GOVERNMENT OF
WESTERN AUSTRALIA

PathWest
LABORATORY MEDICINE WA

Annual Report

2025-26

This year's report features commissioned Aboriginal artwork created for PathWest by Wongutha artist and designer, Kevin Wilson.

The artwork acknowledges the First Peoples of the lands on which we operate, and reflects our commitment to fostering safe, welcoming and culturally respectful experiences for the communities we serve. Through symbols representing the life, community and connection, it celebrates the role of pathology in supporting the health and wellbeing of Western Australians.



Acknowledgment of our Aboriginal Community

PathWest Laboratory Medicine WA (PathWest) acknowledges the Traditional Owners throughout Western Australia and their continuing connection to, and custodianship of, the dynamic cultures. We acknowledge the wisdom of Aboriginal Elders both past, present and emerging and pay respect to Aboriginal communities of today.



Statement of Compliance

Statement of Compliance
For the year ended 30 June 2026
The Honourable Meredith Hammat MLA, Minister for Health; Mental Health

In accordance with section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report of PathWest Laboratory Medicine WA for the financial year ended 30 June 2026.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006.*



Angie Paskevicius

Chair
PathWest Board

7 September 2026



Samantha Elder

Chair,
Finance, Risk and Audit Committee
PathWest Board

7 September 2026

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1

Welcome

Year in Review

Connecting Western Australians to accessible pathology services

In 2025-26, PathWest continued to strengthen access to high-quality pathology and forensic services across Western Australia. Through statewide collaboration, innovation and investment, we supported timely clinical decisions, improved patient outcomes, and delivered consistent care across metropolitan, regional and remote communities.

At a glance

Specialist pathology services

214

donor organs matched, supporting life-saving transplants

73

bone marrow transplants supported through specialist services

Access and equity with rapid care

307

point-of-care testing devices deployed statewide, with more than one-third in non-hospital settings

Rapid expansion of point-of-care testing (POCT) in emergency departments and regional settings

Expanded services across regional and remote communities, improving access to essential diagnostics

Continued growth in regional testing demand, reflecting increased reach and service utilisation

Public health and safety

Expanded drinking water microbiology testing to more than **140 remote Aboriginal communities** in partnership with the Water Corporation, including communities that had not previously had access to testing

Implemented rapid point-of-care respiratory infectious disease testing across five metropolitan and regional emergency departments to support faster diagnosis, improve patient flow and peak winter demand management. Commenced Western Australian participation in the National Wastewater Surveillance Program, strengthening detection and monitoring of respiratory viruses and emerging infectious diseases

Led the public health laboratory response to measles outbreaks across Western Australia, providing statewide PCR testing, genomic sequencing and expert public health support

Developed and introduced a new, rapid, PCR test during a significant diphtheria outbreak in northern Western Australia, improving earlier case identification and supporting public health in outbreak management

Coordinated and supported laboratory testing for Australian passengers repatriated during an international hantavirus outbreak linked to a cruise ship, working with local and interstate partners to support public health response activities

Maintained Western Australia's preparedness for high-consequence infectious diseases, including Ebola virus disease, through specialist laboratory capability, biosafety planning and statewide response coordination.

Our people and workforce

209

clinical training placements delivered, supporting the future workforce

Invested in leadership, mentoring and professional development

Focused strongly on regional workforce capability and training pathways

Advocacy

As part of the WA Health ecosystem:

Provided statewide access to consistent, high-quality testing, including investing in regional and remote services

Engaged with the WA system Health performance targets and on whole-of-system delivery

Delivered:

- Sustainable and transparent funding models
- Workforce capability and specialist services
- Equity, diversity and culturally safe care
- Research, innovation and emerging diagnostics.

Innovation and capability

Delivered first whole genome sequencing reports locally in Western Australia

Expanded genomic testing, digital pathology and advanced diagnostics

Continued growth in research capability through coordinated programs and partnerships

Forensic science and justice

Provided specialist forensic biology services to support the WA Police Force and the Coroner's Court

Contributed to nationally recognised forensic research, strengthening capability and advancing practice

Supported community confidence in the justice system through independent, accredited scientific analysis

Foreword



Angie Paskevicius, PathWest Board Chair and **Dr Narelle Hadlow**, PathWest Chief Executive.

At PathWest, every test result is part of a patient story.

Behind every sample is a person – a patient, a family member, a loved one, and result that matters.

Each day, our teams work to ensure that wherever someone lives, and whatever their circumstances, they can rely on health care from PathWest that is timely, accurate, and delivered with compassion.

We are proud to be part of Western Australia's public health system, supporting care across the State. We connect patients in metropolitan, regional and remote communities alike with expert and specialist pathology testing services. We know a test processed in Perth will inform a clinical decision thousands of kilometres away, supporting patients to receive the same standard of care regardless of their location.

Our partnerships across this great State are critical. We work closely with WA Health and clinicians across WA to respond to everyday demands as well as emerging challenges. During the year, our teams led responses to infectious disease outbreaks, like Measles and Diphtheria and contributed to Western Australia's award-winning wastewater surveillance programs, providing early insights into the spread of viruses such as COVID-19 and influenza in the community.

And our role extends beyond healthcare. PathWest works closely with the justice system, including the WA Police Force and the Coroner's Court, to provide forensic services that support investigations and deliver clarity when it is needed most. This complex and sensitive work is undertaken with professionalism, integrity and care.

We continue to invest in our systems and infrastructure to shape our service to meet the growing needs of the WA community. The Core Laboratory Transition Project is modernising how we manage large volume Biochemistry testing and supports enhanced testing capability and faster turnaround times. Expanded point-of-care testing is bringing rapid diagnostics closer to patients, including in some of the State's most remote communities, as well as in busy Metropolitan Emergency Departments. These rapid systems, supported by the laboratory teams, enable faster diagnosis and treatment decisions by clinical teams at the patient's bedside.

Advances in genomics and digital pathology are transforming the way we deliver care. Through initiatives such as the Telethon Whole Genome Sequencing Project, more patients can access advanced genomic testing, and digital systems are bridging gaps of distance and supporting collaboration. These innovations strengthen best clinical decision making and have the potential to improve outcomes for patients and families.

None of this would be possible without our people. Across our laboratories, patient collection centres, and support services, our staff bring dedication, expertise, and a strong sense of purpose to their work. We are incredibly proud of the way our teams collaborate across locations and services to deliver consistent care to our communities. Much of what we do happens behind the scenes, but the impact of our work is felt every day in the lives of patients across Western Australia.

At its heart, PathWest is about people. Together, we ensure every pathology test makes a difference – supporting better care, stronger communities and improved outcomes for all Western Australians.



Dr Narelle Hadlow,
PathWest Chief Executive



Angie Paskevicius,
PathWest Board Chair

Significant challenges and emerging issues

PathWest delivers its services right across the vast State of Western Australia, within an increasingly complex healthcare environment. Evolving priorities and emerging challenges continue to drive innovation, strengthen organisational capability, and improve services and access for patients across Western Australia.

System modernisation and digital transformation

The modernisation of PathWest's core laboratory operating systems, including the Laboratory Information System (LIS), is a significant organisation-wide transformation that will support future service delivery, high-capacity workflows, improved turnaround times, and enhanced digital integration across the health system.

- Increased demand for efficient, digitally connected pathology services is driving the need to modernise core laboratory systems and workflows.
- Implementing new technologies across multiple sites while integrating with existing systems presents significant operational complexity and requires careful management to maintain uninterrupted pathology services.
- PathWest is addressing these challenges through strong governance, phased implementation and targeted workforce training to support adoption and service continuity.
- The modernisation of the LIS remains a key priority, delivering improved workflow efficiency, faster processing of pathology requests and results, and strengthening service delivery to clinicians and patients.
- It is also delivering a more resilient and optimised network structure, positioning PathWest to meet growing demand and future digital healthcare requirements.

Increasing demand from infectious diseases and public health events

PathWest continues to play a central role in responding to emerging infectious disease outbreaks and public health threats across WA.

- Recent outbreaks have required the rapid establishment and scaling of testing services to meet surge demand.
- Delivering timely services to regional and vulnerable communities has required close coordination with multiple agencies and health partners.
- These demands are driving investment in surge capacity, improved coordination pathways, and enhanced diagnostic technologies to guide early detection and response.

Workforce pressures and regional service delivery

Sustaining a skilled workforce, particularly in regional and remote locations, remains a key priority.

- Increased demand for specialised expertise, coupled with workforce challenges, has placed pressure on service delivery in some areas.
- PathWest is strengthening workforce resilience through targeted recruitment and retention strategies, expanded training pathways, and the use of digital service models to extend specialist expertise into regional settings.
- PathWest also supports POCT services, which enable essential diagnostic tests to be performed closer to the patient in hospitals, health services and remote communities, reducing the need to send samples to a laboratory and supporting timely clinical decision-making.

Emergency management and climate-related disruptions

Natural disasters, including cyclones and other severe weather events, continue to impact operations across regional Western Australia.

- These events create challenges in maintaining the continuity of laboratory services, workforce safety, and specimen transport networks.
- PathWest has strengthened its emergency preparedness and response capability through well-established disaster management frameworks, regional contingency planning, and coordinated responses with health and emergency agencies to ensure continuity of critical services.

Continued developments and outlook

PathWest anticipates continued growth in demand for services, driven by increased population, changes in health service delivery, and ongoing public health challenges.

Key developments expected to influence operations include:

- continued implementation of laboratory and digital modernisation initiatives
- expansion of diagnostic genomic capabilities
- further integration with the broader WA health system, including POCT management

These developments are expected to enhance operational efficiency, strengthen diagnostic capability, and improve access to services across metropolitan, regional, and remote areas.

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About us

Who we are



Purpose

Improving the health, wellbeing and safety of our communities.



Vision

PathWest is a leader in our field and positively impacts our society and environment through the pursuit of excellence and innovation.

Values



Care
for our communities and our staff

Our services exist to care for our communities and keep them healthy and safe. We foster a caring culture with each other and those we serve.



Accountability
for our actions

We acknowledge our commitments and keep our promises. We take responsibility for our actions and our role in delivering excellent outcomes.



Respect
for ourselves and others

Our differences and uniqueness are embraced. By respecting who we work with and engage with, we create a safe and productive environment.



Excellence
at all times

What we do affects lives. We recognise the need to foster innovation and perform our duties and tasks to the best of our abilities and to the highest standards.

C A R E

Our statewide services

PathWest is Western Australia's public pathology provider, delivering trusted, fully accredited diagnostic and forensic services that support health outcomes and the justice system.

Delivered through a statewide network of hospital laboratories and patient collection centres, we provide the most comprehensive pathology testing service in the State.

PathWest's statewide network delivers and enhances access to healthcare, connecting communities to timely, high-quality, pathology services that inform diagnosis, treatment and clinical decision-making for all patients, regardless of location.

Supporting patient care

Our tests:

- Diagnose diseases, infections and cancers
- Support treatment decisions and patient care pathways
- Enable early detection and prevention strategies
- Support criminal investigations and forensic analysis
- Assist in coronial and identification processes
- Provide specialised testing for public health and industry.

Every test contributes to safer and better health outcomes for Western Australians.



Collection sites

25 Metropolitan

55 Regional and remote



Laboratories

9 Metropolitan

18 Regional and remote

1 Forensic Biology laboratory



Facilities

1 State Mortuary

1 Media manufacturing unit

Supporting the justice system

Beyond healthcare, PathWest also plays a vital role in supporting the justice system. Through our forensic biology services, we work closely with the WA Police Force (WAPF) and the Coroner's Court, providing accurate, independent, scientific evidence, that underpins investigations and helps deliver answers for victims and their families.



Our services



Haematology

Haematology performs a wide range of testing services to assist in diagnosing and treating various blood disorders. Additionally, our laboratory supplies therapeutic products such as blood, plasma, platelets, clotting factors, and bone marrow.



Biochemistry

Our clinical biochemistry laboratories analyse blood, urine and other fluids to assess metabolic health, diagnose disease and monitor treatment. These tests help determine a patient's metabolic status and monitor their response to treatment. Biochemistry also conducts research to develop new diagnostic tests and improve analytical methods.



Microbiology

Microbiology detects and manages disease-causing microorganisms, including bacteria, fungi, viruses, protozoa, and helminths. Our laboratory offers routine and diagnostic testing for acute and chronic diseases, advice on antimicrobial use, infection prevention, control, and microbial surveillance. Non-clinical services include food and water testing, media manufacturing, and pharmaceutical testing.



Immunology

Our immunology laboratories are the leading provider in the State for diagnosing, monitoring, and treating immunological disorders linked to autoimmunity, allergies, immunodeficiency, transplantation, and the human immunodeficiency virus (HIV). This department employs state-of-the-art DNA sequencing technology to perform thorough tissue typing and matching for solid organ and bone marrow transplants.



Diagnostic Genomics

Diagnostic Genomics offers essential diagnostic, prenatal, predictive, and family studies, particularly in the challenging field of rare diseases (RD). Rare diseases affect fewer than one in 2,000 people but over 6,000 RDs have been identified. Over 70% of RDs have an underlying genetic cause and a significant proportion manifest before birth or in early childhood.



Anatomical Pathology

Anatomical Pathology provides a highly specialised and comprehensive diagnostic pathology service to WA public patients. This includes clinician access to expert pathology reviews and specialist consultations to ensure equitable access to a high standard of care.



Forensic Biology

The Forensic Biology Department conducts DNA testing for the Western Australian Police Force (WAPF) and Coroner's Court to assist in resolving criminal and Coronial cases for the Western Australian Community. Expediting DNA testing allows police to resolve cases more quickly, reducing the opportunity for offenders to commit further crimes, while also enabling the Coroner to identify deceased persons and return loved ones to their families sooner.

Forensic Pathology

The Forensic Pathology Department and State Mortuary facility provide a comprehensive Coronial post-mortem service for WA under the direction of the State Coroner. We continue to leverage improved facilities afforded by the refurbishment of the State Mortuary to support delivery of services to the Coroner, including homicides and suspicious deaths.

Access across Western Australia



Governance

Enabling legislation

PathWest was established as a board-governed Health Service Provider under section 32 of the *Health Services Act 2016* (HSA 2016) on 1 July 2020.

Accountable authority

PathWest is a State Government, board-governed, statutory authority under the HSA 2016. The PathWest Board is the accountable authority for PathWest in 2025/26.

Responsible Ministers

Hon Meredith Hammat MLA,
Minister for Health; Mental Health

Hon Stephen Dawson MLA,
Minister for Medical Research

Hon John Carey MLA
Minister for Health Infrastructure

Hon Sabine Winton MLA,
Minister for Preventative Health

Hon Simone McGurk MLA,
Minister for Aged Care and Seniors

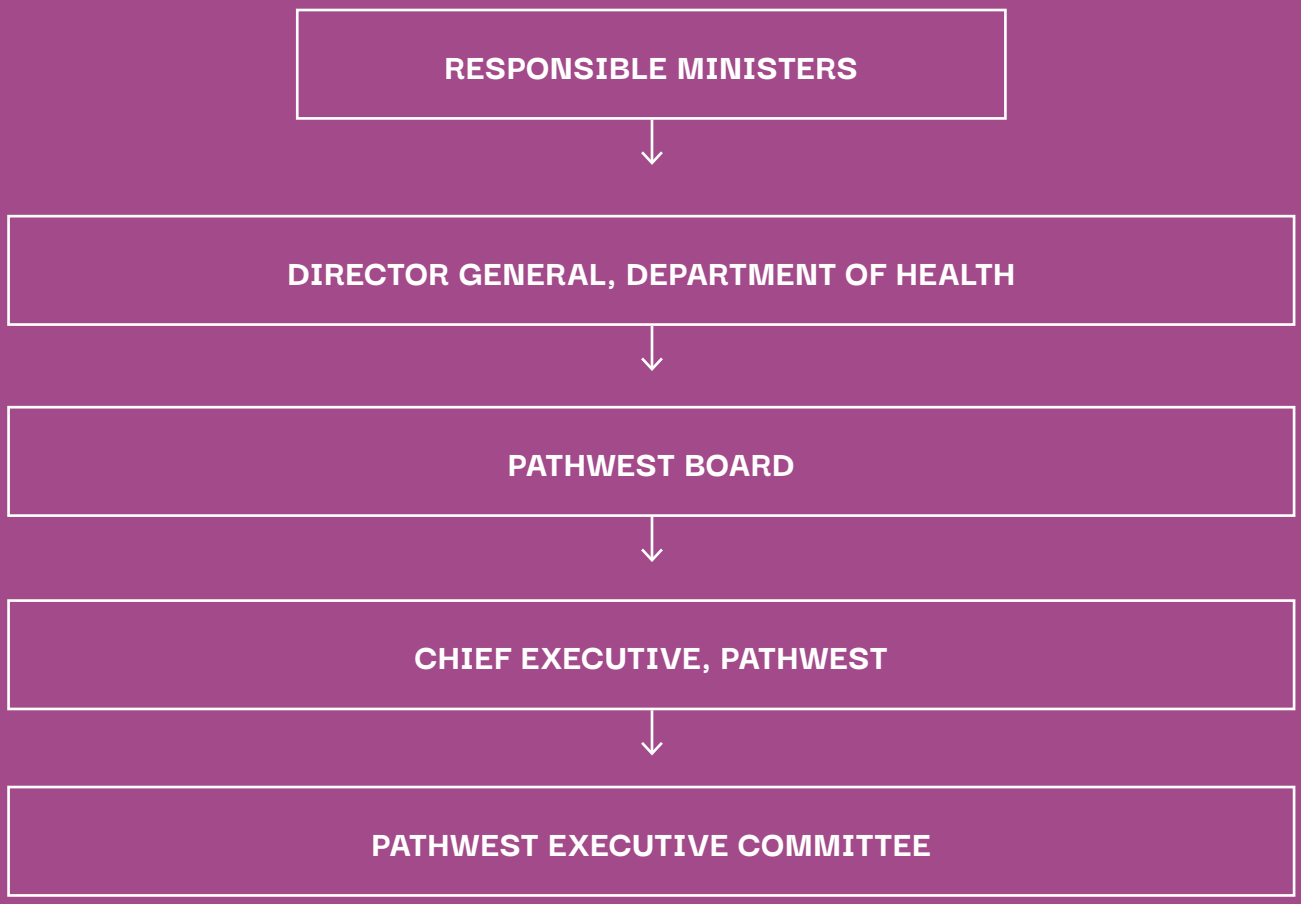
Shared responsibilities

PathWest works with government and non-government agencies to deliver pathology and forensic services across Western Australia, supporting WA performance targets, including collaboration with WAPF, the State Coroner, Department of Justice, ChemCentre, the Department of Health, and other Health Service Providers.

