purchasing, fleet management, IT & telecommunications, business management such as governance, contracts & insurances as well as human resources and housing. The Business unit continues to evolve as Pathways Southwest expand/grow.

Administration: The team consists of a part-time Business Support Officers - Reception, Finance and Housing, Manager Business Services and Chief Executive Officer. The Business Support Officer Housing works remotely and is in the office one day per week and more often when required for inspections and/or relief when administration staff are on leave. The Business Unit has two volunteers who assist in admin duties on part-time basis.

Business Support Unit (cont.)

IT: BizLinQ remain our IT providers for onsite and remote support. Alchemy, our database is now Cloud based as is our accounting software Xero and staff communication portal, SharePoint. We uploaded all data from our server and disabled it in August 2025. Once disabled, the server was removed from our Rose Street premises by our IT provider.
We continue to use multiple factor authentication to log into laptops and programs, additional security via Sophos, Dark Web monitoring and Acronis Cyber Protect in the Cloud. We have meetings with our IT providers to discuss ongoing requirements, updates (laptops etc) and general ongoing short term and medium-term costs, so that we can plan and budget for these.

HR: We continue to update and improve the "New Staff" folders to comply with new regulations. We provide all staff with links to all Pathways policies and procedures via SharePoint. We continue to inform staff of updates and/or changes to Policies and procedures via email and training sessions.

Competencies and clearances are regularly reported and reviewed in our SMS database system. We undertake staff development quarterly.

Finance: Since adopting Xero as the accounting and reporting software in August 2021, Pathways SouthWest has streamlined its reporting processes. Departmental budgets and reports prepared and reviewed for Personalised Services Other, Carers, Housing, Business and Clubhouse. We continue to work on developing these reports for various departments/services and compare with budgets to streamline costs for each department/service.

National Australia Bank is our current and only banking institution, we have a relationship manager in Bunbury, who is always on hand to assist with banking queries/issues. We maintain separate accounts for liabilities such as Employee entitlements, CDHP Housing maintenance, office maintenance and loan account. With regards to our liabilities with the NAB, we have one loan/mortgage taken out in May 2025 for the purchase of the current office premises at Rose Street. We have reduced the mortgage by $45,000 in the 2026 financial year. We are happy to report that our premises have increased in value by $50,000 since purchased in May 2025. We repaired the car parking area by having holes filled. We are looking to resurface the total area around the whole building in 3 years' time with funds set aside in the meantime.



We resolved not to purchase any vehicles in the 2026 financial year given the commitment to purchase the office premises at Rose Street. We have not budgeted for new vehicles in 2027 financial year, pending refurbishment during this period.

Insurances: Pathways have remained with the same insurers; our current insurers specialise in not-for-profit organisations. We continue to review policies annually face to face with our insurance broker, to keep up to date and ensure our organisation is adequately covered against any foreseeable risks. Workers Compensation insurance is on the increase due to the increased number of staff and increased payroll. We maintain an ongoing relationship with our brokers, as they assist us with enquiries and /or claims during the year.

Audit Management Letter

AMD
Chartered Accountants & Advisors

AMD. Works for me.

1 October 2026

Mr Ian Telfer
Chair
Pathways SouthWest Inc
PO Box 275
BUNBURY WA 6231

Dear Ian

30 June 2026 MANAGEMENT REPORT

Following completion of our 30 June 2026 audit, we provide our Management Report and audit recommendations.

1.0 Our Audit Approach
The Australian Auditing Standards are the professional Standards applicable to all audit engagements. Accordingly, our audit was conducted in accordance with Australian Auditing Standards, with testing designed solely to enable the expression of an opinion on the financial report of Pathways Southwest Inc. This involved us making an assessment of the risk of material misstatement, whether due to fraud or error, and then using our professional judgement, applying audit procedures to mitigate that risk.

To assist those responsible for governance in understanding our role as external auditor, we have previously detailed our audit responsibilities and scope of work to be performed to meet those responsibilities in our audit engagement letter.

