

# Annual Concise Report

2024-2025

For the year ended 30 June 2025

The Royal Automobile Club of W.A. (Incorporated)  
ABN: 33 212 133 120



**For the better**



## **Our purpose**

The driving force for a better WA.

## **Our vision**

2030: A safer, sustainable and connected future for Western Australians.

## **Our mission**

Delivering great member services and experiences, while inspiring positive community change, that makes life better in WA.

RAC acknowledges the Aboriginal peoples of Western Australia as the Traditional Custodians of the lands on which RAC has been operating for more than 120 years.

We are privileged to share their lands, throughout Western Australia. Boorloo (Perth) is where RAC Headquarters is based, the place where we work with and alongside Aboriginal and Torres Strait Islander families and communities. RAC honours and pays respect to Aboriginal Elders, past and present across the lands of Western Australia.



# RAC President and Group CEO Report

We are proud to present the 2024/25 RAC Group Annual Report, reflecting a year of continued local commitment to creating a strong, diverse and sustainable future for our members and the broader Western Australian community.

**As at 30 June 2025, the RAC Group reported a profit after tax of \$254 million. The net assets of the Group was \$1,369 million.**

This result was driven by strong performances across all RAC businesses and a year where WA experienced fewer than anticipated weather events.

#### **Members at the heart**

Throughout the year, supporting and giving back to our members remained at the heart of RAC.

Our Member Benefits Program delivered more than \$94 million in savings, up from \$83 million in FY24, and \$79 million in FY23.

We responded to over 389,000 roadside breakdowns, and our member services team managed 2.6 million calls, providing timely, local, and trusted support.

More than 212,000 insurance claims were handled and over \$931 million was paid out for member claims, the highest figure on record and increasing from \$849 million in FY24. In FY25 our total risk insured increased to a record \$269 billion.

Delivery of a new Member Service Centre in Joondalup provided a new location with multiple services to assist over 50,000 members.

Over 384,000 nights were booked across RAC Parks and Resorts. We also continued to progress the \$70 million redevelopment of the Ningaloo Reef Resort, which will transform this iconic location into a worldclass destination. This tourism initiative builds on the recent \$9.5 million expansion of the RAC Esperance Holiday Park.



### **A vision for a better WA**

We also remained firmly focused on advancing our vision for a safer, more sustainable and better-connected Western Australia. Our Vision 2030 guided our community initiatives and investments, and our engagement with policymakers and stakeholders on critical mobility issues.

Our school education programs reached over 67,000 students. RAC bstreetsmart, our free road safety event saw the largest ever attendance with 14,500 year 10-12 students attending the event at RAC Arena. More than 100,000 students have now attended the event since it began in 2012.

RAC Project Road Smart, our regional road safety event, was also held in Bunbury, Esperance, Geraldton and Kalgoorlie..

We launched the RAC Ignite youth membership and we expanded the RAC Imagine Program™ Futures Challenge. These initiatives inspire young minds to shape WA's future.

Dangerous local roads and intersections continued to experience the spotlight via the largest road safety survey in WA, RAC Risky Roads, which received a record 18,000 nominations this year.

Our focus on road safety initiatives in partnership with emergency services continued, including the RAC Rescue helicopters flying over 10,500 missions since 2003.

The RAC Air Health Monitor, Australia's most comprehensive air quality network, recorded over 73,000 daily measurements.

The landmark Safer Speeds Trial, an Australian first due to its size and scale, commenced via a partnership between the Shire of Augusta Margaret River and RAC, with support from Main Roads. The Trial has adopted a holistic area-wide approach to speed limit setting with 550 local roads having their speed limits reduced. Comprehensive evaluations, community feedback, traffic speed data and crash analysis will now take place after 12 months and again after three years.

For further details on RAC's work to create a better WA, we invite you to explore our Social and Community Impact Reports.

Of course, none of RAC's achievements would be possible without the dedication of our RAC Council, the passion of our incredible RAC team, and the trust of our 1.3 million members. Your continued support empowers us to advocate for a better WA and deliver meaningful change for our members and local communities.

### **Proposed insurance partnership with IAG**

In May 2025, we announced our intention to enter into a 20-year general insurance partnership with Insurance Australia Group (IAG). This would see IAG acquire and manage 100% of RAC's insurance underwriting business.

Under the proposed partnership, we would continue to distribute general insurance products under the RAC Insurance brand through our existing channels, while IAG would take on underwriting, claims management, product development and pricing. A significant claims presence would be maintained in Western Australia.

At the time of publishing this report, the proposed partnership remained subject to regulatory approvals.



**Rob Slacombe**  
RAC Group CEO

**Allan Blagaich**  
President

# Our vision for a better WA

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RAC's vision is for a safer, sustainable and connected future for Western Australians.

## » Safe

We want fewer people killed and seriously injured on our roads.

## » Sustainable

We want to reduce harmful vehicle emissions for cleaner, healthier air.

## » Connected

We want well planned communities and transport that better connect people and places.

### **We undertake a range of activities and initiatives to move us towards our vision.**

- > Completing research, developing policy, and making submissions to influence government priorities and investments.
- > Delivering demonstration initiatives that highlight issues and showcase what can be achieved.
- > Running campaigns, engagement and education activities to enhance understanding, inspire and empower action.
- > Supporting major and community-focused sponsorship programs.
- > Engaging with all sides and levels of government, and the media, to draw attention to the key issues.
- > Ensuring RAC people are involved in delivering social and community impact through volunteering and other initiatives.





For more than 120  
years, RAC has been  
giving back to WA.

RAC has been driving change  
since 1905, when our first  
members formed the  
Automobile Club of Western  
Australia to support the interests  
of car owners.

The principles of social purpose  
and member value still drive  
us today.