Structure

A Board-governed Health Service Provider, PathWest is accountable to the Minister for Health, and the Director General as System Manager. The Minister appoints the Board, which is responsible for safe and efficient pathology and forensic services across WA. The System Manager oversees the performance and direction of the WA health system and employs the PathWest Chief Executive, who manages day-to-day operations.

Structure


RESPONSIBLE MINISTERS
DIRECTOR GENERAL, DEPARTMENT OF HEALTH
PATHWEST BOARD
CHIEF EXECUTIVE, PATHWEST
PATHWEST EXECUTIVE COMMITTEE

Strategic Plan

The PathWest Strategic Plan 2026-2029 reflects the shared vision, values, and aspirations that define our organisation and guide our future direction.

Six strategic pillars collectively provide a framework for how we deliver value to the communities we serve.

We will:

- Place customers and communities at the heart of what we do
- Deliver world class pathology and forensic services
- Engage, develop and inspire our people
- Excel in research, innovation and teaching
- Maintain robust governance and financial stability
- Protect our environment.

We also acknowledge the dedication and expertise of our staff. Their pride in their work and commitment to excellence underpin our achievements and will continue to drive our success into the future.

PathWest Planning Framework

ONE PATHWEST
Working together across Western Australia

PathWest Strategic Plan 2026-2029: Our strategic pillars

- Ensure that patients are at the heart of our service
- Deliver world class pathology and forensic service
- Engage, develop and inspire our people
- Excel in research, innovation and teaching
- Maintain robust governance and financial sustainability
- Protect our environment

Culture: Open, transparent, consultative, and data-informed decision making.

Achieving our priorities: Implementation: Monitor, Review, Refresh

- PathWest Operational Plan
- PathWest Senior Leadership Group and Discipline Management Committees
- Our individual roles - Workplans and Performance Planning and Review (PPR)
- Department of Heath and whole of Government strategies

Our strategic pillars

Strategic Pillar	Our Lead Strategies	How we will measure success
Ensure that patients are at the heart of our service We are here to serve and care for the people of Western Australia. We work in close partnership to support frontline healthcare providers, public and private, with whom we have a range of formal service agreements.	→ Ensure that patients are at the heart of our service. → Proactively meet the service requirements of our customers and clinicians. → Work collaboratively and effectively with Police and the Justice system to provide high-quality forensic services.	→ Sustain and grow patient satisfaction survey results with clearly measured outcomes. → Sustain and grow customer satisfaction survey results with clearly measured outcomes. → Continued collaboration in Forensic Services with demonstrated positive feedback to ensure quality and sustainability.
Deliver world class pathology and forensic services We seek to continuously innovate and improve so that we are at the forefront of pathology and forensics.	→ Enhance the delivery of pathology and forensic services through quality, safety, and continuous improvement. → Develop a digital and AI Roadmap to support and enhance our services. → Strengthen critical systems to create resilience and capacity.	→ Focus on timeliness, presentation, and clinically relevant commentary in our pathology reports, to meet aspirational outcomes. → Digital and AI Roadmaps developed. → IT architecture and critical digital services clearly documented for operational delivery over the next 5 years.
Engage, develop and inspire our people Our people are our biggest asset. We succeed when we value and support each other to grow in knowledge, skills and in our culture of service.	→ Embed One PathWest culture throughout the organisation to inspire excellence. → Provide a safe, supportive, and secure working environment for our people. → Ensure ongoing improvement in staff engagement. → Improve workforce attraction, and retention in regional centres.	→ One PathWest culture is further strengthened and confirmed by survey results. → Sustain and enhance our workforce safety and security with demonstrated improvement in indicators. → Continue to build staff satisfaction and engagement with demonstrated improved measures. → Identify and implement practical measures to support regional workforce stability.

Strategic Pillar	Our Lead Strategies	How we will measure success
Excel in research, innovation and teaching Our research, development and innovation are crucial to ensuring our services continually advance and are cutting edge.	→ Identify and assess new community pathology testing needs to inform service planning. → Establish a clear understanding of current and future teaching needs and commitments. → Update existing Research Governance Framework to align with Statewide research governance.	→ New community pathology needs identified and assessed. → Current and future teaching needs are documented and cost/benefit evaluated. → Demonstrate compliance with the Research and Governance framework and ensure it is maintained and updated with the latest best practice.
Maintain robust governance and financial sustainability We value good governance and transparency. We use data to inform decisions, and use resources wisely.	→ Continue to improve our governance and use of data to inform decisions. → Ensure ongoing financial sustainability. → Proactively manage risk to ensure safe, sustainable, and effective operations.	→ Operations are maintained and monitored through strong governance and process refinement. → Development of a data roadmap. → Demonstrated ongoing commitment to financial sustainability. → Demonstrated commitment to the Risk Management Framework.
Protect our environment We care for our planet and look to continually reduce the impact our pathology activities have on our environment.	→ Develop an environmental sustainability Roadmap.	→ An environmental sustainability roadmap developed with recommendations.

Our refreshed Strategic Plan reinforces our purpose, vision, and values, providing a clear and unified direction for the organisation. Our planning framework has been strengthened by a renewed commitment to working collaboratively as 'One PathWest', supported by structures and ways of working, embedded across our teams.

The Plan introduces refreshed initiatives across each of our Pillars, with a strong focus on measurable outcomes. We will track our progress through clear, practical measures, to ensure accountability and to demonstrate the impact of our strategies.

Sustainability

PathWest continues to reduce its environmental impact through practical, organisation-wide initiatives, supported by measurable outcomes.

PathWest also reduced emissions and resource use, with 42% of its fleet electric or hybrid, alongside initiatives to limit staff travel.

PathWest is a member of Public Pathology Australia (PPA), Environmental Sustainability Interest Group, working with our colleagues to improve environmental sustainability in pathology. Through participation in the LabZero sustainability program, PathWest embeds more sustainable laboratory practices, reducing energy, water and plastic use while increasing recycling across operations.

During 2025–26:

30 tonnes
of waste was diverted from landfill through recycling programs across sites

30,000
plastic specimen bags per month were reused, reducing single use plastics

27,000
coffee cups were recycled, alongside soft plastics, e-waste and laboratory materials

10,000
expired collection tubes, swabs and rapid antigen testing kits were repurposed for universities and training centres

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Our people

Workforce profile



PathWest's workforce reflects the scale and reach of the services we provide across Western Australia.

Our team includes around 1,000 scientific and technical staff and almost 200 pathologists, delivering expert diagnostic services that underpin patient care across the State. Supporting this is a dedicated pathology collection workforce, with almost 250 employees based in collection centres and hospitals throughout the metropolitan area, ensuring timely access to testing for the community. Across regional Western Australia, around 500 staff support and deliver essential services to some of the most geographically dispersed populations in the world, highlighting our commitment to equitable access and high-quality care no matter where our patients live.

Job Category	Total
Corporate/Admin	284
Pathology Collector	248
Scientist	997
Technical & Support	934
Pathologist/Registrar	187
Total	**2650**

Job Locations	Total
Metro	2231
Regional	419
Total	**2650**

PathWest Board



Angie Paskevicius

Board Chair



Professor Tarun Weeramanthri AM

Deputy Board Chair

Safety and Quality Committee member



Professor Christobel Saunders AO

Forensic Biology Advisory Council Board representative



Professor Gelareh Farshid

Safety and Quality Committee member



Samantha Elder

Chair, Finance, Risk and Audit Committee



Kevin Taylor

Chair, Safety and Quality Committee



Susan Rooney

People and Culture Committee member



Tony Vis

Chair, People and Culture Committee

Finance, Risk and Audit Committee member



Paul O'Farrell

Finance, Risk and Audit Committee member



Dr Rishelle Hume AM

People and Culture Committee Member

Learn more about our Board members

PathWest Executive Committee





L – R: Paul Schneider, Sandy Kerr, Dr Narelle Hadlow, Dr Priyanthi Kumarasinghe, Katherine Galvin, Tim Evans, Emma Obst,Jo McCran (absent, inset)

PATHWEST BOARD

Dr Narelle Hadlow
Chief Executive

Paul Schneider
Executive Director, Operations

Dr Priyanthi Kumarasinghe
Chief Pathologist

Sandy Kerr
Executive Director, Finance Procurement and Commercial Services

Tim Evans
Chief Technology Officer

Jo McCran
Executive Director, People, Capability and Culture

Katherine Galvin
Director, Office of the Chief Executive

Emma Obst
General Counsel



Celebrating excellence

Across PathWest, many of our people and teams excelled across leadership, expertise and patient care. We recognise and celebrate their achievements, and the contributions they make to delivering high-quality services.

WA wastewater surveillance program wins IPAA WA Achievement Award

(2025 Achievement Awards - IPAA Western Australia)

PathWest played a leading role in an award-winning wastewater surveillance program, enabling early detection of emerging variants and expanding into a highly sensitive, real-time, surveillance system for multiple infectious diseases, to support public health decisions.

PathWest Forensic Biology and ChemCentre win 2025 WA Government Innovator of the Year Awards

(WA Innovators of the Year: 2025 Western Australian Government Innovator of the Year winner)

Dr Marie Rye from Forensic Biology, and partners at ChemCentre, were recognised at the 2025 WA Government Innovator of the Year Awards for pioneering a protein-based method to identify individuals from a single strand of hair.

International Acclaim for PathWest Forensic Biology staff

Dr Gavin Turbett and Anna Heavey achieved international recognition with their research named a 2025 Noteworthy Article in the Journal of Forensic Sciences, highlighting PathWest's leadership in advancing forensic science.

Australia and New Zealand Policing Advisory Agency (ANZPAA) 2025 Best Paper Award

Dr Gavin Turbett and Anna Heavey were recognised with the ANZPAA National Institute of Forensic Science 2025 Best Paper Award for their co-authored work in quality and management.



Individual honours and retirements

Zo Ee Wong

Was awarded a prestigious Future Health Research and Innovation (FHRI) Fund Clinical Researcher Training Grant to lead innovative CAR-T cell immunotherapy research aimed at improving outcomes for patients with blood cancers and transplantation.

Dr Andrew Barr

Retired following decades of leadership at King Edward Memorial Hospital, advancing laboratory operations, and championing excellence in pathology and transfusion practice.

Dr Clive Cooke OAM

Retired after 40 years of extraordinary dedication to justice and the WA Coronial system.

Dr Barry Lewis

Recognised with a Member of the Order of Australia (AM) in the Australia Day Honours, acknowledging his outstanding contribution to pathology and healthcare.

Nick Michalopoulos

Retired after 45 years, leaving a legacy of mentoring staff and supporting our regional laboratories.

Milestones and achievements

- PathWest celebrated 20 years of delivering high-quality, reliable pathology services, recognising staff dedication and ongoing commitment to health care across Western Australia.
- Forensic Biology celebrated 25 years of NATA accreditation, supporting justice in Western Australia through accurate, high-quality scientific analysis.
- PathWest hosted the 2026 Public Pathology Australia National Forum in Perth.
- The Telethon Whole Genome Sequencing Project celebrated its first year of operation.
- Rapid respiratory POCT was rolled out in public emergency departments in readiness for the winter flu season.
- In March 2025, a high-sensitivity Troponin I (hs TnI) test received TGA approval for use on a POCT analyser, allowing cardiac testing to be performed closer to patients instead of only in laboratories. PathWest's POCT team led a statewide project to verify and introduce the test at 121 PathWest and Western Australia Country Health Service (WACHS) sites, including many remote locations.

CASE STUDY



PathWest clinical immunology scientist Zo Ee Wong

From laboratory to life-changing care

In a laboratory at PathWest, the future of treatment is taking shape – not in theory, but in the dedicated work of scientists determined to improve what is possible for patients. For PathWest clinical immunology scientist Zo Ee Wong, that future centres on harnessing the body's own immune system to fight disease.

Zo Ee's work has gained recognition through a prestigious Clinician Researcher Training grant from the Future Health Research and Innovation (FHRI) Fund and The Hospital Research Foundation Group, awarded to only eight Western Australian health professionals. The grant supports her PhD research into CAR T cell therapy, an emerging area of immunotherapy that is transforming the treatment of some of the most challenging blood cancers.

At its heart, CAR T-cell therapy is a powerful idea: take a patient's own immune cells, reprogram them to recognise cancer, and return them to the body as a targeted, living treatment. The potential is significant – but so are the unanswered questions. Why do some cells work better than others? How can side effects be reduced? How can treatment effects last longer?

These are the questions driving Zo Ee's research. Through detailed study of how CAR T cells behave in blood cancers and in transplantation, she is working to unlock a deeper understanding of their function – knowledge that is critical to making these therapies safer, more effective and more reliable for patients.

This work does not happen in isolation. It is part of a broader effort that brings together PathWest Immunology and Haematology, the University of Western Australia, and Cell and Tissue Therapies WA. Within this network, laboratory science and clinical care are closely connected, ensuring that discoveries are not only made, but translated into real world impact.

For PathWest, this is what advancing medical science and capability looks like in practice: investing in people, strengthening partnerships, and building the expertise needed to lead in rapidly evolving fields such as cellular therapies. Through researchers like Zo Ee, PathWest is not only contributing to global knowledge, but developing the capability to deliver next generation diagnostics and treatments – positioning Western Australia at the forefront of innovation in pathology and medical science.

Developing our people

PathWest continues to invest in our people, recognising that a skilled, confident, and supported workforce is central to delivering high-quality pathology services across Western Australia.

In 2025/26, a broad range of development, training and education initiatives supported both current staff and the future workforce, strengthening capability across metropolitan and regional areas.

Building the future workforce

Supporting student education remains a key priority. In 2025/26, PathWest facilitated 209 clinical placements in partnership with Curtin University, the University of Western Australia and Murdoch University. 160 students were supported across phlebotomy, Central Specimen Reception Area (CSRA), and discipline-related placements, contributing to 962 weeks (4810 days) of practical experience.

Regional placements continued to play an important role, with seven placements completed across Geraldton, Northam, Bunbury and Rockingham. The Regional Scholarship program provided financial support to Curtin University students undertaking these placements, with plans to increase funding to better reflect the cost of extended stays. Increased exposure of students to regional pathology services is an initiative designed to attract more students to consider regional positions on completion of their degree.

PathWest also expanded opportunities for those interested in pathology careers. In total, 78 pathology-related placements were supported, including Certificate III Pathology students, university students and observership participants. These placements contributed more than 96 weeks of additional learning opportunities and helped build awareness of pathology as a career. PathWest also progressed plans to deliver the Certificate III in Pathology Collection through a Registered Training Organisation.

Supporting departments and regional capability

To support departments supervising student placements, PathWest reimbursed training and development costs for 12 of its 13 departments. The program supported staff development and the purchase of equipment, books and other educational resources, while helping build workforce capability in regional areas.

Growing leadership capability

PathWest continued to invest in leadership development, supporting staff at all stages of their leadership journey. In 2025/26, 31 staff completed the Management and Supervisors course, including participants from regional areas. A mentoring program also supported 32 staff in mentor–mentee partnerships, strengthening communication and leadership skills.

Through programs supported by the Institute for Health Leadership, staff participated in leadership masterclasses and extended leadership programs and coaching courses, building capability in areas such as leading teams, navigating change and fostering innovation.

Professional development and everyday learning

Professional development remained a key focus, with 352 staff participating in training activities during the year, totalling 5,138 hours. This included 246 staff attending 20 short courses delivered by PathWest, covering areas such as communication, leadership, digital skills and workplace effectiveness. Virtual delivery options helped ensure regional staff were also able to participate.

Wellbeing webinars were also promoted throughout the year to support staff health, resilience and overall wellbeing.

Mandatory training and compliance

Mandatory training continued to support a safe and compliant workplace. The MyLearning system provided electronic access to required and specialist training, with oversight ensuring consistent completion across the organisation. Updates to eLearning modules and training requirements during the year ensured content remained aligned with organisational needs and regulatory standards.

Recognising our people

Recognising the contributions of staff remains an important part of PathWest's culture. In 2025–26, 142 staff were acknowledged through the Recognition of Service Awards, celebrating milestones from 10 to 40 years of service.

4

Connecting Western Australians to accessible pathology services

Supporting access without barriers

PathWest's statewide service model ensures that wherever a patient lives, they can access quality and trusted pathology services. Our regional and outreach network supports more than 50 collection centres across regional and remote Western Australia, usually in communities where no other services are available.

This reach is strengthened by coordinated transport and courier services that facilitate access to central expertise, so patients in remote areas benefit from the same specialist diagnostics' services as those in metropolitan centres.

Innovation is helping to remove barriers to care by making testing more accessible. Through our managed POCT service, improved sample collection methods and flexible sample handling, PathWest is bringing diagnostic services closer to clinicians and patients, even in remote areas where distance and logistics can be challenging.



Improving access to specialist diagnostics in regional WA

PathWest is enhancing access to specialist haematology expertise through a digital blood film morphology initiative, currently in a pilot phase, supported by a grant from the Office of Medical Research and Innovation (OMRI), WA Department of Health.

Traditionally, diagnosing complex blood disorders requires physical microscope slides to be transported to metropolitan laboratories, contributing to delays, and in some cases, the need for patients to travel long distances for further assessment.