Australian Auditing Standards require us to document and evaluate Pathways Southwest Inc.'s system of internal control to establish the level of reliance on the internal control system in determining the nature, timing and extent of other auditing procedures necessary to enable us to complete our audit. This work is not primarily directed towards the discovery of weaknesses or the detection of fraud or other irregularities and should not, therefore, be taken to assume that no other weaknesses exist. Accordingly the comments within this letter refer only to those matters that have come to our attention during the course of our normal audit work and may not identify all possible improvements that an internal controls review may detect.

Our audit approach is based on a risk analysis methodology which relies upon our understanding of Pathways Southwest Inc.'s operations, strategies and risks. We performed a review of applicable accounting systems and tested those during our audit. The level of testing performed by us is determined by the degree of reliance we place on the internal control systems in place which has a resulting impact on the amount of substantive testing required during our audit procedures. The level of testing performed is also aligned with what is required to form an overall opinion on the financial statements which may not coincide with what Pathways Southwest Inc. perceives should be tested.

CHARTERED ACCOUNTANTS
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Audit Management Letter

Our audit also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and judgements, as well as evaluating the overall presentation of the financial report. There were no areas of disagreement either in the accounting estimates or judgements or in the presentation and disclosures made in the financial report.

2.0 Segregation of Duties

Inevitably in the environment of an organisation with a limited number of employees available to undertake accounting and administration roles, it is impracticable to have good division of duties and internal checks in place in relation to invoicing and receipting, processing and preparation of payments, recording of transactions and payroll preparation.

As a result of this limited segregation of duties, the design and effectiveness of internal controls is significantly reduced, thereby there is inherently an increased risk that errors or omissions may go undetected.

Segregation of duties enhances the internal control environment; we therefore recommend where practical these duties be segregated and subject to independent review. While we understand due to limited number of employees being available there may be practical limitations in enhancing the internal control environment, as your auditors we are required to report this matter.

3.0 Assessment of Fraud and Error

The primary responsibility for the prevention and detection of fraud is that of the Board and management. As a result, it is important that management with the oversight of the Board place a strong emphasis on fraud prevention, which may reduce opportunities for fraud to take place and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and resulting consequences.

In accordance with Australian Auditing Standards we are required to obtain reasonable assurance that the financial report taken as a whole is free from material misstatement, whether caused by fraud or error. While our procedures are designed to identify material weaknesses and misstatements from fraud and error, there is an unavoidable risk that even some material misstatements may remain undiscovered. This unavoidable risk is due to the test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system.

We have confirmed that nothing has come to management's attention that may constitute an incident of fraud. In addition our audit procedures did not identify any instances of suspected or actual fraud. We take this opportunity to remind you that our audit is not designed to detect fraud and therefore our audit procedures are not designed for that purpose.

4.0 Going Concern

We have undertaken a review of the ability of Pathways Southwest Inc. to continue as a going concern for twelve months from the date of signing our audit report and therefore whether the going concern basis for the preparation of the financial report is appropriate.

Audit Management Letter

The assumption of going concern was concluded as appropriate following a review of operating budgets and information provided by management.

As disclosed within the notes to the financial statements, Pathways Southwest Inc. is dependent upon continued financial support by way of funding from the Mental Health Commission to continue operating as a going concern. We have drawn attention to this within our audit report.

5.0 Accounting Policies
We confirm to you that we are not aware of any changes to the accounting policies of Pathways Southwest Inc. since 30 June 2025 in respect of the preparation of the 30 June 2026 financial report.

6.0 Commitments and Contingencies
On completion of our audit and subsequent discussions with management, we did not identify any additional commitments or contingencies that required disclosure within the financial report of Pathways Southwest Inc., apart from those already disclosed.

7.0 Subsequent Events
We did not identify any additional subsequent events up until the date of this report that required disclosure within the financial report of Pathways Southwest Inc., apart from those already disclosed.

8.0 Audit Findings
8.1 Audit Opinion
In accordance with the terms of our engagement letter, we have a responsibility to provide an opinion in respect to Pathways Southwest Inc's annual financial report as to whether it is free from material misstatement.

Our audit report is unqualified with our opinion stating the financial report presents fairly the financial position of Pathways Southwest Inc, as at and for the year ending 30 June 2026.