We will continue to improve  
services and experiences for  
members while championing  
change that creates a better  
future for Western Australians.

In addition to making WA a  
better place, RAC provides a  
range of important services to  
members including Roadside  
Assistance, Insurance, Travel,  
Tourism, Finance, Auto Services,  
Batteries, Tyres, and Security.



## RAC Rescue helicopters

We've sponsored Western Australia's only 24/7 emergency rescue helicopters since 2003. The RAC Rescue helicopters deliver critical care, search and rescue, and emergency support to those in need.

The service is funded by the State Government and managed by the Department of Fire and Emergency Services (DFES).



10,500+  
**missions since 2003**



# Educating road users



67,000+

students educated  
on road safety

**2,600+**

students attended  
RAC Project Road Smart®  
events<sup>1</sup> in Esperance,  
Geraldton, Bunbury  
and Kalgoorlie

**14,500+**

students attended RAC  
bstreetsmart<sup>2</sup> across two  
events at RAC Arena

**1,500+**

participants attended  
a Tow Safe workshop<sup>3</sup>

<sup>1</sup> Our regional road safety education event for secondary schools, RAC Project Road Smart®, travels to regional locations. Students watch a crash re-enactment filmed as a docudrama and hear from guest speakers.

<sup>2</sup> RAC bstreetsmart, a free road safety event for Year 10 to 12 students, features a live crash re-enactment attended by emergency services, just as it would occur in real life.

<sup>3</sup> RAC offers free caravan safety workshops that cover safe towing and road rules, along with practical skills that include reversing, tyre checks, correct loading and weighing.

# Engaging West Australians

## RAC Risky Roads

**18,000+**  
**nominations**

**the highest number on record**

RAC Risky Roads is the largest survey of its kind in the state, highlighting the safety concerns of WA road users. People can nominate any road or intersection they feel poses a safety risk for motorists, bike riders, motorcycle riders, pedestrians or others, from local streets to major highways.

Over 50% of respondents said they had been involved in or witnessed a crash or near-miss on their nominated road.

## National Road Safety Week

With speed being a major contributor to WA's poor road safety record, our message for National Road Safety Week remained focused on 'Change your speed, change your outcome'.

This year, we launched an activation called 'Slow down and smell the flowers', where we distributed 2,256 flowers to our members and the WA community – one dozen for each of the 188 lives lost on WA roads in 2024.



Local resident Claire Cardew near one of WA's riskiest intersections in Baldvis.

## Youth engagement

In August 2024, we launched RAC Ignite – our newest membership designed to engage, empower and upskill young people aged 15-24. RAC Ignite gives young people the opportunity to:

- > Be part of the conversation on topics that matter to them.
- > Make a tangible difference in their own communities.
- > Learn from and network with industry experts.
- > Get help and advice on learning to drive, getting a licence and buying a car.
- > Access RAC's extensive suite of member benefits and rewarding experiences.

**30,000+**  
members have  
joined RAC Ignite

▼ Participants in an RAC Ignite Leadership Program.





# Demonstrating problems and solutions

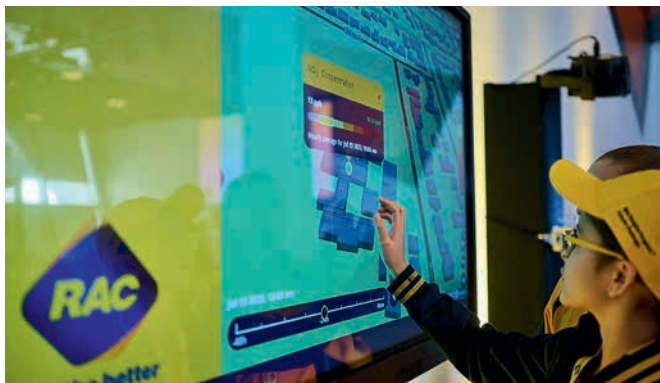
## RAC Air Health Monitor

**73,000+**

**daily measurements generated**

In major cities across Australia, like Perth, motor vehicles are a key source of emissions. It is estimated more than 11,000 Australian adults die prematurely each year due to exposure to traffic emissions.

The RAC Air Health Monitor is the most comprehensive air quality monitoring network in Australia. It is powered by hundreds of sensors, showing hour-by-hour changes to air quality across Perth. Analysis has shown that no area in Perth is immune from unhealthy air.



**Winner  
2024**

**Clean Air Society of  
Australia and New Zealand  
(CASANZ) Industry  
Excellence Award**



## Safer Speeds Trial

In partnership with the Shire of Augusta Margaret River, and with support from Main Roads WA, we're testing speed limit reductions on approximately 550 local roads to save lives and prevent serious injuries.

The Trial is testing a new approach to setting speed limits, focusing on harm minimisation and analysing roads in a holistic, area-wide way. This means there are consistent new speed limits across similar road types.

The Trial commenced in May 2025, with new speed limit signs being progressively installed throughout the Trial area over several months. Comprehensive evaluations will take place 12 months after the Trial commences and then after three years.

# Advocating for change

## Regional Road Safety Program

**\$1 billion+**

**secured for regional road upgrades**

We continued to focus on the delivery of the WA Government's Regional Road Safety Program. Since RAC's advocacy commenced in 2019, over \$1 billion in funding has been secured from the Australian and Western Australian Governments for these life-saving road upgrades.

Over recent years RAC, alongside the Western Australian Local Government Association, has advocated for the program to be expanded to local government roads, where half of regional fatal and serious injury crashes occur. The 2025 WA State Budget included \$250 million in funding over five years for this purpose.





## More on our local impact

To learn more about how RAC is creating a safer, sustainable and connected future for Western Australians, view our Social and Community Impact Reports.