Through introducing high-quality digital imaging and cell recognition technologies in regional laboratories, blood film results can be digitally reviewed remotely by specialist haematologists. This enables faster diagnosis, reduces the need for patient relocation and strengthens local clinical capability with timely access to expert advice.

This initiative demonstrates how targeted digital innovation can overcome geographic barriers and support more equitable access to specialist care.

Bringing clinical trials closer to regional patients

PathWest has partnered with WACHS to expand access to clinical trials, supporting participation by trial participants in regional centres, including Albany and Esperance.

This enables trial participants to take part in emerging treatment options closer to home, reducing the burden of travel, and helping them remain connected to their families and support networks. The first trial supported through this approach is the YAAD study – a Phase 2, double-blind, placebo-controlled oncology trial evaluating treatment options for chemotherapy-induced nausea and vomiting.

Expanding access in the Ngaanyatjarra Lands

PathWest partnered with Ngaanyatjarra Health Service to deliver pathology services across the Ngaanyatjarra Lands, one of the most remote regions of Western Australia.

Establishing this service required significant coordination, including the development of transport pathways, equipment supply and maintenance, and reliable testing processes in a complex operating environment. Prior to this work, patients were often required to travel long distances to access testing.

Through collaboration across regional laboratories, logistics and clinical liaison teams, PathWest has established a service that provides reliable and timely access to diagnostics within community.

Strengthening public health and workforce safety

PathWest provides high-volume diagnostic testing that supports public health programs and workforce safety across Western Australia.

In 2025-26, almost 16,000 QuantiFERON Tuberculosis (TB) tests were performed, supporting screening of healthcare workers and key frontline services, including St John Ambulance. The service also played an important role in tuberculosis contact tracing across aged care and community settings.

By ensuring these services are accessible and reliable, PathWest supports early detection, protects vulnerable populations and strengthens equitable access to essential public health interventions.

Expanding point-of-care testing across Western Australia

PathWest continues to expand its statewide POCT network, enabling faster diagnostics closer to where patients live and receive care.

In 2025-26, 307 POCT devices were managed across the State, with more than one-third located in non-hospital settings, including remote nursing stations, rural hospitals without on-site laboratories, and independent clinics. These devices enable timely testing closer to where patients live and receive care, reducing the need for travel and supporting more equitable access to services.

To support winter demand, additional respiratory PCR POCT devices were deployed across five emergency departments, assisting clinicians to assess symptomatic patients more quickly during peak periods, helping with more timely clinical decision-making.

Protecting communities, wherever they live

PathWest is strengthening access to essential public health services by delivering drinking water testing to more than 140 remote Aboriginal communities across Western Australia.

Commencing in October 2025 in partnership with the Water Corporation, this program provides microbiological water testing to communities that previously had limited or no routine access to these services. By extending testing capability, PathWest supports the early identification of water quality risks and enables timely public health interventions.

This work demonstrates the critical role of pathology services in protecting community health beyond traditional clinical settings.



CASE STUDY

Bridging distance to connect communities to healthcare

Across Western Australia's vast geography, PathWest's transport and logistics network play a critical role in ensuring patients can access pathology services, no matter where they live.

Our transport services cover more than 1.19 million kilometres each year, supporting over 180 sites daily across metropolitan and regional areas. These routes link hospitals, aged care facilities, general practices, specialist clinics and community collection centres, ensuring specimens can be transported safely and efficiently.

Each day, our transport teams navigate challenging conditions to collect and transport specimens from even the most remote and isolated communities. Their work ensures geography is not a barrier to care, connecting patients to laboratory services and the broader health system.

Delivering safe and consistent care

PathWest delivers safe, consistent and high-quality pathology services across Western Australia through standardised and fully accredited laboratory practices, strong clinical governance and rigorous quality systems.

Accreditation against national and international standards underpins all services, ensuring that every test meets defined requirements for quality, safety and reliability. This statewide consistency reduces variation in care and supports the delivery of high quality health care outcomes for the community.

Strengthening blood supply safety and sustainability in remote communities

PathWest is improving the safety and sustainability of blood supply in remote communities through a new remote monitoring system, trialled in Exmouth in partnership with WACHS.

In remote settings without on-site laboratory facilities, emergency blood supplies are stored locally. Traditionally, unused blood could not be redistributed if temperature conditions could not be verified, often resulting in unnecessary wastage.

The innovative introduction of remote monitoring has enabled continuous tracking of temperature conditions during transport and storage. Blood units can now be monitored in real time from metropolitan laboratories, ensuring integrity is maintained and allowing any unused units to be safely reallocated and wastage minimised. This initiative aims to strengthen both patient safety and system sustainability, ensuring that every donated unit can be used effectively to support patient care.

In 2025/26, PathWest issued more than 160,000 blood units to Western Australian patients, underscoring the importance of maximising the value and safe use of every donation.

Improving blood supply safety

Real-time temperature monitoring

Reduced wastage of donated blood

Safer redistribution across the network

Building capability in trauma-informed paediatric care

PathWest is strengthening the safety and consistency of paediatric pathology services through a partnership with the Keeping Kids In No Distress (KKIND) team at Perth Children's Hospital.

A statewide needs analysis identified variation in practices and services, highlighting opportunities to standardise approaches to consent, supportive holding and escalation, and to reduce clinical risk. In response, a tailored education program was developed to support a consistent, trauma-informed approach to care.

The program focuses on practical strategies to reduce distress and support children and families during collection procedures. This includes improved communication, caregiver involvement, comfort positioning and the use of child-friendly techniques.

Policies and procedures have been updated to embed contemporary safeguarding practices across all sites. Following successful implementation at Perth Children's Hospital and King Edward Memorial Hospital, the program is being expanded statewide.

This work strengthens workforce capability and ensures children receive safe, consistent and compassionate care across the State.

Supporting victims of crime through early evidence kits

PathWest partnered with the Sexual Assault Resource Centre (SARC) to trial a patient-centred and trauma-informed approach to the management of early evidence kits for victims of sexual assault who are not yet ready to engage with police.

Collected in a healthcare setting, these kits enable timely evidence collection and secure storage, preserving forensic integrity while allowing victims time and autonomy to decide their next steps. Specimens are collected in clinical settings, then transferred to PathWest for secure processing, documentation, storage and retrieval in line with strict legal and ethical standards.

By standardising evidence handling processes, PathWest ensures a safe, consistent and confidential approach that supports both clinical care and the justice process.

This initiative strengthens person-centred care, giving individuals greater control during a highly vulnerable time, while ensuring equitable access to both healthcare and future legal pathways.

Strengthening safety through PathSafe

PathWest has introduced PathSafe, an electronic safety reporting system that strengthens how incidents, hazards and near misses are captured and managed across the organisation.

Replacing manual processes, PathSafe provides a digitised, consistent and accessible approach to reporting, enabling staff across metropolitan and regional sites to log safety events in real time. This improves visibility of risks, supports timely escalation and enables more coordinated responses.

By strengthening reporting and oversight, PathSafe supports a proactive safety culture and ensures patients and staff benefit from consistent, high standards of care.

Delivering consistent, high-quality care across the network

PathWest continues to strengthen the safety and consistency of haematology and transfusion services through workforce capability, quality assurance and system-wide monitoring.

In 2025, we trained 23 new regional medical scientists and delivered ongoing training and education, including virtual training and e-learning modules, to ensure all staff across metropolitan and regional sites maintain the highest standards of transfusion laboratory practice.

To ensure the quality of practice across all sites, 32 regional management and internal audits were conducted, supporting ongoing accreditation and demonstrating strong performance in external quality assurance programs. A centralised quality dashboard enhances oversight by providing real-time visibility of competency and participation across the organisation.

These initiatives ensure a high-quality approach and continuous improvement to pathology services, regardless of the geographical location they are delivered in.

Preventing the spread of resistant infections

PathWest is strengthening infection control across Western Australia by using advanced genomic testing to track how antibiotic-resistant bacteria are spread in hospitals and the community.

Whole genome sequencing is now used to monitor organisms such as Vancomycin-resistant Enterococcus (VRE) and Methicillin-resistant Staphylococcus aureus (MRSA). This technology allows PathWest to identify links between cases, detect new strains early and understand how infections are being transmitted.

In 2025, more than 1,200 VRE and 640 MRSA samples were analysed. The results are shared regularly with the hospital infection control teams, enabling targeted action to stop the spread of these bacteria.

This work helps reduce hospital-acquired infections, protect vulnerable patients and improve outcomes across the health system, ensuring safer environments for patients and stronger protection for the broader community.

Improving safety and performance across laboratory services

PathWest continues to improve laboratory safety and performance through targeted system and infrastructure enhancements.

Upgrades to the liquid nitrogen system, including real-time monitoring, improved alarm visibility and rapid response processes, have significantly strengthened the safety and oversight of this critical system. These changes provide greater assurance for staff and support the safe operation of essential laboratory equipment.

Improvements to testing workflows at Royal Perth Hospital and Fiona Stanley Hospital have also delivered faster turnaround times for key tests such as potassium and troponin. These tests are critical in the assessment of acute conditions in the Emergency Department, including cardiac events, and faster results enable more timely clinical decisions.

Improving patient experience through coordinated care

PathWest's cytology service is supporting earlier diagnosis and more seamless patient care through its involvement in the Rapid Access Neck Lump Clinic.

This multidisciplinary model enables patients to receive clinical assessment, imaging and cytology testing in a single visit. By reducing delays between investigation and diagnosis, the clinic supports earlier treatment planning and improves the overall patient experience.

As the first model of its kind in Australia, it demonstrates how coordinated care can deliver more efficient and patient-centred services.

CASE STUDY

Standing strong for regional communities during Tropical Cyclone Narelle

As Tropical Cyclone Narelle approached Western Australia's north-west, PathWest teams acted early, preparing, planning and supporting each other to protect access to essential pathology services for remote communities.

Across the Kimberley, Pilbara and Mid-West, staff worked together to secure critical supplies and share hard-won lessons from previous cyclone events, ensuring even sites less familiar with such conditions were ready. As the situation escalated, this preparation became critical.

Reflecting PathWest's commitment to maintaining essential pathology services during the cyclone emergency, Medical Scientist in Charge, Linh Tran, remained within the Carnarvon Hospital precinct to ensure the Emergency Department continued to receive timely pathology support. Teams in Geraldton took similar steps, remaining onsite to ensure continuity of care.

In Exmouth, conditions were particularly challenging. A town-wide power outage and failure of the hospital generator disrupted operations, forcing the disposal of temperature-sensitive blood stock. Despite this, staff continued to deliver essential testing, adapting in real time to keep services available.

Getting critical supplies into Exmouth was challenging given distance and weather impacts. With roads cut off and the airport damaged, PathWest worked alongside WACHS and emergency services to coordinate complex deliveries – first by emergency vehicles, then by helicopter – ensuring life-saving blood products reached the community when they were needed most.

Throughout the cyclone, what stood out was the dedication of PathWest staff – their willingness to stay, adapt and support each other under pressure to ensure patients were not left without care.

This response demonstrates how strong planning, commitment and collaboration with key stakeholders enable PathWest to deliver safe, consistent pathology services, ensuring regional and remote communities continue to receive care, even in the most challenging conditions.

Enabling timely clinical decisions

Improving emergency care through rapid testing

As part of the Western Australian Winter Strategy, PathWest expanded access to rapid respiratory testing across metropolitan and regional emergency departments, supporting faster diagnosis during winter peak demand.

POCT respiratory PCR testing was introduced as a winter strategy trial at emergency departments across Kununurra, Geraldton, Albany, Armadale and Rockingham. This allowed clinicians to detect a wide range of respiratory infections directly at the bedside within minutes, without the need to send samples away for laboratory processing.

The rapid rollout, delivered across two metropolitan and three regional sites within a short timeframe, was supported by close collaboration between PathWest Microbiology and POCT teams.

For patients, this meant quicker answers and reduced waiting times during what can be a stressful experience. For clinicians, it enabled more timely and informed decisions, improving patient flow and supporting more efficient care in busy emergency settings.

Importantly, the initiative ensured patients in regional and outer metropolitan areas had access to advanced diagnostic capability like major city hospitals, strengthening equity of access and providing more consistent care across Western Australia.

Expanding rapid testing

Bedside PCR testing in emergency departments

Reduced reliance on transport

Faster diagnosis during peak demand

Consistent capability across metropolitan and regional sites.

Streamlining blood product access in critical care

PathWest partnered with Fiona Stanley Hospital Intensive Care Unit (ICU) to improve how albumin, a commonly used blood product, is managed in high-acuity clinical settings.

Previously, ordering, prescribing and collecting Albumin involved manual processes that created additional workload and could delay access to treatment. In response, the PathWest Transfusion Medicine Unit worked with ICU teams to implement a digital Albumin management program within the Metavision system.

The program introduced bedside barcode scanning, real-time temperature monitoring, secure product access through medication stations, and targeted staff training. This streamlined approach has reduced administrative burden and improved workflow efficiency, enabling faster, more reliable access to blood products when needed.

Post-implementation feedback from ICU doctors, nurses, orderlies and transfusion scientists showed 100% satisfaction, reflecting significant time-saving benefits. The program is now being expanded across additional sites and can be adapted for other medications, supporting broader improvements in patient safety and care delivery.

Supporting life-saving transplant decisions

In 2025/26, the HLA typing service supported the allogeneic bone marrow transplant of 73 Western Australian patients, enabling access to potentially curative treatment for serious blood cancers. In parallel, PathWest's national solid organ transplant service facilitated the typing and matching of organs for patients requiring kidney, heart, liver and lung transplants.

Through accurate and timely matching processes, these services provide clinicians with the information needed to proceed with complex, time-sensitive transplant decisions, ensuring patients receive the right treatment at the right time.



Our national solid organ transplant service successfully typed and matched organs for Western Australian patients:

73
allogeneic bone marrow transplants supported

76
deceased donor kidney transplants
(including 30 from interstate)

21
living donor kidney transplants

5
paired kidney transplants

10
heart transplants

29
liver transplants

25
lung transplants

CASE STUDY

Faster heart care for patients across Western Australia

Patients presenting with chest pain across Western Australia are now receiving faster, more consistent care thanks to the statewide rollout of high-sensitivity troponin I (hsTnI) testing at the point of care.

By February 2026, this testing capability was available at all 121 Western Australia Country Health Service and PathWest sites across the State, making Western Australia the first in Australia to achieve full statewide implementation. For patients, this means clinicians can assess possible heart-related conditions and receive results within just 15 minutes, supporting quicker reassurance, diagnosis, and treatment decisions.

This significantly improves equity of access to critical cardiac testing across the State.

Before this rollout, samples from some remote communities needed to be transported to metropolitan laboratories, with results sometimes taking days. Now, testing can be done on the spot, reducing uncertainty for patients and enabling earlier diagnosis and faster access to life-saving treatment when needed.

The success of this program has positioned PathWest as a national leader, with other States seeking guidance on delivering similar benefits to their own communities–helping ensure more Australians can access timely, high-quality cardiac care close to home.

Working together across the system

Working together across the health system is at the heart of how PathWest supports patient care.

By partnering closely with hospitals, clinicians and health teams, PathWest brings together expertise, data and services to ensure testing is consistent, reliable and timely.

This shared approach helps ensure that wherever a patient is in Western Australia, they can expect the same high standard of care, supporting more equitable access to accurate results and better health outcomes for all.

Public health response

Statewide testing and genomic analysis

Rapid case identification

Collaboration with public health teams

Strengthened outbreak response capability

Responding to infectious disease outbreaks

PathWest continues to play a central role in supporting Western Australia's response to infectious disease outbreaks, providing timely, accurate testing and expert advice to public health teams.

During 2025–26, multiple Measles outbreaks across regional Western Australia required coordinated laboratory support. PathWest performed all Measles' PCR testing and sequencing for the State, enabling rapid case identification and supporting molecular epidemiology to inform public health response.

An ongoing diphtheria outbreak across northern Western Australia saw a significant increase in testing demand. PathWest responded quickly by introducing a new PCR test to improve turnaround times, supporting faster case identification and clinical decision-making. Since December 2025, PathWest has performed more than 2,000 diphtheria culture tests. The team has also performed confirmatory testing and genomic analysis, working closely with public health teams to provide guidance on testing and treatment.

PathWest also supported national and international public health responses. During a hantavirus outbreak linked to a cruise ship, we coordinated testing across jurisdictions for repatriated passengers. Additionally, PathWest continues to maintain readiness for high-consequence diseases such as Ebola, supporting statewide preparedness planning and providing specialised screening capability within high-containment laboratories.

Through these efforts, PathWest ensures a coordinated, evidence-based response to emerging health threats, protecting communities and supporting the wider health system.

Comprehensive Genomic Profiling (CGP) Program

Through the Comprehensive Genomic Profiling (CGP) Program – State-wide Comprehensive Genomic Testing to Expedite Excellence in Treatment of WA Cancer Patients – PathWest partners with the Australian Government's Community Health and Hospitals Program to strengthen coordinated cancer care across Western Australia.

Genomic testing is available to patients regardless of location, improving access for regional and remote communities and supporting more consistent care across the State.

All major cancer treatment providers are connected through the program, including public hospitals, private centres, WACHS sites and Perth Children's Hospital, enabling a seamless statewide pathway from testing through to clinical decision-making.

Comprehensive genomic profiling identifies tumour biomarkers that support more informed, personalised treatment decisions and create opportunities for access to targeted therapies or clinical trials.

Multidisciplinary collaboration is embedded through the Molecular Tumour Board, where clinicians, pathologists and scientists review results and align treatment approaches, strengthening shared decision-making across organisations.

Together, the program demonstrates how coordinated, system-wide collaboration translates genomic science into routine care, improving access to timely and tailored treatment options for cancer patients across Western Australia.

Statewide cancer care pathway

Access to genomic testing regardless of location

Connected cancer treatment providers

Multidisciplinary decision-making

More personalised treatment options

Advanced use of biomarkers in assessment of brain injury

PathWest partnered with Royal Perth Hospital's Intensive Care Unit to advance the use of biomarkers in the assessment of traumatic brain injury, strengthening how complex neurological injuries are classified and managed.