8.1.2 Emphasis of Matter Paragraphs
As reported in prior years, the following Emphasis of Matter paragraphs have been included in the audit report:

Emphasis of Matter- Basis of Accounting
We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Pathways Southwest Inc. to meet the requirements of the Associations Incorporation Act (WA) 2015 and Australian Charities and Not-for-profits Commissions Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Audit Management Letter

Emphasis of Matter- Other
We draw attention to Note 12 to the financial statements which outlines the ongoing operation of Pathways Southwest Inc. is dependent upon continued receipt of funding from the Mental Health Commission to continue operating as a going concern. Our opinion is not modified in respect of this matter.

8.2 Audit Recommendations
Following the completion of our interim audit procedure conducted during March 2026, and completion of our final audit procedures we are pleased to note that testing of procedures and internal controls indicated financial records have been maintained to a high standard throughout the audit period. Accordingly, we have no recommendations to raise.

8.3 Other Matters
We would like to take this opportunity to thank Marie for the assistance provided to us during our audit.
Should you have any questions concerning the above or would like to discuss any other aspect of our audit, please do not hesitate to contact me.

Yours sincerely
AMD Chartered Accountants

TIM PARTRIDGE FCA
Director

Thank you to our partners and donors

Albermarle Lithium Pty Ltd “Community Grant”
Carers WA “Carers Week 2005 Activity Grant”
City of Bunbury “Bunbury Mental Health Week”
LotteryWest “Mental Health Week”
WAAMH “Mental Health Week” event
WAPHA “Mental Health Week” sponsorship
Cindy Stevenson - Furniture

This event is proudly supported by

During 2025/26 we received $235 through anonymous donations via our website.

Our thanks to these unknown supporters.

In 2025/26 Pathways SouthWest raised $670 for consumer activities through Containers for Change donations.

If you would like to support us Quote our Containers for Change number C11450147.

Fun fact about the Pathways SouthWest logo.

If you take a pen and follow the purple line from either end of the logo you will come out on the other side.

The logo depicts a *pathway to* a new beginning.

Pathways SouthWest Containers for Change

Don’t forget to save your empty 10 cent containers for Pathways SouthWest—all proceeds go to providing activities for YOU! Quote our Containers for Change number C11450147.
You can also drop your cans into the Clubhouse or Rose Street, and we will do the rest.





Testimonials & Feedback



To all the team at Pathways,

We would like to say a big thank-you for all the help we and our son have received over the last few months.

A special thank-you to William for all your hard work and commitment, you have helped more than he realises, and have supported us along the way too.

Also a special thank-you to Maria for your invaluable advice help and support.

We would have struggled to get through this stressful time and get the outcome needed, without your help.

Best Wishes
Brian + Jan









I attended the biscuit decorating workshop. I am so thankful to Pathways for hosting such an amazing event, and those that funded the session. It was fun!!
I learnt some new techniques to biscuit decorating. Knowledge that I can pass on to my daughter and create some positive interactions whilst doing so.
The mindfulness of the session was the most valuable to me though. With so many stressors in life, having that time for myself in such a warming and friendly environment, was truly a blessing. Not only does Pathways provide a safe and positive environment but also reminded us how important it is as carers, to make time for ourselves. Often my life is consumed with putting others first, but having that reminder at the workshop, was very much needed.
Pathways putting on events like these, I feel, no words can describe the importance. The way the staff go above and beyond to provide continuous support and education to carers, is a vital part of our community.
Yours faithfully,

"Thank you so much for providing this outside of work hours. I made every effort to attend and would not have obtained these skills and understanding. The facilitators were lovely, clear and compassionate. I gained a lot from the group being peers to share stories. Thank you so much xxxxxx."

"Overall, the program was really well developed and well presented. The material was all relevant. I gained a lot more than I expected. It was worth every second."

"Thank you so much for all you have helped me with. I've gone from suffering to survival to acceptance and now navigating life better. This course has been great, I've done DBT before but the way this is presented and explained makes a lot more sense and can put it into real world situations."