# Helping members

2.6  
million  
phone calls  
handled

**\$269  
billion**  
total risk insured <sup>4</sup>

**\$931  
million**  
paid in claims

**212,000+**  
insurance claims

<sup>4</sup> The total value of all assets insured by RAC Insurance across all policyholders.

# Helping members

389,000

Roadside Assistance  
callouts



**585**

children and pets  
rescued from locked cars

**3,132**

events attended by RAC  
Impact Protection Vehicle<sup>5</sup>

**8,600+**

RAC Security  
consultations,  
installations and  
in-home visits

<sup>5</sup> Impact Protection Vehicles are positioned at a breakdown to help protect those at the scene should there be a collision. It acts like a crash cushion, absorbing the impact of any vehicle that may veer off from the traffic flow and into the site of the breakdown.

A young boy with dark hair is smiling and looking upwards while swinging a green tennis racket. He is wearing a dark blue t-shirt with a white lightning bolt pattern. The background is a bright, sunny outdoor setting with green foliage and a clear blue sky.

1.3 million+

**RAC members**



# Providing member benefits



\$94  
million  
in member benefits  
provided<sup>6</sup>

**748,000+**

RAC members  
used the Member  
Benefits Program

**774,000+**

households reached  
with each edition  
of Horizons

<sup>6</sup> RAC members received \$941 million in member benefits during the past year. This total includes savings made via our partner program and through discounts on RAC products and services.

# Listening to members

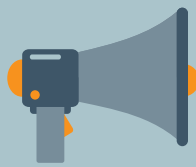
## Member opinion panel

RAC members who would like to be more involved with our Club can share their views and feedback on a more regular basis by joining RAC Opinion, to take part in online surveys.

The feedback and insights we receive from our members help shape the actions we take.

## Member Priorities Tracker

Our Member Priorities Tracker, launched in early 2020, gathers insights each month into how members are moving around their communities, their key concerns and how they think things could be improved. Each month, we focus on a different topic like road safety, cycling, congestion and many more.



**208,000+**  
responses to surveys

**86,000+**  
members part of  
RAC Opinion

**3,439**  
participated in the  
Member Priority Tracker



# Supporting local tourism

## Nine parks and resorts across WA



**384,000+**  
nights booked



**10,300**  
pets accommodated





Render of Ningaloo Reef Resort redevelopment (subject to change)



#### **Ningaloo Reef Resort redevelopment**

Progressed a \$70 million project to deliver a world-class WA destination.

#### **RAC Esperance Holiday Park expansion**

A \$9.5 million expansion opened October 2024, delivering an additional 22 rooms and 12 sites.

# Celebrating our people

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When you work at RAC, you're part of the driving force for a better WA. As a purpose led organisation, our people are central to the work we do to create a better WA.



**437**

people 10+ years

**60**

people 25+ years

**900+**

in the RAC Social Club,  
one of the biggest in Perth



## Our LEAD behaviours

Our LEAD behaviours define the way we act, how we communicate, what we say and what we do - guiding our people as they work towards achieving our purpose, vision and mission.

- » **Look out for each other** – we are all about safety for ourselves and for our members to create a great workplace for everyone.
- » **Every interaction counts** – we have the power to make a difference with every interaction.
- » **Achieve together** – we are passionate about working together to achieve more for our members.
- » **Deliver on promises** – we have a heritage built on trust and we deliver on promises; we have a go and achieve great results.



## Diversity, equity, inclusion and belonging (DEIB)

The best journeys are those everyone gets to enjoy. We value diversity of thought and skill, encouraging our people to be themselves and embrace all. We continually strive to ensure our workplace is inclusive, culturally rich and professionally rewarding.

### Our DEIB plan centres around four pillars:

- » **Enabling All Abilities** – people of all abilities have the opportunity to have meaningful careers at RAC.
- » **Gender Equity** – we aim to remove gender from the equation by putting into action RAC's commitment to achieve its gender equity objectives.
- » **Prism (LGBTQIA+)** – RAC is recognised by our people, members and the community as being LGBTQIA+ inclusive.
- » **Reconciliation** – an Australia where all people have equal opportunity in a society which learns, embraces and benefits from all cultures.

Throughout the year, our people had the opportunity to learn about and get involved with a number of initiatives, including Cultural Awareness Training, guest speaker events, International Women's Day, National Reconciliation Week, NAIDOC Week, International Day of Sign Languages, and Pride Month.

In 2024-25, we officially launched our two employee-led diversity networks, Multicultural RAC and Women in Technology at RAC. These groups are coordinated by passionate RAC people and focus on networking and sharing experiences.

## Health, safety and wellbeing

At RAC, safety is part of our DNA.

Throughout the year, we undertook work to mature our health and safety management system. This included updating our processes and producing important documentation to support our people and keep them safe.

Through our Boost wellness program, we focused on motivating, educating and empowering our people to be healthy and happy. This included:

- » Events to recognise R U OK? Day and Movember, with over \$25,000 raised for Movember.
- » Access to webinars on topics such as nutrition, sleep health and financial health.
- » Free access to healthy heart checks, a six-week exercise challenge and skin checks.
- » Free flu vaccinations.

# RAC

## Councillors' Report

### Annual Concise Report 30 June 2025

The concise financial report is an extract which has been derived from the full financial report of The Royal Automobile Club of W.A. (Incorporated) for the financial year ended 30 June 2025. This report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

A free copy of The Royal Automobile Club of W.A. (Incorporated) (the "Club") and its controlled entities (the "Group" or "RAC") full financial report is available to all members upon request by contacting Legal Services on (08) 9436 4665.