By integrating laboratory expertise with clinical care, this collaboration supports more precise and timely diagnosis. Biomarkers provide additional clinical insight, complementing imaging and supporting earlier and more confident decision-making.

Multidisciplinary collaboration is central to the approach, bringing together pathologists, intensivists and clinical teams to interpret results and guide care in real time.

For patients, this means earlier clarity, more targeted interventions, and care informed by a fuller understanding of their condition, supporting better outcomes at a critical point in the care pathway.

Expansion of electronic ordering

PathWest ICT leading the expansion of electronic ordering tools, including Computerised Provider Order Entry (CPOE) and eOrder, across Western Australian public hospitals.

Delivered in close collaboration with clinical teams and Health Support Services, these systems are designed around real-world workflows, supporting safer and more efficient test ordering at the point of care.

The rollout improves consistency and transparency across sites, helping ensure patients receive the same standard of care regardless of location. By streamlining access to pathology services, it also supports more equitable access to timely diagnostics, particularly for regional and remote communities.

Advancing medical science and capability

Advancing medical science and capability is central to PathWest's role in delivering innovative, high-quality pathology services, with a strong focus on research, collaboration and the adoption of emerging technologies that enhance diagnostic accuracy, strengthen clinical decision-making and improve patient outcomes across Western Australia.

Faster answers for patients with rare and complex conditions

PathWest is strengthening its leadership in genomic testing through the expansion of advanced diagnostic technologies and improved workflows, enabling more accurate and timely diagnosis for patients across Western Australia.

In 2025–26, PathWest Diagnostic Genomics delivered its first whole genome sequencing reports, with testing rapidly expanding to support approximately 150 Western Australian families. Trio-based testing, analysing a child and both parents, has significantly improved diagnostic accuracy for rare genetic conditions.

Targeted improvements to gene panel testing have also reduced turnaround times for cardiac and rare disease diagnostics by one third, providing patients and clinicians with faster access to critical information for diagnosis and treatment.

Additional advancements include the NATA-accreditation of the EpiSign test, which identifies disease-associated epigenetic signatures and supports diagnosis for around 20% of patients with suspected rare conditions. The validation of automated microarray technology has further improved consistency, reduced manual processing time and increased testing capacity.

Looking ahead, PathWest is working with newborn screening services to introduce testing for sickle cell disease and X-linked adrenoleukodystrophy, further expanding early detection and intervention for serious conditions.

Expanding genomic testing is improving diagnosis today and enabling earlier intervention for future generations

150 families
supported through whole genome sequencing

33% faster
gene panel turnaround times

20% diagnostic rate
for EpiSign testing

Eight hours saved
per run through automation

New
newborn screening programs in development

CASE STUDY

Real-world impact: Diagnosing rare conditions through genomics

A young patient with congenital heart disease and complex clinical features underwent gene panel testing through our Diagnostic Genomics service. The test identified a pathogenic variant in the BRAF gene, confirming a diagnosis of cardiofaciocutaneous syndrome–providing a clear answer for the family and guiding future clinical management.

The patient's cardiologist acknowledged the impact of the service:

"Thank you very much for your help... What great (and seamless) work you all do to help us get such important information."

Diagnosing rare conditions earlier through Biochemistry testing

A specialised cardiometabolic gene panel enabled the diagnosis of a rare genetic condition in a newborn infant presenting with persistent low blood glucose.

Genetic testing identified a pathogenic variant in the KMT2D gene, confirming a diagnosis of Kabuki syndrome–a rare condition affecting approximately 1 in 30,000 births and often difficult to diagnose due to its broad and variable clinical features.

Early diagnosis allows clinicians to proactively manage complications, improve developmental outcomes and provide clarity for families. The result was delivered in less than two weeks, supporting timely clinical decision-making.

A clinician at Perth Children's Hospital noted the impact:

"This is a hugely clinically significant result as often babies with Kabuki can go for years without being diagnosed. Incredible work!"

Advancing cellular therapies and transplant capability

PathWest is playing a central role in advancing access to complex blood and cellular therapies, supporting the Fiona Stanley Hospital Blood and Marrow Transplant (BMT) Program. Through its specialised laboratory services, PathWest enables the safe processing and delivery of stem cell transplants and emerging therapies such as CAR T, a form of personalised immune treatment for patients with serious blood disorders.

Growth over 2025/26 reflects both increasing demand and expanding capability, with PathWest supporting a greater number of transplants and clinical trials. This capability is critical to ensuring Western Australian patients can access leading-edge therapies as part of a coordinated, high-quality, health system.

The expansion of cellular therapy services, including rapid growth in CAR T treatments, demonstrates PathWest's growing role in supporting next-generation care. Through clinical trials and partnerships, PathWest is contributing to the development and delivery of innovative therapies, strengthening our capacity to provide advanced, specialised treatments in Western Australia.

Advancing cellular therapies and transplant capability

53% increase
Total transplant and cellular therapy activity

49% increase
Allogeneic transplants

52% increase
Autologous transplants

335% increase
CAR T therapies delivered

5 clinical trials
supporting access to emerging therapies (Cartitude-4, Cartitude-6, BiCAR, KarMMa-0 and Quintessential).

Expanding advanced diagnostic capability

PathWest continues to strengthen its leadership in specialised diagnostics through the introduction of advanced testing platforms and techniques.

The implementation of digital droplet PCR has enabled highly sensitive tryptase testing to support the diagnosis of severe allergic reactions, including anaphylaxis, and rare mast cell disorders such as systemic mastocytosis. PathWest Immunology is one of only two laboratories globally offering this advanced testing, supporting clinicians with improved diagnostic insight and patient management.

In parallel, HIV genotyping has transitioned to next-generation sequencing technology, enhancing the accuracy of viral mutation detection. This enables more precise monitoring of disease progression and supports clinicians in selecting the most effective treatment pathways.

Together, these advancements are improving diagnostic precision, strengthening clinical decision-making and ensuring patients benefit from access to world-class pathology services in Western Australia.

Strengthening research and innovation

Building on its establishment in 2024, the Research and Innovation Support Unit (RISU) continues to strengthen its role as the central enabler of research and innovation across PathWest. By bringing together expertise, governance and support functions, RISU is improving coordination, transparency and access to research opportunities that address clinical need and enhance diagnostic services.

Expanded support for clinical trials, grants and administration has created clearer pathways for research engagement, simplifying processes and providing stronger support for researchers across the organisation.

This capability has supported growth in clinical trials and industry partnerships, improving access to innovative diagnostics and strengthening PathWest's contribution to the broader health system. RISU is also fostering a more inclusive research culture by building workforce capability and participation in innovation and continuous improvement.

By strengthening systems, partnerships and capability, RISU is helping deliver research in a coordinated, transparent and scalable way, enhancing timely access to advanced diagnostics and improving equity in care across Western Australia.

Research and innovation highlights

748
active clinical trials

78
new clinical trials activated

213
trial-related quotes provided

202
active research projects

19
new research projects approved and commenced

11
projects under review

15
grants funded across 2025 and 2026

$5.31 million
in grant and infrastructure funding secured

246
publications in 2025

162
publications recorded to August 2026

32
quality improvement activities completed

40%
increase in quality improvement activities compared with 2024/25

Telethon Whole Genome Sequencing

In collaboration with Genetic Health WA and North Metropolitan Health Service (NMHS), PathWest launched a Telethon-funded project to introduce whole genome sequencing in Western Australia. This marks the first time the entire human genome can be assessed locally in Western Australia, transforming diagnostics for children with rare diseases.

This initiative will provide up to 1000 families with life-changing insights while streamlining laboratory workflows and supporting more equitable access to genomic testing across the State.



Investing in future health outcomes

Improving access to healthcare requires ongoing investment, planning, and continuous improvement. PathWest is strengthening the future of pathology by investing in our people, infrastructure, and innovation, ensuring that services remain responsive, sustainable, and aligned to the needs of our communities across Western Australia.

Through workforce development, system improvements and strategic partnerships, PathWest is building the capability needed to support future demand, advance diagnostic services and improve access to our services. These investments will ensure PathWest continues to deliver high-quality, equitable, pathology services for Western Australians into the future.

Investing in future capability and access

PathWest is investing in the future of haematology services by expanding access to advanced diagnostics and strengthening critical care capability across Western Australia.

The continued rollout of digital morphology technology will extend access to specialist haematology support across regional laboratories, improving diagnostic capability for both patients and staff. Planned expansion of molecular haematology services will introduce testing for additional genes and enable local minimal residual disease (MRD) testing, reducing reliance on interstate providers and improving timely access to specialised diagnostics. This expansion will also support testing for non-malignant genetic conditions, broadening the scope of care available within the State.

PathWest is also exploring new models of care to improve outcomes in emergency and critical settings. The Transfusion Medicine Unit at Fiona Stanley Hospital is working with St John Ambulance to assess the feasibility of equipping metropolitan ambulance services with blood products. This initiative aims to enable earlier transfusion for patients with life-threatening bleeding, particularly when transport times to hospital are prolonged.

Currently in the planning phase, with a trial anticipated in 2026/27, this work represents a significant opportunity to deliver pre-hospital interventions that improve survival and strengthen access to life-saving care.

Delivering more accessible and patient-friendly testing

PathWest is investing in future diagnostic approaches through the development and evaluation of salivary testing, creating more accessible and patient-friendly alternatives to traditional blood and urine sampling. This approach has the potential to expand across a wider range of clinical applications as evidence and accreditation progress.

Saliva-based testing offers a non-invasive, stress-free collection method that can be performed at the bedside or at home. This approach enables convenient monitoring of a range of conditions, including hormone levels, therapeutic drugs and antibodies, and is particularly valuable for tracking changes over time without the need for repeated blood collection.

In collaboration with clinical partners, PathWest is evaluating the use of salivary cortisol and cortisone testing as an alternative to blood testing for children with suspected adrenal insufficiency. This work aims to improve the experience of testing for young patients while maintaining diagnostic accuracy for this potentially life-threatening condition.

PathWest is also expanding the future scope of salivary diagnostics, with plans to introduce testing for drugs of abuse as part of accredited services. These developments support a more flexible, patient-centred approach to testing and position PathWest to meet emerging healthcare needs.

Early infectious disease detection through wastewater surveillance

PathWest is contributing to the future of public health surveillance through participation in the National Wastewater Surveillance Program, an emerging approach to monitoring infectious diseases at a population level.

Wastewater testing can detect the presence of pathogens such as COVID 19, influenza, RSV and other emerging infections, providing early warning of disease activity within communities. Building on its leadership during the COVID 19 pandemic, PathWest Microbiology is now part of a national consortium delivering wastewater surveillance across Australia, with the program commencing in Western Australia in May 2026.

Initially focused on metropolitan catchments, the program is planned to expand to regional centres, including areas such as Bunbury, with the capability to respond rapidly in outbreak situations.

By enabling earlier detection of disease and supporting coordinated public health responses, wastewater surveillance is strengthening preparedness for future health challenges and improving outcomes for communities across Western Australia.

Expanding infrastructure and services to meet future demand

PathWest is strengthening its capacity to meet future demand through targeted investment in infrastructure, technology, and service expansion across Western Australia.

Demand for pathology services continues to grow, with both test volumes and complexity increasing year on year. This shift reflects both rising healthcare needs and PathWest's expanding role in supporting access to pathology services across the State.

From September 2026, Mt Lawley Hospital will join the Royal Perth Bentley Hospital network, with PathWest providing comprehensive pathology services including laboratory testing, point of care support, transfusion services and specialist clinical advice. Planning is also underway for pathology services to commence at Peel Health Campus, further expanding access across the State.

PathWest is also increasing access to community collection services through the opening of a new collection centre in Rockingham and the relocation of the Mirrabooka collection centre to a larger, purpose-designed facility. These developments will provide greater capacity to accommodate growing demand and improve access to pathology services for local communities.

Significant upgrades to laboratory infrastructure are also enhancing capability and efficiency. New biochemistry analysers have been installed at Royal Perth Hospital and are being prepared for rollout across additional sites. Redevelopment of the core laboratory, including a robtoci track, at Fiona Stanley Hospital are underway to support these systems, increasing capacity and enabling more streamlined workflows.

Advances in technology will further support service delivery, with new slide scanning systems enabling the transition to digital pathology. This will allow specimens to be reviewed remotely, improving flexibility and access to specialist expertise.

PathWest has also strengthened its operational capacity through the development of the Murdoch Square corporate hub, bringing together corporate teams in a modern, collaborative environment. This enables the release of space at existing hospital sites for laboratory expansion and operational functions.

These developments align with broader health system growth, including construction of the new Women and Babies Hospital at Murdoch. Together, these investments position PathWest to deliver high-quality, responsive and innovative pathology services for the future.



Investing in digital systems to support future services

PathWest continues to invest in digital infrastructure to support the secure, reliable and efficient delivery of pathology services across Western Australia.

In 2025/26, the completion of the (LIS) Infrastructure Modernisation Project marked a major milestone, improving system performance, strengthening security and increasing resilience of critical laboratory systems.

Significant progress has also been made in upgrading network infrastructure across PathWest. New systems are already in place at key sites including Fremantle and Northam laboratories, delivering improved performance, reliability and scalability to support growing service demand.

Digital capability continues to expand within laboratory services, including progress toward digital pathology and enhanced workflows in Anatomical Pathology and Haematology. These developments support more efficient processes and enable greater collaboration across sites.

Cybersecurity remains a priority, with ongoing improvements to system monitoring, access controls and vulnerability management, ensuring the protection of sensitive data and critical services.

PathWest has also expanded its data and reporting capability through the DataLab platform, with new dashboards providing enhanced visibility of high-risk results and service performance. Ongoing development of the data environment, including transition towards modern platforms such as Microsoft Fabric, is supporting more flexible analysis, improved reporting performance and better decision-making.

Together, these investments are building a more resilient, scalable and data-driven pathology service, supporting high-quality care now and into the future.

Strengthening future capability through innovation and technology

PathWest is expanding its advanced diagnostic capability to meet emerging clinical needs. Validation of whole genome sequencing will support more comprehensive testing for complex and rare cancers, particularly where existing gene panels are insufficient. This work will ensure Western Australian patients can access next-generation diagnostics and participate in national genomic programs.

In parallel, the development of liquid biopsy testing, using circulating DNA from a patient's blood sample, has the potential to transform cancer diagnostics by providing a less invasive alternative to traditional tissue biopsies. This approach may reduce risk for patients, improve access to testing and support more efficient use of healthcare resources.

Together, these initiatives will support more consistent, high-quality and equitable pathology services, ensuring PathWest is well-positioned to meet future demand and deliver improved outcomes for patients across Western Australia.

Your Voice, Your Experience

PathWest continues to invest in the future of healthcare by strengthening engagement with its registrar workforce through the Your Voice, Your Experience initiative. As the next generation of specialists, registrars play a critical role in sustaining high-quality pathology services across metropolitan, regional and remote Western Australia.

Now embedded as an annual process, the 2026 Registrar Culture Check-in Survey engaged 47 registrars, providing valuable insights to inform decision-making and support continuous improvement. This approach ensures registrar feedback is actively considered, enabling early identification of emerging issues and targeted responses.

By supporting registrar voice, wellbeing and training, PathWest is building a capable and sustainable workforce, strengthening service quality and ensuring patients continue to benefit from safe, consistent and high-quality care into the future.

CASE STUDY

Detecting disease early through newborn screening

PathWest's Newborn Bloodspot Screening (NBS) Program continues to protect the health of Western Australian babies through early detection of serious but treatable conditions.

Screening approximately 99.8% of the 32,000 babies born each year, the program tests for more than 50 conditions. In one recent case, a newborn presenting with jaundice was identified as having galactosaemia, a life-threatening disorder that prevents the body from processing a sugar found in milk.

Early detection enabled rapid clinical intervention, with the infant stabilised and placed on a specialised diet within the first week of life. Without treatment, the condition can lead to severe illness and death within weeks. The child is now well and developing appropriately.

Each year, around 50 babies are identified through the program as being at risk of serious disease. The program continues to evolve, with new conditions, including sickle cell disease and X-linked adrenoleukodystrophy, being introduced to further strengthen early diagnosis and improve lifelong health outcomes.

5

Performance

Certification of Key Performance Indicators

PathWest Laboratory Medicine WA
Certification of Key Performance Indicators
For the year ended 30 June 2026

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess PathWest's performance, and fairly represent the performance of PathWest for the financial year ended 30 June 2026.



Angie Paskevicius

Chair
PathWest Board

4 September 2026



Samantha Elder

Chair,
Finance, Risk and Audit Committee
PathWest Board

4 September 2026

Performance Management Framework

The Outcome Based Management (OBM) framework describes how Outcomes, Services and Key Performance Indicators (KPIs) are used to measure WA Health system performance.

PathWest is responsible for delivering and reporting against:

- **Outcome 2** - Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives.

"Pathology Services" was included in WA Health's OBM framework to recognise PathWest's establishment as a Statutory Authority as of 1 July 2018.

The OBM KPIs measure the effectiveness and efficiency of the services delivered against agreed State Government priorities and desired outcomes.

The alignment of 2025/26 PathWest key performance indicators to State Government and WA Health system goals are demonstrated below:

WA Government Goal	**Safe, Strong and Fair Communities:** Supporting our local and regional communities to thrive.
WA Health System Goal	**Delivery of safe, quality, financially sustainable and accountable healthcare for all Western Australians.**
WA Health Outcomes	**Outcome 2:** Prevention, health promotion and aged and continuing care services that help Western Australians to live healthy and safe lives.
Service Delivered	**7. Pathology Services -** The provision of State-wide and external diagnostic services across the full range of pathology disciplines, inclusive of forensic biology and pathology services to other WA Government agencies and services provided to the public by PathWest. This service also includes the operational costs of PathWest in delivering services to both Health Service Providers and the public.

PathWest's Key Performance Indicators

Key effectiveness indicator KPI 1:

Percentage of PathWest test results available to Emergency Departments (ED) within the required timeframe (in laboratory to verified time):

a. Haemoglobin (40 minutes)
b. Potassium (40 minutes)
c. Troponin (50 minutes)

Key effectiveness indicator KPI 2:

Percentage of PathWest Pathology Quality Assurance Program results within an acceptable range.

Key effectiveness indicator KPI 3:

Average cost of pathology services per test.

Shared responsibility with other agencies

PathWest works closely with several government and non-government agencies to deliver pathology and forensic services for the State to achieve the targets set out in the WA Health 2025/26 OBM key performance indicator data definition manual.

Key Effectiveness Indicators

KPI 1: Percentage of PathWest test results available to Emergency Departments (ED) within the required timeframe (in laboratory to verified time): (a) Haemoglobin (40 minutes); (b) Potassium (40 minutes): (c) Troponin (50 minutes).

Rationale

PathWest is the statewide public provider of pathology services, servicing public hospitals and the wider Western Australian community.

TAT for pathology tests are used as one indicator of pathology service performance. In an ED, timely availability of pathology test results is crucial for diagnosis and timely commencement of appropriate treatment. Improvements in pathology turnaround times can also impact the overall functioning of EDs by reducing the length of patient stays and improving TATs.

This performance indicator is based on three indicators produced by the Australian Council of Healthcare Standards (ACHS). The selection of these specific tests is due to their crucial role in diagnosing potentially life-threatening conditions in an emergency setting.

Results

682,347 tests from 11 hospital EDs were assessed against the targets during 2025/26. All 3 KPIs were met, with stable or improved performance noted over the previous year.

Test	2022/23 Revised Actual*	2023/24 Actual	2024/25 Actual	2025/26 Target	2025/26 Actual
Haemoglobin	97%	96%	96%	88%	96%
Plasma Potassium	74%	75%	77%	67%	79%
Troponin I	73%	75%	75%	74%	77%

Note: This KPI is based on ACHS indicators which are specific to pathology requests from EDs only. Due to the inconsistent classification of emergency activity in smaller regional hospitals (e.g. Public acute groups C and D21), these sites are excluded from this KPI.

*The computation methodology for this KPI was updated in 2023/24 to use "verified time" rather than "resulted time" as this better reflects when the Clinician has access to reviewing the result. This change had a material impact on the KPI therefore comparative periods were revised.

Data Source: SCC Soft Laboratory Information System (Soft SCC).

Key Effectiveness Indicators

KPI 2: Percentage of PathWest Pathology Quality Assurance Program (QAP) results within an acceptable range.

Rationale

PathWest is the statewide public provider of pathology services, servicing public hospitals and the wider Western Australian community.

PathWest performs over 15,184,332 tests per year. A mandatory requirement for continuing laboratory accreditation is satisfactory performance in external quality assurance programmes (QAPs). External QAPs are available for all pathology disciplines and are developed in consultation with professional bodies and with significant input from participating laboratories. The Royal College of Pathologists of Australasia (RCPA) has the most extensive QAP in Australasia with submissions from participating laboratories nationwide.

Pathology testing is used to:

- diagnose 70% of all diseases and 100% of cancers
- predict susceptibility to disease
- prevent disease by identifying risk factors in patients that can be modified
- determine patient prognosis
- identify the presence or absence of infection
- monitor disease, identifying whether treatments are effective, and
- personalise treatment to achieve the best clinical outcomes.

Tests that fail quality assurance may produce erroneous results. Inaccurate results can lead to misdiagnosis and mistreatment of patients and delays in diagnosis or treatment, leading to increased morbidity or mortality.

PathWest participates in a broad range of external QAPs to meet their mandatory accreditation requirements.

Results

143,816 QAP test results submitted to the RCPA for validation were included in the KPI measurement for 2025/26. The reported results are based on submissions due and tendered during 2025/26.

Division	2022/23 Actual*	2023/24 Actual	2024/25 Actual	2025/26 Target*	2025/26 Actual
Anatomical Pathology	98%	99%	100%	100%	99%
South-East Division	98%	98%	98%	100%	98%
North-West Division	97%	98%	97%	100%	98%
Regional Services	98%	98%	97%	100%	98%
PathWest Total	**98%**	**98%**	**97%**	**100%**	**98%**

* While there is not an industry defined target, PathWest uses the theoretical target of 100% passed to drive continuous quality improvement across the organisation.

Data Source: RCPA QAP survey result reports.

Key Effectiveness Indicators

KPI 3: Average cost of pathology services per test

Rationale

PathWest is the statewide public provider of pathology services, servicing public hospitals and the wider Western Australian community.

The purpose of this indicator is to provide a longitudinal measure of the financial efficiency of PathWest in the delivery of clinical and health pathology services (excluding forensic services) across WA.

Results

Increasing demand for pathology services resulted in an increase in test activity compared with 2024/25. The increase in expenditure and average cost per test was largely due to cost indexation, impact of wages policy, and higher processing costs associated with an increased volume of tests.

Items	2022/23	2023/24	2024/25	2025/26
Expenditure	$360,826,890	$387,703,464	$422,061,778	**$448,120,557**
Activity: tests	12,686,651	13,658,321	14,360,182	**15,184,332**
Average cost per test	$28.44	$28.39	$29.39	**$29.51**
Target	**$25.00**	**$25.00**	**$23.00**	**$24.00**

SCC Soft Laboratory Information System.

Oracle General Ledger 17.2 OBM Expenditure.

6

Financial Statements

Auditor General

INDEPENDENT AUDITOR'S REPORT

2026

PathWest Laboratory Medicine WA

To the Parliament of Western Australia

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the PathWest Laboratory Medicine WA (PathWest) which comprise:

- the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended
- notes comprising a summary of material accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the PathWest for the year ended 30 June 2026 and the financial position as at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the PathWest.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Basis of Qualified Opinion

Network Security Control

I identified significant weaknesses in network security controls and controls over unauthorised connection of devices at the PathWest. These weaknesses could compromise the confidentiality, integrity and availability of key systems and information. These weaknesses also exposed the WA Health network to increased vulnerabilities which could undermine the integrity of data across all systems, including the financial system.

Qualified Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by PathWest. The controls exercised by PathWest are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with the State's financial reporting framework (the overall control objectives).

In my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in all material respects, the controls exercised by PathWest are sufficiently adequate to provide reasonable assurance that the controls within the system were suitably designed to achieve the overall control objectives identified as at 30 June 2026, and the controls were implemented as designed as at 30 June 2026.

The Board's responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006,* my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements *ASAE 3150 Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the PathWest for the year ended 30 June 2026 reported in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions (legislative requirements). The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators report of the PathWest for the year ended 30 June 2026 is in accordance with the legislative requirements, and the key performance indicators are relevant and appropriate to assist users to assess the PathWest's performance and fairly represent indicated performance for the year ended 30 June 2026.

The Board's responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal controls as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 3 Financial Sustainability – Requirement 5 Key Performance Indicators.

Auditor General's responsibilities

As required by the *Auditor General Act 2006,* my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the PathWest's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 3 - Requirement 5 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments, I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My independence and quality management relating to the report on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements,* the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2026, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements and key performance indicators of the PathWest for the year ended 30 June 2026 included in the annual report on the PathWest's website. The PathWest's management is responsible for the integrity of the PathWest's website. This audit does not provide assurance on the integrity of the PathWest's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the PathWest to confirm the information contained in the website version.



Patrick Arulsingham
Senior Director Financial Audit
Delegate of the Auditor General for Western Australia
Perth, Western Australia
7 September 2026

Disclosure and Legal Compliance

Financial Statements

CERTIFICATION OF FINANCIAL STATEMENTS

For the financial year ended 30 June 2026

The accompanying financial statements of PathWest Laboratory Medicine WA have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2026 and the financial position as at 30 June 2026.

At the date of signing we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.



Sandy Kerr
Executive Director Finance, Procurement and
Commercial Services
PathWest Laboratory Medicine WA
04 September 2026



Angie Paskevicius
Chair
PathWest Board
04 September 2026



Samantha Elder
Chair, Finance Risk and Audit Committee
PathWest Board
04 September 2026

Statement of Comprehensive Income

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1.1	337,244	314,052
Domestic contracts	2.2	2,441	2,405
Depreciation and amortisation expenses	4.1, 4.2, 4.3	18,829	18,230
Finance costs	6.2	576	402
Repairs, maintenance and minor equipment	2.2	14,372	14,073
Supplies and services	2.2	123,550	114,341
Other expenses	2.2	26,519	27,068
Total cost of services		**523,531**	**490,571**
Income			
Patient charges	3.1	45,916	43,510
Other fees for services	3.2	19,499	17,461
Gain on disposal of non-current assets	2.3	112	73
Commonwealth grants and contributions	3.4	1,502	-
Other income	3.5	1,836	1,901
Total income		**68,865**	**62,945**
NET COST OF SERVICES		**454,666**	**427,626**
Income from State Government			
Service Agreement Grants	3.3	208,028	193,558
Income from other public sector entities	3.3	218,085	212,773
Products and Services received free of charge	3.3	20,032	19,476
Total income from State Government		**446,145**	**425,807**
SURPLUS / (DEFICIT) FOR THE PERIOD		**(8,521)**	**(1,819)**
OTHER COMPREHENSIVE INCOME			
Items not reclassified subsequently to profit or loss			
Changes in asset revaluation reserve		11,513	9,926
Total other comprehensive income		**11,513**	**9,926**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**2,992**	**8,107**

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2026

	Notes	2026 $'000	2025 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	6.3	3,765	11,236
Restricted cash and cash equivalents	6.3	12,121	15,641
Receivables	5.1	35,205	32,465
Inventories	5.4	2,166	2,471
Other current assets	5.3	3,596	2,584
Total Current Assets		**56,853**	**64,397**
Non-Current Assets			
Receivables	5.1	10,848	10,848
Amounts receivable for services	5.2	180,587	163,725
Property, plant and equipment	4.1	140,230	124,593
Intangible assets	4.2	23,113	28,070
Right-of-use assets	4.3	11,304	11,658
Total Non-Current Assets		**366,082**	**338,894**
TOTAL ASSETS		**422,935**	**403,291**
LIABILITIES			
Current Liabilities			
Payables	5.5	25,277	25,235
Lease liabilities	6.1	3,632	3,183
Employee related provisions	2.1.2	63,126	62,739
Capital grant liabilities	5.7	50	-
Other current liabilities	5.6	44	46
Total Current Liabilities		**92,129**	**91,203**
Non-Current Liabilities			
Lease liabilities	6.1	9,433	8,849
Employee related provisions	2.1.2	16,134	14,602
Total Non-Current Liabilities		**25,567**	**23,451**
TOTAL LIABILITIES		**117,696**	**114,654**
NET ASSETS		**305,239**	**288,637**
EQUITY			
Contributed equity		249,756	236,146
Reserves		45,226	33,713
Accumulated surplus		10,257	18,778
TOTAL EQUITY		**305,239**	**288,637**

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2026

	Note	Contributed equity $'000	Reserves $'000	Accumulated surplus $'000	Total equity $'000
Balance at 1 July 2025		**236,146**	**33,713**	**18,778**	**288,637**
Surplus/(deficit)		-	-	(8,521)	**(8,521)**
Other comprehensive income	4.1	-	11,513	-	**11,513**
Total comprehensive income for the period		**-**	**11,513**	**(8,521)**	**2,992**
Transactions with owners in their capacity as owners:					
Contribution by owners - Capital appropriations administered by Department of Health		13,610	**-**	**-**	**13,610**
Total		**13,610**	**-**	**-**	**13,610**
Balance at 30 June 2026		**249,756**	**45,226**	**10,257**	**305,239**

	Contributed equity	Reserves	Accumulated surplus	Total equity
Balance at 1 July 2024	**226,889**	**23,787**	**20,597**	**271,273**
Surplus/(deficit)	-	-	(1,819)	**(1,819)**
Other comprehensive income	-	9,926	-	**9,926**
Total comprehensive income for the period	**-**	**9,926**	**(1,819)**	**8,107**
Transactions with owners in their capacity as owners:				
Contribution by owners - Capital appropriations administered by Department of Health	9,257	-	-	**9,257**
Total	**9,257**	**-**	**-**	**9,257**
Balance at 30 June 2025	**236,146**	**33,713**	**18,778**	**288,637**

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
CASH FLOWS FROM THE STATE GOVERNMENT			
Department of Health - Service Agreement Grants		191,166	177,402
Contribution by owners - Capital appropriations		13,610	9,257
Funds from other public sector entities		218,223	206,284
Net cash provided by the State Government		**422,999**	**392,943**
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(333,710)	(311,527)
Supplies and services		(147,173)	(138,455)
Finance costs		(576)	(402)
Receipts			
Receipts from customers		44,487	43,479
Commonwealth grants and contributions		1,502	-
Other receipts		17,977	21,379
Net cash used in operating activities		**(417,493)**	**(385,526)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(14,188)	(11,013)
Receipts			
Proceeds from sale of non-current assets		254	139
Net cash used in investing activities		**(13,934)**	**(10,874)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(2,563)	(3,400)
Net cash used in financing activities		**(2,563)**	**(3,400)**
Net increase/(decrease) in cash and cash equivalents		(10,991)	(6,857)
Cash and cash equivalents at the beginning of the period		26,877	33,734
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6.3	**15,886**	**26,877**

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2026

NOTE 1. Basis of preparation

PathWest Laboratory Medicine WA (PathWest) is a WA Government Health Service Provider and is controlled by the State of Western Australia, which is the ultimate parent. PathWest is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of PathWest on 04 September 2026.

Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures, the Conceptual Framework and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB) as modified by Treasurer's instructions. Some of these pronouncements are modified to vary their application and disclosure.

The Financial Management Act 2006 and Treasurer's instructions, which are legislative provisions governing the preparation of financial statements for agencies, take precedence over AASB pronouncements. Where an AASB pronouncement is modified and has had a significant financial effect on the reported results, details of the modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars ($'000).

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

a) amount of GST incurred by PathWest as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and

b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, as designated as contributions by owners (at the time of, or prior to, transfer) be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 8 - Requirement 8.1 (i) and have been credited directly to Contributed Equity.

Notes to the Financial Statements

For the year ended 30 June 2026

Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, Plant and Equipment reconciliations;
- Intangible Asset reconciliations; and
- Right-of-Use Asset reconciliations.

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

NOTE 2. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how PathWest's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by PathWest in achieving its objectives and the relevant notes are:

	Notes
Employee benefits expenses	2.1.1
Employee related provisions	2.1.2
Other expenditure	2.2

2.1.1 Employee benefits expense

	2026 $'000	2025 $'000
Employee benefits	302,355	282,790
Superannuation	34,889	31,262
Total employee benefits expenses	**337,244**	**314,052**

Employee benefits

Include wages, salaries and social contributions, accrued and paid leave entitlements and paid sick leave, and non-monetary benefits recognised under accounting standards other than AASB 16 (such as medical care, housing, cars and free or subsidised goods or services) for employees.

Superannuation

Superannuation is the amount recognised in profit or loss of the Statement of comprehensive income comprising employer contributions paid to the GSS (concurrent contributions), the WSS, the GESB schemes or other superannuation funds.

AASB 16 non-monetary benefits

Non-monetary employee benefits, predominantly relating to the provision of vehicle and housing benefits that are recognised under AASB 16 and are excluded from the employee benefits expense.

Employee contributions

Contributions made to PathWest by employees towards employee benefits that have been provided by PathWest. This includes both AASB 16 and non-AASB 16 employee contributions.

Notes to the Financial Statements

For the year ended 30 June 2026

2.1.2 Employee related provisions

	2026 $'000	2025 $'000
Current		
Employee benefits provisions		
Annual leave [(a)]	37,945	35,986
Time off in lieu leave [(a)]	1,912	1,967
Long service leave [(b)]	23,226	24,743
Deferred salary scheme [(c)]	43	43
Total current employee related provisions	**63,126**	**62,739**
Non-current		
Employee benefits provisions		
Long service leave [(b)]	16,138	14,561
Deferred salary scheme [(c)]	(4)	41
Total non-current employee related provisions	**16,134**	**14,602**
Total employee related provisions	**79,260**	**77,341**

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

a) Annual leave and time off in lieu leave liabilities

Annual leave and time off in lieu leave liabilities are classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

b) Long service leave liabilities

Unconditional long service leave provisions are classified as current liabilities as PathWest does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because PathWest has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

The provision for long service leave is calculated at present value as PathWest does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

2.1.2 Employee related provisions (continued)

Key sources of estimation uncertainty - long service leave

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Several estimates and assumptions are used in calculating an agency's long service leave provision. These include:

- expected future salary rates;
- discount rates;
- employee retention rates; and
- expected future payments.

Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision. Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

c) Deferred salary scheme liabilities

Deferred salary scheme liabilities are classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

2.2 Other expenditure

	2026 $'000	2025 $'000
Domestic contracts		
Domestic charges	2,319	2,246
Food supplies	122	99
Patient transport costs	-	60
Total domestic contracts expenses	**2,441**	**2,405**
Repairs, maintenance and minor equipment		
Repairs and maintenance	10,743	10,770
Minor equipment	3,629	3,303
Total repairs, maintenance and minor equipment expenses	**14,372**	**14,073**
Supplies and services		
Supply costs	103,559	94,928
Utilities	48	38
Services provided by Health Support Services (HSS)		
Information, communication and technology (ICT) services	15,255	14,442
Supply chain services	1,856	1,762
Financial services	563	741
Human resource services	2,269	2,430
Total supplies and services expenses	**123,550**	**114,341**

Notes to the Financial Statements

For the year ended 30 June 2026

2.2 Other expenditure (continued)

	2026 $'000	2025 $'000
Other expenses		
Communications	758	711
Document management	281	379
Information, communication and technology	10,644	10,345
Research, development and other grants	13	19
Workers compensation insurance	-	2,001
Training	296	254
Travel and accommodation	3,361	3,375
Rental expenses	2,317	1,201
Other insurances	784	2,787
Consultancy fees	323	555
Other employee related expenses	671	216
Printing and stationery	1,102	1,163
Expected credit losses expense	1,719	-
Motor vehicle expenses	459	445
Bank fees and charges	25	23
Subscriptions and periodicals	2,190	2,019
Licences and fees	258	359
Rates and charges	-	1
Legal	76	93
Advertising	4	3
Audit fees	464	476
Other	774	643
Total other expenses	**26,519**	**27,068**
Total other expenditure	**166,882**	**157,887**

Supplies and services

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

Rental expenses include:

i) Short-term leases with a lease term of 12 months or less;

ii) Low-value leases with an underlying value of $5,000 or less; and

iii) Variable lease payments, recognised in the period in which the event or condition that triggers those payments occur.