### Statement by Councillors

In the opinion of the Council, the accompanying concise financial report of The Royal Automobile Club of W.A. (Incorporated):

- (a) gives a true and fair view of the state of affairs of The Royal Automobile Club of W.A. (Incorporated) and the entities it controlled as at 30 June 2025; and
- (b) gives a true and fair view of the result of The Royal Automobile Club of W.A. (Incorporated) and the entities it controlled for the year ended 30 June 2025.

Signed in accordance with a resolution of Councillors on 8th September 2025.



**Allan Blagaich**  
President

The Royal Automobile Club of W.A. (Incorporated)  
Perth, W.A.  
Date: 8 September 2025



## Meeting of Councillors

The number of meetings of the Club Council and of each Council's committee held during the year ended 30 June 2025, and the number of meetings attended by each Councillor and committee member were:

Councillor	Meetings of committees					
	Full meeting of Councillors		Member and Policy Committee		Audit and Risk	
	A	B	A	B	A	B
Leanne Bishop	11	11	2	3	3	4
Allan Blagaich	11	11	3	3	4	5
Andrew Crane <sup>^</sup>	*	*	*	*	5	5
Donna Cross	9	11	3	3	*	*
Jill Darby	9	11	*	*	*	*
John Driscoll	11	11	3	3	*	*
Anthony Evans	11	11	*	*	*	*
Roger Farley	10	11	3	3	*	*
Dalton Gooding	11	11	*	*	*	*
Kerry Harris	10	11	*	*	1	1
Kelly Hick	11	11	3	3	*	*
Sarah Kepert	11	11	*	*	*	*
Jody Nunn	8	11	*	*	*	*
Marie Redman	11	11	*	*	*	*
Vicki Robinson <sup>^</sup>	*	*	*	*	5	5
Jacqueline Ronchi	10	11	*	*	*	*
Jim Walker	9	11	*	*	5	5
Robert Slocombe <sup>^</sup>	**11	11	**3	3	**5	5

A = Number of meetings attended of the Council and each Council committee

B = Number of meetings held during the time the Councillor or committee member was a member of the Council or committee during the year

\* = Not a member of the relevant committee \*\* = Attended in capacity as Group CEO <sup>^</sup> = Not a Councillor

The changes during the year to the composition of the Club Council and each Council committee are detailed in the corporate governance statement.

## Corporate governance

In recognising the needs for the highest standard of corporate behaviour and accountability, the Councillors of the Club support and adhere to generally accepted principles of good corporate governance. The Club's corporate governance statement may be accessed via the Club's website [www.rac.com.au](http://www.rac.com.au).



# Independent Auditor's Report to members



Ernst & Young  
9 The Esplanade  
Perth WA 6000 Australia  
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222  
Fax: +61 8 9429 2436  
ey.com/au

## Independent auditor's report to the members of The Royal Automobile Club of W.A. (Incorporated)

### Report on the concise financial report

#### Opinion

We have audited the concise financial report, which comprises the consolidated balance sheet as at 30 June 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and related notes, derived from the financial report of The Royal Automobile Club of W.A. (Incorporated) (the Association) and its subsidiaries (collectively the Group) for the year ended 30 June 2025. The concise financial report also includes discussion and analysis and the Councillors' declaration.

In our opinion, the accompanying concise financial report, including the discussion and analysis and the councillors' declaration complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Concise Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the concise financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Concise financial report

The concise financial report does not contain all the disclosures required by Australian Accounting Standards. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the financial report and the auditor's report thereon.

#### The financial report and our report thereon

We expressed an unmodified audit opinion on the financial report in our report dated 8 September 2025.

#### Responsibilities of the Councillors for the concise financial report

The Councillors of the Association are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Associations Incorporation Act 2015*, and for such internal controls as the Councillors determine are necessary to enable the preparation of the concise financial report.

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# Independent Auditor's Report to members



## Auditor's responsibilities for the audit of the concise financial report

Our responsibility is to express an opinion on whether the concise financial report complies, in all material respects, with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with AASB 1039 *Concise Financial Reports* based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

A stylized, handwritten signature of 'Ernst &amp; Young' in black ink.

Ernst & Young

A stylized, handwritten signature of 'J K Newton' in black ink.

J K Newton  
Partner  
Perth  
8 September 2025

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## Consolidated statement of profit or loss

### For the year ended 30 June 2025

		Consolidated	
	Notes	2025 \$'000	2024 \$'000 restated
Insurance revenue		1,453,305	1,198,323
Insurance service expense		(1,031,370)	(957,904)
<b>Insurance service result from insurance contracts issued</b>		<b>421,935</b>	<b>240,419</b>
Allocation of reinsurance premiums		(136,890)	(123,889)
Amounts recoverable from reinsurers for incurred claims		5,285	358
<b>Net expenses from reinsurance contracts held</b>		<b>(131,605)</b>	<b>(123,531)</b>
<b>Insurance service result</b>		<b>290,330</b>	<b>116,888</b>
<b>Revenue from contracts with members and customers</b>	2	<b>291,159</b>	<b>266,216</b>
Net fair value gains on financial assets at fair value through profit or loss		64,578	45,765
Net change in fair value on investment properties		54,081	11,130
Net change in fair value on resident loans		(39,482)	(9,754)
Interest income		46,185	40,364
Other income		34,296	24,853
Employee benefits expense		(172,898)	(147,792)
Depreciation and amortisation expense		(17,290)	(15,958)
Property expenses		(17,325)	(17,476)
Materials and consumables used		(29,447)	(27,193)
Postage, printing and stationery		(6,616)	(7,235)
Information technology expense		(20,111)	(17,644)
Consulting and legal expense		(16,960)	(6,230)
Advertising		(25,608)	(24,218)
Towing and subcontractor expenses		(39,547)	(41,690)
Other expenses		(23,497)	(21,060)
Impairment of goodwill		-	(9,531)
Profit from equity-accounted associates and joint ventures		11,314	9,341
Finance costs		(21,309)	(19,257)
Finance expenses from insurance contracts issued		(4,228)	(2,976)
Finance income from reinsurance contracts held		157	244
<b>Profit before income tax</b>		<b>357,782</b>	<b>146,787</b>
Income tax expense		(103,611)	(35,792)
<b>Profit for the year</b>		<b>254,171</b>	<b>110,995</b>
Profit is attributable to:			
Members of The Royal Automobile Club of W.A. (Incorporated)		254,171	110,995

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.



## Consolidated statement of comprehensive income

### For the year ended 30 June 2025

	Consolidated	
	2025 \$'000	2024 \$'000 restated
<b>Profit for the year</b>	<b>254,171</b>	<b>110,995</b>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified subsequently to the consolidated statement of profit or loss</i>		
Changes in fair value of land and buildings	<b>1,578</b>	2,852
Income tax thereon	<b>(473)</b>	(855)
	<b>1,105</b>	1,997
<b>Other comprehensive income for the year, net of tax</b>	<b>1,105</b>	1,997
<b>Total comprehensive income for the year</b>	<b>255,276</b>	<b>112,992</b>
Total comprehensive income for the year is attributable to:		
Members of The Royal Automobile Club of W.A. (Incorporated)	<b>255,276</b>	112,992

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

## Discussion and analysis

### Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

#### Insurance service result

The insurance service result represents the premiums earned from policyholders less the cost of claims paid or payable on those policies, net of reinsurance and other recoveries. It also includes costs directly related to acquiring the policyholders and servicing the claims but does not include investment income and expenses, finance costs, or other operating costs of the insurance business.

#### Insurance revenue

The Motor and Home insurance portfolios experienced growth in premium revenue. Gross Written Premium was 11.4% higher than the prior year, driven by growth in policies issued, increases in amounts insured, and price increases.

#### Insurance service expense

Insurance service expense has increased commensurate with policy unit growth in the Motor and Home portfolios and due to claims cost inflation. Due to benign weather, there were fewer event claims than the prior year.

#### Allocation of reinsurance premiums

The cost of reinsurance increased commensurate with the policy unit growth in the Home portfolio.

#### Revenue from contracts with members and customers (refer to note 2)

##### Membership subscriptions

Revenue from membership subscriptions for roadside assistance grew during the year due to increases in member numbers, upgrades of memberships, and annual price increases.

##### Tourism revenue

The expansion to the RAC Esperance Holiday Park was opened in November 2024, which led to a significant increase in occupancy and revenue at the park. All other tourism parks achieved year-on-year growth in revenue.

##### Sales of goods

There was an increase in revenue across a range of products including tyres, batteries, security alarms, and plant sensors.

##### Services

Three additional "mobile mechanic" vehicles were brought into operation during the year, bringing the total to seven. This coupled with increased job volumes across the existing auto service centres resulted in higher year-on-year revenue in the Auto Services business.

#### Retirement village revenue

Favourable conditions in the Perth residential property market led to an increase in the value of the Group's retirement villages, which resulted in an increase in deferred management fee income earned. Stage 2 of the Carine retirement village was completed during the year and as units became occupied, deferred management fee income was recognised for the first time on those units.

#### Net fair value gains on financial assets at fair value through profit or loss

Growth in the Insurance business resulted in an increase in the funds held for capital requirements and future policyholder claims. This coupled with a reduction in bond yields resulted in higher fair value gains in Insurance's investment portfolio. Unrealised gains were also recognised in the Group's venture capital fund.

## Discussion and analysis

### Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income (continued)

#### Net change in fair value on investment properties and resident loans

Favourable conditions in the Perth residential property market led to an increase in the value of the Group's retirement villages and a related increase in the value of the retirement village contract liabilities, which are linked to the value of the villages. There was also a revaluation gain (in investment properties) on completion of the construction of stage 2 of the Carine village.

#### Interest income

Higher interest rates on the Finance business' loans to members and customers resulted in higher interest income earned.

#### Other income

The increase in other income was driven by higher trust distribution income in the Group's investment portfolio and a gain on sale of the Group's investment in an associate.

#### Main influences on costs of operations

##### Employee benefits expense

The Group employed more staff to support the revenue growth in businesses and to provide services and support to members and customers. There was also an increase in project activity to support the Group's strategic initiatives, including enhancing the digital experience for members and migrating systems to cloud-based technologies. Collectively this led to an increase in employee benefits expense.

##### Consulting and legal expense

The year-on-year increase in costs was driven by additional project activity to support the Group's strategic initiatives and the costs associated with the strategic partnership agreement with Insurance Australia Group (IAG). In May 2025, the Group announced its intention to enter into a 20-year general insurance strategic partnership with IAG. As part of the transaction, IAG would acquire and manage 100% of RAC's insurance underwriting business. At the time of producing this report, the proposed strategic partnership is subject to regulatory approvals and timing is also dependent on subsequent integration planning.

#### Income tax expense

The consolidated accounting profit for the Club was \$357.8m (2024: \$146.8m), which gives rise to a prima-facie income tax expense of \$107.3m (2024: \$44.0m) at the Australian tax rate of 30%. The prima-facie income tax expense was reduced by \$3.7m (2024: \$8.2m) to an income tax expense of \$103.6m (2024: \$35.8m) due to the tax treatment of the net surplus from membership activities and franking credits received from the Group's investment portfolio.