Repairs, maintenance and minor equipment costs are recognised as expenses as incurred.

Information, communication and technology

Information, communication and technology costs are recognised as expenses as incurred.

Expected credit losses

The allowance for expected credit losses of trade receivables is recognised for movement in allowance for impairment of trade receivables.

2.3 Net gain/(loss) on disposal of non-current assets

	2026 $'000	2025 $'000
Carrying amount of non-current assets disposed:		
Property, plant and equipment	142	67
	142	**67**
Proceeds from disposal of non-current assets:		
Property, plant and equipment	254	140
	254	**140**
Net gain/(loss) on disposal of non-current assets	**112**	**73**

Gains and losses on the disposal of non-current assets are recognised in profit or loss in the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year ended 30 June 2026

NOTE 3. Our funding sources

How we obtain our funding

This section provides additional information about how PathWest obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by PathWest and the relevant notes are:

	Notes
Patient charges	3.1
Other fees for services	3.2
Income from State Government	3.3
Other income	3.5

3.1 Patient charges

	2026 $'000	2025 $'000
Inpatient charges	15,343	14,634
Outpatient charges	30,573	28,876
Total patient charges	**45,916**	**43,510**

Revenue is recognised at the transaction price when PathWest transfers control of the services to customers.

Revenue is recognised at a point in time for inpatient and outpatient charges. The performance obligations for these inpatient and outpatient charges are satisfied when services have been provided.

3.2 Other fees for services

	2026 $'000	2025 $'000
Pathology services to other health organisations	19,478	17,303
Clinical services to other health organisations	14	15
Non clinical services to other health organisations	7	143
Total other fees for services	**19,499**	**17,461**

Revenue is recognised at the transaction price when PathWest transfers control of the services to customers.

Revenue is recognised at a point in time for clinical, non-clinical and pathology services to other health organisations. The performance obligations for these services are satisfied when services have been provided.

3.3 Income from State Government

	2026 $'000	2025 $'000
Service Agreement Grants:		
Department of Health	208,028	193,558
Total Service Agreement Grants	**208,028**	**193,558**
Income received from other public sector entities:		
Health and Non-Health Services agencies grants	10,999	15,177
Pathology services to other Health Services and other government agencies [(a)]	207,086	197,596
Total income received from other public sector entities	**218,085**	**212,773**
Products and Services received free of charge:		
Products received from Health Support Services (HSS)	1	-
Services received from Non-Health Support Services agencies	88	101
Services received from Health Support Services (HSS):		
Information, communication and technology (ICT) services	15,255	14,442
Supply chain services	1,856	1,762
Financial services	563	741
Human resource services	2,269	2,430
Total Products and Services received free of charge	**20,032**	**19,476**
Total income from State Government	**446,145**	**425,807**

(a) Represents pathology services billed to other Health Services (CAHS, SMHS, EMHS, NMHS and WACHS) and other government agencies (Department of Justice, WA Police and Insurance Commission of Western Australia).

Department of Health – Service Agreement Grants are recognised as income at fair value of consideration received in the period in which PathWest gains control of the appropriated funds. PathWest gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Products and Services received free of charge or for nominal cost, that PathWest would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received.

Grants from Health Services and Non-Health Services agencies are recognised as income when PathWest has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income will be recognised when PathWest receives the funds.

Pathology services revenue is measured at the transaction price and is recognised at a point in time when PathWest provides pathology services.

Notes to the Financial Statements

For the year ended 30 June 2026

3.4 Commonwealth grants and contributions

	2026 $'000	2025 $'000
Capital Grants		
Newborn Screening Program	1,502	-
	1,502	-

Income from grants to acquire/construct a recognisable non-financial asset to be controlled by PathWest is recognised when PathWest satisfies its obligations under the transfer. PathWest satisfies the obligations under the transfer over time as the non-financial assets are being constructed. PathWest typically satisfies the obligations under the transfer when it achieves milestones specified in the grant agreement and amounts received in advance of obligation satisfaction are reported at note 5.7.

3.5 Other income

	2026 $'000	2025 $'000
Clinical trials	924	855
Commercial pathology	898	1,032
Other	14	14
Total other income	**1,836**	**1,901**

Revenue is recognised at the transaction price when PathWest transfers control of the services to customers.

Revenue is recognised at a point in time for clinical trials, commercial and other pathology services. The performance obligations are satisfied when services have been provided.

NOTE 4. Key assets

Assets PathWest utilises for economic benefit or service potential

This section includes information regarding the key assets PathWest utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes
Property, plant and equipment	4.1
Intangible assets	4.2
Right-of-use assets	4.3

Notes to the Financial Statements

For the year ended 30 June 2026

4.1 Property, plant and equipment

Reconciliations of the carrying amounts of property, plant and equipment assets at the beginning and end of the reporting period are set out in the tables below.

	Carrying amount at start of the period $'000	Additions $'000	Transfers $'000	Disposals $'000	Revaluation increments/ (decrements) [(a)] $'000	Depreciation $'000	Carrying amount at the end of the period $'000
30 June 2026							
Buildings	99,916	-	3,640	-	11,513	(4,376)	**110,693**
Leasehold improvements	984	1,968	-	-	-	(441)	**2,511**
Computer equipment	351	-	-	-	-	(84)	**267**
Furniture and fittings	60	-	-	(12)	-	(9)	**39**
Medical equipment	19,811	5,726	-	(121)	-	(4,864)	**20,552**
Other plant and equipment	847	-	25	(9)	-	(148)	**715**
Works in progress	2,624	6,494	(3,665)	-	-	-	**5,453**
Total	**124,593**	**14,188**	**-**	**(142)**	**11,513**	**(9,922)**	**140,230**

(a) Of this amount, $14.162 million relates to professional and project management fees, which are now included in the value of current use building assets under the current replacement cost basis as required by AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-For-Profit Public Sector Entities.

4.1 Property, plant and equipment (continued)

Initial recognition

Items of property, plant and equipment, costing $5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than $5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of buildings and historical cost for all other property, plant and equipment. Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Buildings are independently valued annually by the Western Australian Land Information Authority (Landgate). The effective date was at 1 July 2025, with valuations performed during the year ended 30 June 2026 and recognised at 30 June 2026.

In addition, for buildings under the current replacement cost basis, estimated professional and project management fees are included in the valuation of current use assets as required by AASB 2022-10 Amendment to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-For-Profit Public Sector Entities.

These valuations are undertaken annually to ensure that the carrying amount of the assets does not differ materially from their fair value at the end of the reporting period.

Valuation techniques and inputs

Level 3 assets

Building assets

Fair value for current use buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset. Current replacement cost is generally determined by reference to the market observable replacement cost of a substitute asset of comparable utility and the gross project size specifications, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

Valuation using current replacement cost utilises the significant Level 3 input of obsolescence estimated by Landgate. The fair value measurement is sensitive to the estimate of obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

In addition, professional and project management fees estimated and added to the current replacement costs provided by Landgate for current use buildings represent significant Level 3 inputs used in the valuation process. The fair value of these assets will increase with a higher level of professional and project management fees.

Basis of Valuation

In the absence of market-based evidence, due to the specialised nature of PathWest's building assets, these assets are valued at Level 3 of the fair value hierarchy on a current use basis (presumed to be the highest and best use), which recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements.

Notes to the Financial Statements

For the year ended 30 June 2026

4.1 Property, plant and equipment (continued)

These restrictions are imposed by virtue of the assets being held to deliver a specific community service.

Significant assumptions and judgements:

A number of buildings that are located on the land of local government agencies have been recognised in the financial statements. PathWest believes that, based on past experience, its occupancy in these buildings will continue to the end of their useful life.

Depreciation charge for the period

	2026 $'000	2025 $'000
Depreciation		
Buildings	4,376	3,926
Leasehold improvements	441	219
Computer equipment	84	96
Furniture and fittings	9	10
Medical equipment	4,864	5,397
Other plant and equipment	148	160
Total depreciation for the period	**9,922**	**9,808**

Useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Estimated useful lives for the different asset classes are included in the table below:

Asset	Useful Life
Buildings	50 years
Leasehold improvements	Term of lease
Computer equipment	4 to 10 years
Furniture and fittings	5 to 20 years
Medical equipment	3 to 25 years
Other plant and equipment	3 to 25 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Impairment

Non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and the impairment loss is recognised.

4.1 Property, plant and equipment (continued)

Impairment (continued)

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for the class of asset. As PathWest is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling, or where there is significant change in useful life. Each relevant class of asset is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

As at 30 June 2026 there were no indications of impairment to property, plant and equipment.

4.2 Intangible assets

	2026 $'000	2025 $'000
Computer software		
At cost	49,567	49,567
Accumulated amortisation	(26,454)	(21,497)
	23,113	**28,070**
Work in Progress		
Computer software under development (at cost)	-	-
	23,113	**28,070**
Reconciliations:		
Carrying amount at start of period	28,070	33,027
Amortisation (Note 4.2.1)	(4,957)	(4,957)
Carrying amount at end of period	**23,113**	**28,070**

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at no cost or for significantly less than fair value, the cost is their fair value at the date of acquisition. Acquired and internally generated intangible assets costing $5,000 or more that comply with the recognition criteria of AASB 138 Intangible Assets are capitalised. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year-ended 30 June 2026

4.2 Intangible assets (continued)

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- An intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- The intangible asset will generate probable future economic benefit;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

4.2.1 Amortisation and impairment

Charge for the period

	2026 $'000	2025 $'000
Amortisation		
Computer software	4,957	4,957
Total amortisation for the period	**4,957**	**4,957**

Amortisation of finite life intangible assets is calculated on a straight-line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by PathWest have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are:

Software	10 Years

PathWest held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Impairment of intangible assets

The policy in connection with testing for impairment is outlined in note 4.1. As at 30 June 2026, there were no indications of impairment to intangible assets.

4.3 Right-of-use assets

	Buildings $'000	Vehicles $'000	Medical equipment $'000	Total $'000
Carrying amount at beginning of period	10,112	602	944	**11,658**
Additions	2,990	362	244	3,596
Depreciation	(3,119)	(316)	(515)	(3,950)
Net Carrying amount as at end of period	**9,983**	**648**	**673**	**11,304**

PathWest has leases for buildings, motor vehicles and medical equipment. The lease contracts are typically made for fixed periods of 1-10 years. The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 6.1.

Initial recognition

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

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs, including dismantling and removing the underlying asset.

PathWest has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value of $5,000 or less). Lease payments associated with these leases are expensed on a straight-line basis over the lease term.

Subsequent Measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to PathWest at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.

Notes to the Financial Statements

For the year ended 30 June 2026

NOTE 5. Other assets and liabilities

This section sets out those assets and liabilities that arose from PathWest's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes
Receivables	5.1
Amounts receivable for services	5.2
Other assets	5.3
Inventories	5.4
Payables	5.5
Other liabilities	5.6
Capital grant liabilities	5.7

5.1 Receivables

	2026 $'000	2025 $'000
Current		
Patient fee debtors	13,783	15,055
Other receivables	5,607	2,251
Less: Allowance for impairment of trade receivables	(2,574)	(1,693)
Accrued revenue	18,169	16,307
GST receivables	220	545
Total current receivables	**35,205**	**32,465**
Non-current		
Accrued salaries account [(a)]	10,848	10,848
Total non-current receivables	**10,848**	**10,848**
Total receivables at end of the period	**46,053**	**43,313**

(a) Funds transferred to Treasury for the purpose of meeting the 27th pay in a reporting period that generally occurs every 11th year. This account is classified as non-current except for the year before the 27th pay year.

Trade receivables are recognised and carried at original invoice amount less any allowance for uncollectible amounts (i.e. impairment). The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

PathWest recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate. Individual receivables are written off when PathWest has no reasonable expectations of recovering the contractual cash flows.

For trade receivables, PathWest recognises an allowance for ECLs measured at the lifetime expected credit losses at each reporting date. PathWest has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Please refer to note 2.2 for the amount of ECLs expensed in this reporting period.

The accrued salaries account consists of amounts paid annually, from PathWest appropriations for salaries expense, into the Treasurer's special purpose account. It is restricted to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26. No interest is received on this account.

5.2 Amounts receivable for services (Holding Account)

	2026 $'000	2025 $'000
Non-current	180,587	163,725
Balance at end of period	**180,587**	**163,725**

Amounts receivable for services represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

Amounts receivable for services are not considered to be impaired (i.e. there is no expected credit loss of the Holding Account).

Amounts receivable for services are classified as non-current assets as there is no plan to draw down on the funds for at least 12 months after the end of the reporting period.

5.3 Other assets

	2026 $'000	2025 $'000
Current		
Prepayments	3,596	2,584
Balance at end of period	**3,596**	**2,584**

Other assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

5.4 Inventories

	2026 $'000	2025 $'000
Current		
Pharmaceutical stores - at cost	1,832	2,139
Engineering stores - at cost	334	332
Balance at end of period	**2,166**	**2,471**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory.

5.5 Payables

	2026 $'000	2025 $'000
Current		
Trade payables	4,497	3,544
Other payables	106	24
Accrued expenses	6,546	9,154
Accrued salaries	14,128	12,513
Balance at end of period	**25,277**	**25,235**

Payables are recognised at the amounts payable when PathWest becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as settlement is generally within 30 days.

Accrued salaries represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period end. PathWest considers the carrying amount of accrued salaries to be equivalent to its fair value.

Notes to the Financial Statements

For the year ended 30 June 2026

5.6 Other liabilities

	2026 $'000	2025 $'000
Current		
Paid parental leave scheme	13	16
Other	31	30
Balance at end of period	**44**	**46**

5.7 Capital grant liabilities

	2026 $'000	2025 $'000
Reconciliation of changes in capital grant liabilities		
Opening balance at the beginning of the period	-	-
Additions	50	-
Income recognised in the reporting period	-	-
Closing balance at the end of period	**50**	**-**
Current	50	-

PathWest recognises capital grant liabilities for the excess of the initial carrying amount of financial assets received in a transfer to enable the entity to acquire or construct recognisable non-financial assets that are to be controlled by the entity over any related amounts recognised in accordance with AASB 1058. When (or as) the obligations of the capital grant liabilities are satisfied under the transfer, PathWest recognises income in profit or loss. Information on the Agency's obligations can be found in note 3.4.

NOTE 6. Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of PathWest.

	Notes
Lease liabilities	6.1
Finance costs	6.2
Cash and cash equivalents	6.3
Capital commitments	6.4

6.1 Lease liabilities

The Statement of Financial Position shows the following amounts relating to lease liabilities:

	2026 $'000	2025 $'000
Not later than one year	3,631	3,183
Later than one year and not later than five years	7,315	6,873
Later than five years	2,119	1,976
	13,065	**12,032**
Current	3,632	3,183
Non-current	9,433	8,849
	13,065	**12,032**

	2026 $'000	2025 $'000
Lease expenses recognised in the Statement of Comprehensive Income		
Lease interest expense	576	402
Expenses relating to variable lease payments not included in lease liabilities	521	492
Short-term leases	850	523
Total lease expense	**1,947**	**1,417**

Short-term leases with a lease term of 12 months or less are recognised on a straight-line basis unless the lessor is an agency within the Western Australian public sector.

Low-value leases with an underlying value of $5,000 or less are recognised on a straight-line basis.

Variable lease payments that are not included in the measurement of the lease liability are recognised in the period in which the event or condition that triggers those payments occurs.

Notes to the Financial Statements

For the year ended 30 June 2026

6.1 Lease liabilities (continued)

Initial measurement

At the commencement date of the lease, PathWest measures a lease liability at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, PathWest uses the incremental borrowing rate provided by Western Australia Treasury Corporation.

Lease payments included by PathWest as part of the present value calculation of lease liability include:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options (where these are reasonably certain to be exercised);
- Payments for penalties for terminating a lease, where the lease term reflects PathWest exercising an option to terminate the lease; and
- Periods covered by extension or termination options are only included in the lease term by PathWest if the lease is reasonably certain to be extended (or not terminated).

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Variable lease payments, not included in the measurement of lease liability, that are dependent on sales, an index or a rate are recognised by PathWest in profit or loss in the period in which the condition that triggers those payments occurs.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

This section should be read in conjunction with Note 4.3 Right-of-use assets.

6.2 Finance costs

	2026 $'000	2025 $'000
Lease interest expense	576	402
Total finance costs expensed	**576**	**402**

Finance costs includes the interest component of lease liability repayments.

6.3 Cash and cash equivalents

	2026 $'000	2025 $'000
Current		
Cash and cash equivalents	3,765	11,236
Restricted cash and cash equivalents		
- assets held for other specific purposes [(a)]	12,121	15,641
Balance at end of period	**15,886**	**26,877**

(a) Funds held for specific purposes including capital works.

For the purpose of the Statement of Cash Flows, cash and cash equivalents assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash, and which are subject to insignificant risk of changes in value.

6.4 Capital Commitments

Capital commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

	2026 $'000	2025 $'000
Within 1 year	9,134	5,779
Later than 1 year and not later than 5 years	-	138
Total capital expenditure commitments	**9,134**	**5,917**

The total value or quantum presented for capital commitments are GST inclusive.