## Consolidated balance sheet

### As at 30 June 2025

		Consolidated	
	Notes	30 June 2025 \$'000	30 June 2024 \$'000 Restated
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	283,144	193,575
Trade and other receivables		45,689	35,217
Contract assets		19,743	17,595
Loans and advances		157,894	151,969
Reinsurance contract assets		22,572	19,476
Inventories		2,578	1,965
Financial assets at fair value through profit or loss		531,909	513,105
Other financial assets		43,029	2,009
Assets classified as held for sale		-	5,221
<b>Total current assets</b>		<b>1,106,558</b>	<b>940,132</b>
<b>Non-current assets</b>			
Loans and advances		246,564	252,978
Investments accounted for using the equity method		42,804	35,217
Financial assets at fair value through profit or loss		834,629	593,553
Property, plant and equipment and right-of-use assets		286,681	269,904
Investment properties		372,917	311,583
Intangible assets and goodwill		98,372	101,768
Deferred tax assets		-	392
<b>Total non-current assets</b>		<b>1,881,967</b>	<b>1,565,395</b>
<b>Total assets</b>		<b>2,988,525</b>	<b>2,505,527</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		73,491	61,931
Interest bearing loans and borrowings		314,753	306,181
Current tax liabilities		81,653	7,150
Provisions		34,740	37,272
Insurance contract liabilities		592,626	555,254
Reinsurance contract liabilities		4,703	7,248
Retirement village contract liabilities		300,882	229,694
Other liabilities		64,502	61,640
<b>Total current liabilities</b>		<b>1,467,350</b>	<b>1,266,370</b>
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings		114,631	122,299
Deferred tax liabilities		18,662	-
Provisions		4,277	3,529
Other liabilities		15,000	-
<b>Total non-current liabilities</b>		<b>152,570</b>	<b>125,828</b>
<b>Total liabilities</b>		<b>1,619,920</b>	<b>1,392,198</b>
<b>Net assets</b>		<b>1,368,605</b>	<b>1,113,329</b>
<b>Equity</b>			
Reserves		32,339	43,717
Retained earnings		1,336,266	1,069,612
Capital and reserves attributable to members of The Royal Automobile Club of W.A. (Incorporated)		1,368,605	1,113,329
<b>Total equity</b>		<b>1,368,605</b>	<b>1,113,329</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

## Discussion and analysis

### Consolidated balance sheet

#### Trade and other receivables

In the Group's investment portfolio, the trust distributions receivable at year-end were higher than the prior year. The trust distributions are influenced by a variety of factors including the performance of the companies invested in, the level of buying and selling of investments by the fund managers (because profits are distributed), and exchange rate fluctuations.

#### Financial assets at fair value through profit or loss (current and non-current)

These assets include investments in Insurance's investment portfolio and the Group's investment portfolio. Insurance's investment portfolio increased from the investment of operating cashflows to support the growth in capital holdings requirements and future policyholder claims. The Group's investment portfolio increased from the investment of operating cashflows generated by the Group's businesses and from the investment of funds received from residents for the settlement of units in stage 2 of the Carine retirement village.

#### Other financial assets

These assets are term deposits with a holding period greater than three months. Funds were placed on deposit before 30 June 2025 to support payments due later in the year for the development of the Ningaloo Reef Resort and other operational requirements.

#### Investments accounted for using the equity method

An equity accounted profit was recognised on the Group's investment in MyHomeCare NZHG HoldCo, which holds an investment in a provider of community care services in New Zealand.

#### Property, plant and equipment and right-of-use assets

During the year, development continued at the Ningaloo Reef Resort with the external roadworks and workshop building completed. The expansion of the RAC Esperance Holiday Park was completed and opened in November 2024.

#### Investment properties and retirement village contract liabilities

Construction of stage 2 of the Carine retirement village was completed in January 2025 and residents commenced moving in thereafter. The funds received from residents on settlement of the units resulted in an increase in retirement village contract liabilities because the units are under a long-term lease to residents. In addition, favourable conditions in the Perth residential property market led to an increase in the value of the Group's retirement villages and a related increase in the value of the retirement village contract liabilities, which are linked to the value of the villages.

#### Current tax liabilities

The current tax balances reflect the difference between the Group's estimated tax payable for the year and the tax instalments paid during the year. The Group's estimated tax payable for the current year is higher than the prior year whereas the tax instalments paid during the year are based on the prior year's tax return.

#### Insurance contract liabilities

Insurance contract liabilities have increased commensurate with the policy unit growth in the Motor and Home portfolios and due to claims cost inflation.

#### Other liabilities

The current year balance includes a deposit received for the proposed 20-year general insurance strategic partnership with Insurance Australia Group (IAG). As part of the transaction, IAG would acquire and manage 100% of RAC's insurance underwriting business. At the time of producing this report, the proposed strategic partnership is subject to regulatory approvals and timing is also dependent on subsequent integration planning.

#### Deferred tax liabilities

The increase in the net deferred tax liabilities is driven by unrealised gains in Insurance's investment portfolio and the Group's investment portfolio, the equity accounted profit on the Group's investment in MyHomeCare NZHG HoldCo, and the increase in trust distributions receivable in the Group's investment portfolio.

## Consolidated statement of changes in equity

### For the year ended 30 June 2025

	Attributable to owners of The Royal Automobile Club of W.A. (Incorporated)		
	Property, plant and equipment revaluation reserve \$'000	Retained earnings \$'000	Total \$'000
<b>Consolidated entity</b>			
<b>Balance at 1 July 2023 – as presented</b>	41,720	983,150	1,024,870
Prior period adjustment (refer to Basis of Preparation)	-	(24,533)	(24,533)
<b>Total equity at the beginning of the financial year</b>	<b>41,720</b>	<b>958,617</b>	<b>1,000,337</b>
Profit for the year	-	110,995	110,995
Other comprehensive income (net of tax)	1,997	-	1,997
<b>Total comprehensive income for the year</b>	<b>1,997</b>	<b>110,995</b>	<b>112,992</b>
<b>Balance at 30 June 2024</b>	<b>43,717</b>	<b>1,069,612</b>	<b>1,113,329</b>
<b>Balance at 1 July 2024</b>	<b>43,717</b>	<b>1,069,612</b>	<b>1,113,329</b>
Profit for the year	-	254,171	254,171
Other comprehensive income (net of tax)	1,105	-	1,105
<b>Total comprehensive income for the year</b>	<b>1,105</b>	<b>254,171</b>	<b>255,276</b>
Transfer of revaluation surplus	(12,483)	12,483	-
<b>Balance at 30 June 2025</b>	<b>32,339</b>	<b>1,336,266</b>	<b>1,368,605</b>

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



## Consolidated statement of cash flows

### For the year ended 30 June 2025

	Consolidated	
	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	337,640	307,313
Insurance premiums received	1,789,196	1,500,845
Reinsurance recoveries received	4,773	9,702
Payments to suppliers and employees (inclusive of GST)	(577,647)	(491,988)
Claims paid	(1,055,948)	(935,814)
Outward reinsurance premiums paid	(148,053)	(145,635)
Insurance policy acquisition costs paid	(50,917)	(65,308)
Net advances to finance customers	(1,186)	(16,638)
Net proceeds from finance borrowings	2,742	3,919
Distributions received from financial assets	12,021	10,903
Interest received from financial assets	42,696	30,460
Interest paid	(21,764)	(17,583)
Other income received	16,216	16,625
Income taxes (paid)/refunded	(10,527)	10,735
<b>Net cash inflow from operating activities</b>	<b>339,242</b>	<b>217,536</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(35,725)	(26,051)
Payments for investment properties	(8,116)	(28,738)
Proceeds from sale of investment property	498	-
Proceeds from sale of property, plant and equipment	444	665
Purchase of financial assets at fair value through profit or loss	(1,996,926)	(1,423,399)
Proceeds from sale of financial assets at fair value through profit or loss	1,763,217	1,163,404
Proceeds from other financial assets	-	39,263
Payments for other financial assets	(41,020)	-
Dividends from associates	3,726	6,882
Payments for intangibles	(1,041)	(5,239)
Receipts from capital repayments by investments	1,048	3,314
Proceeds from sale of investment in joint venture	10,662	33,014
Deposit received for general insurance strategic partnership	15,000	-
Deposit paid for acquisition of business	(780)	-
<b>Net cash outflow from investing activities</b>	<b>(289,013)</b>	<b>(236,885)</b>
<b>Cash flows from financing activities</b>		
Loan repayments from related parties	1,024	966
Retirement village resident loans repaid	(905)	(880)
Retirement village resident loans received	42,772	430
Repayment of lease liabilities	(3,551)	(3,634)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>39,340</b>	<b>(3,118)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>89,569</b>	<b>(22,467)</b>
Cash and cash equivalents at the beginning of the financial year	193,575	216,042
<b>Cash and cash equivalents at end of year</b>	<b>283,144</b>	<b>193,575</b>

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

## Discussion and analysis

### Consolidated statement of cash flows

#### Receipts from customers

The increase in receipts was driven by revenue growth across the Group's businesses, including roadside membership subscriptions, tourism revenue, interest on loans advanced by the Finance business, sales of batteries and tyres, vehicle servicing, and deferred management fees on retirement villages.

#### Insurance premiums received

Insurance premiums received increased during the year as a result of insurance policy growth in both the Motor and Home portfolios. Gross written premium was 11.4% higher than the prior year, driven by growth in policies issued, increases in amounts insured, and price increases.

#### Payments to suppliers and employees (inclusive of goods and services tax)

Payments to suppliers and employees increased to support revenue growth and project activity across the Group, enabling the furtherment of the Group's strategic initiatives.

#### Claims paid

Claims payments have increased commensurate with policy unit growth in the Motor and Home portfolios and due to claims cost inflation. Due to benign weather, there were fewer event claims than the prior year.

#### Interest received from financial assets

Higher interest rates coupled with increased holdings of cash, deposits, and other interest-bearing securities

resulted in higher interest received.

#### Income taxes paid

Tax payments in the current year are based on the prior year's tax return, which had a higher taxable profit than the year before. In the prior year, there was a refund of tax instalments paid.

#### Payments for property, plant and equipment

During the year, development continued at the Ningaloo Reef Resort and the expansion of the RAC Esperance Holiday Park was completed.

#### Payments for investment properties

Construction of stage 2 of the Carine retirement village was completed during the year.

#### Purchase of and proceeds from sales of financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss include investments in Insurance's investment portfolio and the Group's investment portfolio. There were net cash outflows for purchases of investments in Insurance's investment portfolio using operating cashflows to support the growth in capital holdings requirements and future policyholder claims. There were net cash outflows for purchases of investments in the Group's investment portfolio using operating cashflows generated by the Group's businesses and receipts of resident loans from the settlement of units in stage 2 of the Carine retirement village.

#### Payments for and proceeds from other financial assets

This represents cash placed on term deposit ("payments for") and redeemed from term deposits ("proceeds from") where the term deposits have a holding period greater than three months. Funds were placed on deposit before 30 June 2025 to support payments due later in the year for the development of the Ningaloo Reef Resort and other operational requirements.

#### Proceeds from sale of investment in joint venture

The Group's investment in the Enrich Health Group joint venture was sold in March 2024 and a portion of the sale proceeds were received in the current financial year.

#### Deposit received for general insurance partnership

A deposit was received for the proposed 20-year general insurance strategic partnership with IAG. As part of the transaction, IAG would acquire and manage 100% of RAC's insurance underwriting business. At the time of producing this report, the proposed strategic partnership is subject to regulatory approvals and timing is also dependent on subsequent integration planning.