NOTE 7. Financial instruments and contingencies

This section sets out the key risk management policies and measurement techniques of PathWest.

	Notes
Financial instruments	7.1
Contingent liabilities	7.2.1
Contingent assets	7.2.2

Notes to the Financial Statements

For the year ended 30 June 2026

7.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2026 $'000	2025 $'000
Financial Assets		
Cash and cash equivalents	15,886	26,877
Financial assets at amortised cost [(a)]	226,420	206,493
Total financial assets	**242,306**	**233,370**
Financial Liabilities		
Financial liabilities at amortised cost	38,342	37,267
Total financial liabilities	**38,342**	**37,267**

(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

7.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

7.2.1 Contingent liabilities

The following contingent liabilities are additional to the liabilities included in the financial statements:

Litigation in progress

No claim has been filed against PathWest.

Contaminated sites

Under the Contaminated Sites Act 2003, PathWest is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated – *remediation required* or *possibly contaminated* – investigation required, PathWest may have a liability in respect of investigation or remediation expenses.

At the reporting date, PathWest does not have any suspected contaminated sites reported under the Act.

7.2.2 Contingent assets

At the reporting date, PathWest does not have any contingent assets.

NOTE 8. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	8.1
Changes in accounting policy	8.2
Key management personnel	8.3
Related party transactions	8.4
Related bodies	8.5
Affiliated bodies	8.6
Remuneration of auditors	8.7
Supplementary financial information	8.8

8.1 Events occurring after the end of the reporting period

To the best of its knowledge, PathWest is not aware of any material events relating to the reporting period.

8.2 Changes in accounting policy

The following standards are operative for reporting periods ended on or after 30 June 2026 but have no material impact on PathWest:

- AASB 2023-5 - Amendments to Australian Accounting Standards – Lack of Exchangeability
- AASB 2026-1 Amendments to Australian Accounting Standards – Disclosures about Uncertainties in the Financial Statements

8.3 Key management personnel

PathWest has determined that key management personnel include cabinet ministers, board members and senior officers of PathWest. However, PathWest is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the *Annual Report on State Finances*.

Total compensation (total fees, salaries, superannuation, non-monetary and other benefits) for members of the accountable authority of PathWest for the reporting period are presented within the following bands:

	2026	2025
Compensation band ($)		
$0 - $10,000	-	-
$10,001 - $20,000	-	-
$20,001 - $30,000	-	-
$30,001 - $40,000	-	1
$40,001 - $50,000	8	8
$50,001 - $60,000	1	-
$80,001 - $90,000	1	1
	10	**10**

Notes to the Financial Statements

For the year-ended 30 June 2026

8.3 Key management personnel (continued)

Total compensation (total fees, salaries, superannuation, non-monetary and other benefits) for senior officers of PathWest for the reporting period are presented within the following bands:

	2026	2025
Compensation band ($)		
$1 - $50,000	-	-
$50,001 - $100,000	-	-
$100,001 - $150,000	-	-
$150,001 - $200,000	-	-
$200,001 - $250,000	-	3
$250,001 - $300,000	5	2
$400,001 - $450,000	-	-
$500,001 - $550,000	-	1
$550,001 - $600,000	2	1
	7	**7**

	$'000	$'000
Total compensation of senior officers and board members	3,108	2,818

8.4 Related party transactions

PathWest is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of PathWest include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- senior officers and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

Outside of normal citizen type transactions with PathWest, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

Significant transactions with government related entities

Significant transactions include:

- Service Agreement Grants (note 3.3)
- Income received from other public sector entities (note 3.3)
- Products and Services received free of charge (note 3.3)
- Superannuation payments to GESB (note 2.1.1)

8.5 Related Bodies

PathWest did not have any related bodies during the financial year.

8.6 Affiliated Bodies

PathWest did not have any affiliated bodies during the financial year.

8.7 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2026 $'000	2025 $'000
Auditing the accounts, financial statements, controls and key performance indicators	275	264

8.8 Supplementary financial information

Write-offs

	2026 $'000	2025 $'000
Revenue and debts written off under the authority of the Accountable Authority	838	587
	838	**587**

Notes to the Financial Statements

For the year ended 30 June 2026

NOTE 9. Explanatory statement

This section explains variations in the financial performance of PathWest.

	Notes
Explanatory statement for controlled operations	9.1

9.1 Explanatory statement for controlled operations

This explanatory section explains variations in the financial performance of PathWest undertaking transactions under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2026, and between the actual results for 2026 and 2025 are shown below. Narratives are provided for major variances which are more than 10% of the comparative and that the variation is more than 1% of:

1) Estimate and actual results for the current year:
   - Total Cost of Services of the annual estimates for the Statement of comprehensive income and Statement of cash flows (1% of $490.4 million); and
   - Total Assets of the annual estimates for the Statement of financial position (1% of $417.1 million).
2) Actual results between the current year and the previous year:
   - Total Cost of Services of the previous year for the Statement of comprehensive income and Statement of cash flows (1% of $490.6 million); and
   - Total Assets of the previous year for the Statement of financial position (1% of $403.3 million).

For disclosure purposes, Treasurer's Instruction 3 – Requirement 7.2 excludes changes in asset revaluation surplus, cash assets, receivables, payables, contributed equity and accumulated surplus from the definition of major variances.

9.1.1 Statement of Comprehensive Income Variances

	Variance Note	Estimate 2026 $'000	Actual 2026 $'000	Actual 2025 $'000	Variance between actual and estimate $'000	Variance between actual results for 2025 and 2026 $'000
COST OF SERVICES						
Expenses						
Employee benefits expense		319,088	337,244	314,052	18,156	23,192
Domestic contracts		2,267	2,441	2,405	174	36
Depreciation and amortisation expense		17,207	18,829	18,230	1,622	599
Finance costs		539	576	402	37	174
Repairs, maintenance and minor equipment		13,445	14,372	14,073	927	299
Supplies and services		114,320	123,550	114,341	9,230	9,209
Other expenses		23,491	26,519	27,068	3,028	(549)
Total cost of services		**490,357**	**523,531**	**490,571**	**33,174**	**32,960**
Income						
Patient charges		45,044	45,916	43,510	872	2,406
Other fees for services		19,769	19,499	17,461	(270)	2,038
Gain on disposal of non-current assets		-	112	73	112	39
Commonwealth grants and contributions		4,602	1,502	-	(3,100)	1,502
Other income		3,840	1,836	1,901	(2,004)	(65)
Total revenue		**73,255**	**68,865**	**62,945**	**(4,390)**	**5,920**
Total income other than income from State Government		**73,255**	**68,865**	**62,945**	**(4,390)**	**5,920**
NET COST OF SERVICES		**417,102**	**454,666**	**427,626**	**37,564**	**27,040**
Income from State Government						
Service Agreement Grants	1	188,454	208,028	193,558	19,574	14,470
Income from other public sector entities		209,741	218,085	212,773	8,344	5,312
Products and Services received free of charge		18,907	20,032	19,476	1,125	556
Total income from State Government		**417,102**	**446,145**	**425,807**	**29,043**	**20,338**
SURPLUS / (DEFICIT) FOR THE PERIOD		**-**	**(8,521)**	**(1,819)**	**(8,521)**	**(6,702)**
OTHER COMPREHENSIVE INCOME						
Items not reclassified subsequently to profit or loss						
Changes in asset revaluation surplus		-	11,513	9,926	11,513	1,587
Total other comprehensive income		**-**	**11,513**	**9,926**	**11,513**	**1,587**
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		**-**	**2,992**	**8,107**	**2,992**	**(5,115)**

Notes to the Financial Statements

For the year ended 30 June 2026

9.1.1 Statement of Comprehensive Income Variances (continued)

Major estimate and actual (2026) variance narratives:

1. Service Agreement Grants are higher than estimate mainly due to increased funding provided to offset wage increases and unavoidable cost pressures.

Major actual (2026) and comparative (2025) variance narratives:

Nil

9.1.2 Statement of Financial Position Variances

	Variance Note	Estimate 2026 $'000	Actual 2026 $'000	Actual 2025 $'000	Variance between actual and estimate $'000	Variance between actual results for 2025 and 2026 $'000
ASSETS						
Current Assets						
Cash and cash equivalents	2,a	11,236	3,765	11,236	(7,471)	(7,471)
Restricted cash and cash equivalents		15,641	12,121	15,641	(3,520)	(3,520)
Receivables		32,465	35,205	32,465	2,740	2,740
Inventories		2,471	2,166	2,471	(305)	(305)
Other current assets		2,584	3,596	2,584	1,012	1,012
Total Current Assets		**64,397**	**56,853**	**64,397**	**(7,544)**	**(7,544)**
Non-Current Assets						
Receivables		12,658	10,848	10,848	(1,810)	-
Amounts receivable for services	b	180,932	180,587	163,725	(345)	16,862
Property, plant and equipment	3,c	124,281	140,230	124,593	15,949	15,637
Intangible assets	d	23,177	23,113	28,070	(64)	(4,957)
Right-of-use assets		11,658	11,304	11,658	(354)	(354)
Total Non-Current Assets		**352,706**	**366,082**	**338,894**	**13,376**	**27,188**
TOTAL ASSETS		**417,103**	**422,935**	**403,291**	**5,832**	**19,644**
LIABILITIES						
Current Liabilities						
Payables		27,045	25,277	25,235	(1,768)	42
Lease liabilities		3,183	3,632	3,183	449	449
Employee related provisions		61,944	63,126	62,739	1,182	387
Capital grant liabilities		-	50	-	50	50
Other current liabilities		46	44	46	(2)	(2)
Total Current Liabilities		**92,218**	**92,129**	**91,203**	**(89)**	**926**
Non-Current Liabilities						
Lease liabilities		8,849	9,433	8,849	584	584
Employee related provisions		14,182	16,134	14,602	1,952	1,532
Total Non-Current Liabilities		**23,031**	**25,567**	**23,451**	**2,536**	**2,116**
TOTAL LIABILITIES		**115,249**	**117,696**	**114,654**	**2,447**	**3,042**
NET ASSETS		**301,854**	**305,239**	**288,637**	**3,385**	**16,602**
EQUITY						
Contributed equity		248,148	249,756	236,146	1,608	13,610
Reserves	4,e	33,713	45,226	33,713	11,513	11,513
Accumulated surplus		19,993	10,257	18,778	(9,736)	(8,521)
TOTAL EQUITY		**301,854**	**305,239**	**288,637**	**3,385**	**16,602**

Notes to the Financial Statements

For the year ended 30 June 2026

9.1.2 Statement of Financial Position Variances (continued)

Major estimate and actual (2026) variance narratives:

2. Cash and Cash Equivalents are lower than estimate due to discretionary cash used to meet unavoidable cost pressures.
3. Property, Plant and Equipment is higher than estimate due to the impact of the revaluation increment for buildings and purchase of new equipment.
4. Reserves are higher than estimate due to an increment relating to the annual revaluation of buildings.

Major actual (2026) and comparative (2025) variance narratives:

(a) The decrease in Cash and Cash Equivalents reflects discretionary cash used to meet unavoidable cost pressures.

(b) The increase in Amounts Receivable for Services is due to the increase in Non-Cash Accrual Appropriation in relation to fixed assets depreciation.

(c) The increase in Property, Plant and Equipment largely reflects the impact of the revaluation increment for buildings and purchase of new equipment.

(d) The decrease in Intangible Assets reflects the amortisation of the Laboratory Information System.

(e) The increase in Reserves is due to an increment relating to the annual revaluation of buildings.

9.1.3 Statement of Cash Flows Variances

	Variance Note	Estimate 2026 $'000	Actual 2026 $'000	Actual 2025 $'000	Variance between actual and estimate $'000	Variance between actual results for 2025 and 2026 $'000
CASH FLOWS FROM STATE GOVERNMENT						
Department of Health - Service Agreement Grants	5	171,247	191,166	177,402	19,919	13,764
Capital appropriations		12,002	13,610	9,257	1,608	4,353
Funds from other public sector entities		209,741	218,223	206,284	8,482	11,939
Net cash provided by State Government		**392,990**	**422,999**	**392,943**	**30,009**	**30,056**
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employees benefits		(319,088)	(333,710)	(311,527)	(14,622)	(22,183)
Supplies and services	6	(131,129)	(147,173)	(138,455)	(16,044)	(8,718)
Finance costs		(539)	(576)	(402)	(37)	(174)
Receipts						
Receipts from customers		45,044	44,487	43,479	(557)	1,008
Commonwealth grants and contributions		4,602	1,502	-	(3,100)	1,502
Other receipts	7	23,609	17,977	21,379	(5,632)	(3,402)
Net cash used in operating activities		**(377,501)**	**(417,493)**	**(385,526)**	**(39,992)**	**(31,967)**
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		(12,002)	(14,188)	(11,013)	(2,186)	(3,175)
Receipts						
Proceeds from sale of non-current assets		-	254	139	254	115
Net cash used in investing activities		**(12,002)**	**(13,934)**	**(10,874)**	**(1,932)**	**(3,060)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Principal elements of lease payments		(3,487)	(2,563)	(3,400)	924	837
Net cash used in financing activities		**(3,487)**	**(2,563)**	**(3,400)**	**924**	**837**
Net increase/(decrease) in cash and cash equivalents		-	(10,991)	(6,857)	(10,991)	(4,134)
Cash and cash equivalents at the beginning of the period		26,877	26,877	33,734	-	(6,857)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**26,877**	**15,886**	**26,877**	**(10,991)**	**(10,991)**

Notes to the Financial Statements

For the year ended 30 June 2026

9.1.3 Statement of Cash Flows Variances (continued)

Major estimate and actual (2026) variance narratives:

5. Department of Health - Service Agreement Grants are higher than estimate mainly due to increased funding provided to offset wage increases and unavoidable cost pressures.
6. Supplies and Services is higher than estimate due to increased use of pathology materials associated with activity driven growth and the impact of indexation increases on contracted prices for materials and freight.
7. Other Receipts is lower than estimate due to receiving lower external grant funding than budgeted.

Major actual (2026) and comparative (2025) variance narratives:

Nil

7

Governance

Ministerial directives

Treasurer's Instruction 8(3) Financial Accounting and Reporting requires Health Service Providers to disclose 'any written ministerial directions relevant to the setting of desired outcomes or operational objectives, the achievement of desired outcomes or operational objectives, investment activities, and financing activities.'

PathWest did not receive any ministerial directives in 2025/26.

Employment profile

See page 28 ('Developing our people' section)

Recruitment and selection breach

During the period 2025/26 there were three breaches of employment standard claims lodged regarding PathWest recruitment, selection, and appointment processes. Two of these claims were resolved successfully internally and did not result in a breach of standard. One has been escalated to the Public Sector Commission (PSC) with no outcome yet received.

Substantive equality

PathWest's Multicultural Plan outlines the strategies and actions undertaken by PathWest to enhance workforce diversity and cultural competence, eliminate systemic discrimination, and ensure that its health services are welcoming, inclusive, and equitable for all. The PSC identifies diversity groups as Aboriginal People, Culturally and Linguistically Diverse (CaLD) people, people of diverse sexualities and genders, people with disabilities and women in management and youth.

Key achievements against the plan in 2025/26 included:

- Appointment of a Talent Acquisition Partner, a 50(d) position who will work with the Aboriginal Workforce Consultant to build the talent pipeline and increase our Aboriginal workforce
- Equity, Diversity, and Inclusion (EDI) eLearning
- WA Health Aboriginal Cultural eLearning (ACeL)
- Aboriginal Cadetship Program with placements in various PathWest departments
- Aboriginal Graduate Program to support recent graduates to gain experience in different PathWest departments with a view to permanent employment
- Aboriginal Scholarship Program, providing scholarships for PathWest's Certificate III in Pathology Collection course
- All PathWest job advertisements are listed pursuant to Section 51 *Equal Opportunity Act 1984*
- Celebrations of significant events in the Aboriginal calendar, including National Sorry Day, Reconciliation Week, and NAIDOC Week.

Closing the Gap

PathWest People, Capability and Culture (PCC) continued to support PathWest's contribution to Closing the Gap by strengthening a skilled, culturally safe and sustainable Aboriginal workforce. This work supports more culturally responsive services and improved access for Aboriginal communities.

In 2025/26, progress focused on improving equity and access through strengthened recruitment practices, including consistent application of Section 50(d) and Section 51 provisions. Workforce initiatives such as the Aboriginal Career Opportunities Register, along with cadetship and graduate pathways, supported structured entry into employment and helped build a sustainable pipeline of Aboriginal talent.

Targeted engagement activities, including culturally appropriate yarning sessions, also strengthened connections with communities and increased awareness of career opportunities within pathology services.

Work continued to develop accessible training and employment pathways, including efforts to re-establish the Pathology Collection Scholarship Program and progress vocational training options with North Metropolitan TAFE. These initiatives are expected to expand over time to support regional and remote participation.

Retention and workforce experience remained a priority, with planning underway for a structured cultural safety training program to strengthen organisational capability and support a culturally safe workplace. Leadership development opportunities, including participation in programs such as LEAD and First Steps, further supported career progression and helped build a more representative leadership pipeline.

While progress has been made, challenges remain, including limited entry-level opportunities, regional access to pathways, and variable organisational understanding. Targeted actions will continue to address these areas, supporting the development of a more representative, culturally capable and sustainable workforce.

Industrial relations

Major industrial relations activities undertaken in the 2025/2026 period included:

- Representation and advocacy in matters before the WA Industrial Relations Commission (WAIRC), Public Sector Arbitrator (PSA) and Public Sector Appeal Board (PSAB)
- Advice and interpretation of industrial agreements and their application
- Advice and case management of claims and disputes related to investigations, disciplinary matters and contractual claims such as conditions and entitlements
- Ongoing advice and support for the implementation of workforce changes, including implementation of new shifts and increased hours/days of operation
- Development, review and implementation of workforce policies, systems and processes relating to industrial relations
- Participation in forums and working groups, where required. This included monthly WA Health IR forums to receive updates and discuss long service leave for casuals, transition to permanency of senior practitioners and negotiations for replacement Industrial Agreements
- Advice and management of industrial elements of fitness for work matters
- Advice on matters relating to strategic planning, where required
- Union liaison and contact to ensure amicable and timely resolution of matters raised
- Completed the transition to permanency of our Senior Practitioners.