#### Retirement village resident loans received

Following completion of stage 2 of the Carine retirement village during the year, there has been an inflow of funds from residents on units that have been settled. The units are under a long-term lease to residents.

# Notes to the consolidated financial statements

## 30 June 2025

### 1 Basis of preparation of concise financial report

#### (a) Basis of preparation

The concise financial report has been prepared in accordance with the requirements of Accounting Standard AASB 1039 "Concise Financial Reports". In the current year, the Group has adopted the following new standards and amendments to standards issued by the Australian Accounting Standards Board ("AASB") that are relevant to the Group's operations and are effective for the current annual reporting period:

- > AASB 2020-1 Amendments to AASs - Classification of Liabilities as Current or Non-current (effective 1 January 2024)
- > AASB 2022-6 Amendments to AASs - Non-current Liabilities with Covenants (effective 1 January 2024)
- > AASB 2022-5 Amendments to AASs - Lease Liability in a Sale and Leaseback (effective 1 January 2024)

The adoption of the new and amended standards has not had any significant impact on the financial results or the position of the Group. Disclosures have been changed where required. Except for the change in accounting policy for transfers of reserves to retained earnings (discussed below), all other accounting policies adopted are consistent with those of the previous financial year.

#### (i) Prior period adjustment

An adjustment has been made to the prior year's investment properties opening balance by \$27.1m to reflect an eliminating consolidation adjustment which was not accurately captured during a historic reorganisation of the Group. There was a related reduction to the prior year's deferred tax liabilities (DTL) opening balance by \$2.6m and a further reduction in the prior year's DTL balance by \$5.5m with a corresponding adjustment to the prior year's income tax expense. The net adjustment to the prior year's opening retained earnings was \$24.5m.

#### (ii) Change in accounting policy - transfers of reserves to retained earnings

Freehold land and buildings are recognised at fair value with the net after-tax revaluation gains accumulated in reserves in equity. When revalued assets are sold, any amounts included in reserves in respect of those assets are transferred to retained earnings. Under the Group's updated accounting policy, revaluation amounts included in reserves will also be transferred to retained earnings as the revalued assets are depreciated, to the extent of the difference between depreciation based on the asset's revalued carrying amount and depreciation based on the asset's original cost. The accumulated difference in depreciation has been transferred from reserves to retained earnings in the current year.



# Notes to the consolidated financial statements

## 30 June 2025 (continued)

### *(iii) Going concern*

The financial statements have been prepared on a going concern basis, which assumes the continuation of normal business operations, the realisation of assets, and the settlement of liabilities in the ordinary course of business.

As at 30 June 2025, the Group reported current liabilities exceeding current assets by \$360.8m (2024: \$326.2m).

This position is due to the nature of balance sheet items in some of the operating businesses including:

- > Retirement village resident loans of \$300.9m (2024: \$229.7m) being classified as current liabilities because the Group does not have an unconditional right to defer settlement beyond 12 months from the reporting date. The associated investment property assets are classified as non-current assets.
- > Investment notes of \$257.4m (2024: \$303.6m) being classified as current liabilities due to contractual repayment within 12 months. Investment notes of \$98.8m (2024: \$49.9m) are classified as non-current liabilities. The majority of the associated loans and advances assets are expected to be received beyond 12 months. Historically, a large portion of the investment notes are reinvested on maturity.
- > Insurance contract liabilities of \$592.6m (2024: \$555.3m) being classified as current liabilities while the associated investment funds to support these are split between current and non-current assets.

The Directors are satisfied that there is a reasonable basis to conclude that the Group, and by extension the Company, will continue as a going concern based on the Group's investments in debentures, government and discounted securities, and unit trusts, which total \$1,306.3m (2024: \$1,049.4m) of which \$783.8m (2024: \$551.4m) are classified as non-current but remain highly liquid and available to the Group to convert to cash to meet its obligations should the need arise. The classification of these investments at 30 June 2025 has been based on the Group's expectation of when the investment funds will be realised. However, noting that if the investment funds were classified as current, the Group's current assets would exceed the current liabilities.

### **(b) Rounding of amounts**

Amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar. The financial report has been presented in Australian dollars.

# Notes to the consolidated financial statements

## 30 June 2025 (continued)

### 2 Revenue from contracts with members and customers

	Consolidated	
	2025 \$'000	2024 \$'000
Membership subscriptions	121,025	115,542
Tourism revenue	56,241	53,090
Sale of goods	34,845	30,979
Services	29,839	26,075
Sales commissions	20,722	19,568
Retirement village revenue	28,487	20,962
	<b>291,159</b>	<b>266,216</b>

### 3 Cash and cash equivalents

	Consolidated	
	2025 \$'000	2024 \$'000
<b>Current assets</b>		
Cash at bank and in hand	232,975	143,013
Deposits at call	48,308	48,956
Cash deposits – trust account	1,861	1,606
	<b>283,144</b>	<b>193,575</b>

#### Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

	Consolidated	
	2025 \$'000	2024 \$'000
Balances as above	283,144	193,575
Balances per consolidated statement of cash flows	<b>283,144</b>	<b>193,575</b>

### 4 Contingencies

#### Contingent liabilities

The Group has issued a number of bank guarantees to third parties for various operational and legal purposes. These amounts are not material and it is not expected that these guarantees will be called upon.

### 5 Events occurring after the reporting period

On 20 August 2025, the Group announced its investment in Aventura's Perth Surf Park, which continues the organisation's support of WA tourism over many decades. Construction of the Perth Surf Park will commence in late 2025 with the public opening currently scheduled for late 2027.

There has been no other matter or circumstance occurring subsequent to year end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.







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