Workers' compensation

In 2025/26, PathWest recorded 59 workers' compensation claims.

Measures	Results - Base year 23-24	Results - Prior year 24-25	Results - Current reporting year	Targets	Comments about outcome
Number of fatalities	0	0	0	0	**Achieved**
Incidence of work-related injury or illness[1]	36	45	59	Reduce by 2% per year and 15% by 2033 compared with 2023	**Not Achieved**
Incidence rate of serious claims with one or more weeks' lost time[1]	8.45	7.2	11.05	Reduce by 2.5% per year and 20% by 2033 compared with 2023	**Not Achieved**
Incidence rate of claims resulting in permanent impairment[1]	1.49	1.92	0.48	Reduce by 2% per year and 15% by 2033 compared with 2023	**Achieved**
Incidence rate of work-related respiratory disease	0	0	0	Reduce by 2.5% per year and 20% by 2033 compared with 2023	**Achieved**
Managers and supervisors trained in:					
1. work health and safety as relevant to the PCBU's risk profile; and	n/a#	n/a#	61%	Greater than or equal to 80% of cohort trained within last two (2) years	**Not Achieved**
2. injury management	n/a#	n/a#	74%	Greater than or equal to 80% of cohort trained within last five (5) years	**Not Achieved**
Percentage of workers returned to work on full duties and hours					
(i) within 13 weeks[1]	n/a#	n/a#	36.4%	No target	–
(ii) within 26 weeks[1]	n/a#	n/a#	60.6%	Greater than or equal to 70% returned to work within 26 weeks	**Not Achieved**
Agency has a WHS management system that has been independently assessed in last five years	Yes (Jun 2022)	Yes (Jun 2022)	Yes (Sep 2025)	Yes	**Achieved**
Consultative systems:					
1. Number of health and safety representatives				No target – intended for agency trend information	
1. in total;	82	83	88		
2. who have attended HSR training;	99%	99%	100%		
3. shown as a percentage of workers;	0.03%	0.03%	0.03%		
4. shown as a ratio to the number of workplaces occupied by the Agency; and	n/a#	1.05	1.1		
2. Name/s of health and safety committees and sub-committees	1. PathWest WHS Committee 2. QEII Network Safety Committee 3. FS Network Safety Committee 4. Regional Support Services Safety Committee				

[1] data sourced from ICWA annual reporting data
new metric, data was not captured previously

Pricing policy

Pathology fees and charges are set under Division 4 of the Health Services (Fees and Charges) Order 2016 and are reviewed annually.

PathWest charges patients for pathology services in accordance with Section 7.5 of the WA Health - Patient Fees and Charges Manual 2025/26 issued by the Department of Health, dated March 2026.

Capital works

ACP Cladding Replacement Project

PathWest commenced a project to remove and replace aluminium composite panel (ACP) cladding on the PP Block Laboratory building at the Queen Elizabeth II Medical Centre to improve the safety of staff and patients.

Newborn Bloodspot Screening (NBS) Program Expansion

As part of the 2025/26 Mid-year Review (MYR), $2.2 million was approved from additional Commonwealth funding received under an amended Federation Funding Agreement to support the expansion of the Western Australian Newborn Bloodspot Screening (NBS) Program.

A total of $1.5 million was transferred to PathWest on 30 June 2026 by the Department of Health. The funding will support the acquisition and implementation of the required screening instrumentation to perform additional new tests.

Capital projects completed

No capital projects were completed during the 2025/26 financial year.

Unauthorised use of credit cards

PathWest uses purchasing cards for purchasing goods and services to achieve savings through improved administrative efficiency and more effective cash management. A purchasing card is a credit card that provides a clear audit trail for management.

PathWest credit cards are only provided to employees who are required to make purchases on behalf of PathWest. Credit cards are strictly not for personal use. Should a card holder use a credit card for personal use, they are required to submit a Notice of Non-compliance and refund the total amount spent within five working days.

During 2025/26, there was a total of three such instances of personal use pertaining to PathWest credit cards totaling $ 180.17, with $0 outstanding as at 30 June 2026. The above relates to three cardholders and no matters requiring referral for disciplinary action were identified during the reporting period.

Indemnity insurance

In 2025/26, the insurance premium paid to indemnify any 'director' (defined in Part 3 of the *Statutory Corporations (Liability of Directors) Act 1996)* against liability incurred under sections 13 or 14 of that Act was $26,599.10 (including GST).

Annual estimates

PathWest's annual operational budget estimates are reported to the Minister for Health under section 40 of the *Financial Management Act 2006* and *Treasurer's Instruction 953*. The Annual Estimates 2026/27 will be published on the PathWest website.

Expenditure on advertising

In accordance with Section 175ZE of the *Electoral Act 1907* PathWest is required to report its total advertising expenditure. In 2025/26 the total expenditure incurred was $4,365.93. The types of advertisements that were used and the amount paid against each type of advertisement is detailed in the table below.

Category	Advertisement	Amount $
Type of Advert	Advertising - Newspapers	$0.00
	Advertising - Radio	$0.00
	Advertising - Television	$0.00
	Advertising - Other Media	$4,365.93
Total		**$4,365.93**

WA Multicultural Policy Framework

The PathWest Multicultural Plan 2021-2025 was developed in alignment with the WA Multicultural Policy Framework, focusing on inclusive communities, culturally responsive services, and meaningful participation.

The plan set a clear vision for a respectful and inclusive workplace, strengthening workforce diversity, building cultural capability, and addressing barriers to equitable access and participation.

During its implementation, progress was made in increasing the visibility of cultural diversity; embedding equity, diversity and inclusion learning; strengthening inclusive recruitment practices; and improving access to translated patient information. Initiatives also supported Aboriginal workforce participation and more culturally responsive service delivery, helping ensure services better reflect the needs of diverse communities.

These achievements provide a strong foundation for continued progress, with learnings from this plan informing the next phase of work. PathWest will build on this momentum through the upcoming Multicultural Plan 2026-2028.



Work health and safety incident management

In 2025/26, the rollout of PathSafe enabled real-time reporting of incidents and hazards, improving visibility and supporting more effective management and resolution. Reporting rates continued to increase, reflecting a stronger safety culture across the organisation.

The Safety Management System was strengthened through updated policies, procedures and regular engagement at Safety, Executive and Board levels. Work, Health and Safety (WHS) also provided ongoing support to teams through risk management advice and ergonomic assessments.

Targeted initiatives included chemical safety auditing and training, support for the annual influenza vaccination campaign, and incident investigations to prevent recurrence. Service agreements with other health service providers were strengthened to improve staff support following occupational exposures, and to enhance access to respiratory fit testing.

PathWest also contributed to the broader safety sector through teaching and learning partnerships with UWA and Curtin University's WHS program.

Hazard and injury reporting

PathWest reports on WHS performance through regular Safety Risk Reports, with key indicators monitored and reported to Executive, Board and operational committees throughout the year. During 2025/26, PathWest maintained a strong focus on consultation, risk management and continuous improvement, supported by an independently assessed WHS Management System and a network of WHS Representatives.

PathWest achieved several positive WHS outcomes throughout the year, including zero workplace fatalities, zero reported cases of work related respiratory disease, and a reduction in the incidence rate of claims resulting in permanent impairment from 1.92 to 0.48. PathWest also increased the number of Health and Safety Representatives from 83 to 88, with all representatives completing the required training. Four established safety committees continued to support consultation and worker engagement across metropolitan and regional services.

While positive progress was made in several areas, challenges remain. The incidence of work-related injury or illness increased to 59, compared with 45 in 2024/25, and the incidence rate of serious claims involving one or more weeks of lost time increased to 11.05. Return-to-work outcomes remained below target, with 60.6 per cent of injured workers returning to full duties within 26 weeks. Manager and supervisor WHS training completion rates also remained below target levels, highlighting an area for ongoing improvement.

A key priority for 2026–27 will be strengthening injury prevention, improving return-to-work outcomes and increasing compliance with manager and supervisor safety training requirements. PathWest will continue to build a proactive safety culture through enhanced incident reporting, workforce engagement and targeted risk control initiatives to support the health, safety and wellbeing of all employees.

Recordkeeping plans

During 2025/26, PathWest continued to enhance its recordkeeping capability through the phased implementation of Content Manager and the strengthening of recordkeeping governance. This work supports consistent, secure and compliant management of records across the organisation, in line with legislative and accountability requirements.

Job security review

PathWest remains committed to promoting job security, with a preference for permanent employment in line with WA Health industrial agreements. Updated provisions reduced the timeframe for Job Security Reviews from two years to 12 months for staff in ongoing roles.

In 2025/26, 291 fixed-term and casual employees were reviewed, with 119 transitioned to permanent positions, a conversion rate of 41%. PathWest has achieved an overall permanency rate of 80% and continues to work with departments to identify opportunities to further strengthen employment stability.

Compliance with public sector standards and ethical codes

Code of Conduct

The intent of the WA Health Code of Conduct is to promote a positive workplace culture by providing a framework to support ethical day-to-day conduct and decision making. It defines the standards of ethical and professional conduct and outlines the behaviours expected of all PathWest employees. It has been developed to comply with the principles of appropriate behaviour outlined in the Western Australian Public Sector Code of Ethics.

PathWest has systems and processes in place to ensure all employees comply with policies and standards of behaviour. All policies are available for staff access on the PathWest intranet or via the Human Resources team. To ensure all staff are aware and educated about the relevant policies, training packages include Accountable and Ethical Decision Making, Aboriginal Cultural learning, Confidentiality, Recordkeeping Awareness and Workplace Bullying and Harassment: Prevention and Management.

Human Resources and Integrity and Ethics also provide ongoing advice, education, and support to employees.

Under the WA Health Discipline Policy, PathWest is required to assess all complaints alleging a breach of discipline. All breaches of the Code of Conduct are considered breaches of discipline under the *Health Services Act 2016* (HSA 2016).

In 2025/26, PathWest received 133 complaints alleging a potential breach of discipline. Complaints are assessed in accordance with the HSA 2016 and PathWest's disciplinary framework to determine whether they constitute a substantiated breach or formal disciplinary investigation. As at 30 June 2026, PathWest had 15 matters under active management.



Disability Access and Inclusion Plan

PathWest remains committed to fostering an inclusive and accessible environment for all Western Australians. Aligned with this commitment, and informed by multiple internal audits, PathWest has initiated a series of targeted improvement initiatives to address accessibility challenges across its services.

Building on previous efforts to translate patient materials, additional resources for patients, parents, and carers have now been translated. These materials incorporate clear visual aids and are designed to reduce communication barriers for individuals with language or literacy challenges. Key documents have been made available in the five most commonly spoken languages in Western Australia.

Enhancing physical accessibility remains a strategic priority for PathWest. Site audits have identified several historical access challenges, which are being systematically addressed through targeted infrastructure upgrades. Where facilities are shared or community-based, PathWest is actively collaborating with landlords to implement necessary modifications and ensure compliance with accessibility standards.

Looking forward, PathWest is committed to embedding continuous improvement into its operations. Insights drawn from our expertise in quality, risk, and WHS audits will continue to inform the development of a comprehensive Disability Access and Inclusion Plan (DAIP) Action Plan. This plan will serve as a strategic framework to guide ongoing enhancements in accessibility and inclusion across all areas of the organisation.

PathWest remains committed to creating a more accessible and inclusive experience for patients, carers, visitors and staff across Western Australia. During 2025/26, PathWest dedicated a resource to progressing disability access and inclusion initiatives and advancing the development of a Disability Access and Inclusion Plan (DAIP), which will provide a structured framework for continuous improvement across the organisation.

Improving accessibility for children and families remained an important area of focus. Through initiatives such as the trauma-informed paediatric collection program delivered in partnership with KKIND, PathWest is working to create more inclusive, supportive and culturally responsive testing experiences for young patients and their carers.

Further improvements have been made to the accessibility of PathWest's digital platforms, supporting easier navigation and access to essential patient information. These enhancements complement broader organisational efforts to improve communication, strengthen patient experience and ensure services are accessible to all members of the community.

Asbestos Management Plan

PathWest continues to progress alignment with the Asbestos National Strategic Plan 2024-2030. Actions taken by PathWest's Department of Assets, Facilities and Infrastructure included:

- Developed and implemented an organisation-wide Asbestos Management Plan, including Asbestos-containing Materials (ACM) registers for all facilities, to ensure consistent identification, assessment and management of asbestos risks.
- Continued risk-based monitoring and prioritised removal of ACM, with completed removals across multiple J Block works and further remediation scheduled.
- Ensured compliant asbestos removal, transport and disposal by engaging licensed contractors and assessors, aligned with WA WHS legislation and regulatory requirements.
- Maintained ongoing inspection and risk assessment program, including annual surveys and integration with planned refurbishment and maintenance works.
- Successfully met previous national obligations and is progressing Phase Three (2024-2030) commitments under the Asbestos National Strategic Plan.
- Delivered mandatory asbestos awareness training, achieving a 92% completion rate, supported by ongoing staff communication and education initiatives.

Risk and audit management

PathWest's Internal Audit and Enterprise Risk Management function provides oversight of key areas of organisational risk.

Internal Audit

PathWest's internal audit function operates under a co-sourced model using a mix of in-house and contract resources to deliver its risk-based Strategic Internal Audit Plan. Throughout 2025, the internal audit team implemented a series of improvements to ensure compliance with the Institute of Internal Auditors Global Internal Audit Standards, which became mandatory under Treasurer's Instruction 10 Internal Audit, during 2025. This included enhanced independence safeguards, improved quality assurance processes and the development of an internal audit strategy and stakeholder communications plan.

Throughout 2025/26 PathWest undertook the following internal audits:

- Prenatal Genetics – Sample Tracking and Reporting
- Forensic Biology – IT Governance
- Procurement and Contract Management
- Non-Coronial Mortuary – Sample Tracking
- Work Health and Safety Incident and Hazard Management Reporting
- Forensic Biology Advisory Council Performance
- Facilities Management
- Regional Support Services' Overtime Authorisations, Approvals and Payments
- Integrity and Ethics – Grievances, Discipline and HR Complaints

The PathWest Board, Finance, Risk and Audit Committee (FRAC), provides critical oversight of the internal audit function. Internal audit reports are presented to FRAC at quarterly meetings along with the progress of any open recommendations. A total of 38 new audit recommendations were identified through the Annual Internal Audit Program in 2025/26, reflecting opportunities to improve processes, minimise risk and enhance compliance with key obligations. 21 internal audit recommendations remain open at 30 June 2026, all of which are progressing in line with their agreed due dates.

Risk Management

PathWest's risk management team works closely with senior leaders to identify, assess and monitor organisational risk. This includes helping risk owners develop effective treatment action plans, ensuring risks are managed over time. All risks are monitored using the Enterprise Risk Management System, which also drives risk reporting to various management Committees, along with the FRAC, supporting risk-based decision making across PathWest. A newly formed Risk Review Committee was also established during 2025, enhancing Executive stewardship of key organisational risks.

Strategic risks are also reported to the PathWest Board on a quarterly basis. This includes reporting on Key Risk Indicators and risk tolerances, ensuring the PathWest Board has effective oversight of all Strategic Risks.

Freedom of Information

The *Freedom of Information Act 1992* (the FOI Act) provides the rights to access various documents and to ensure that personal information contained in documents is accurate, complete, up to date and not misleading.

Freedom of Information applications are managed by the Office of the Chief Executive. Information on how to access records is available via the PathWest website.

PathWest reports statistics annually to the Office of the Information Commissioner, as required by section 111(3)(a) of the FOI Act, which are published in the Office of the Information Commissioner's Annual Report and can be viewed on the Office of the Information Commissioner's website.

For the 2025/26 reporting period PathWest received 31 applications under the FOI Act.

Learning from clinical incidents

The PathWest Clinical Governance Framework (Framework) describes the systems and process used in the identification and management of clinical risk and describes the roles and responsibilities of personnel at all levels of the organisational structure for identifying and reporting actual and potential harm to patients. The timely communication with patients around adverse outcomes through the open disclosure process provides transparency, and assurance to those who may have suffered harm, that PathWest takes seriously our commitment to mitigate risk of recurrence.

The electronic incident management system administered by the WA Department of Health allows for real time reporting, notification and escalation of clinical incidents. Within PathWest, quality and patient safety practitioners review all incidents when reported to ensure they are assigned to the appropriate personnel to undertake the investigation and cause analysis. Once the contributing factors are identified, corrective actions are implemented and evaluated to ensure they are effective in preventing the risk of recurrence and to improve patient safety.

Severity Assessment Code (SAC) ratings are applied to incidents, with an outcome of 'serious harm' being assigned a SAC1 rating. During the 2025/26 year there were no SAC1 events identified and reported in PathWest.

Accreditation

PathWest maintains accreditation for a broad range of services across medical, forensic, biological and environmental testing. Human pathology laboratories and State Mortuary services are accredited by the National Association of Testing Authorities (NATA) to ISO 15189:2022 and the requirements of the National Pathology Accreditation Advisory Council (NPAAC). Specialist services are assessed by NATA against requirements set by the Therapeutic Goods Administration (TGA). PathWest also holds accreditation to ISO 8655:2022 for in-house calibration of piston-operated volumetric apparatus (POVA). The forensic laboratory and biological testing laboratories, including environmental testing and media production, are accredited to ISO/IEC 17025:2017, with forensic biology also achieving accreditation to ISO 21043:2018 Forensic Analysis. In addition, the toxicology laboratory and supporting collection services are accredited to AS/NZS 4308:2008 for urine drug testing and collection.

Underpinning the success of the PathWest accreditation programs is a service-wide quality management system that provides a clear and consistent framework for how work is carried out. The system establishes service-wide policies and procedures that are consumer focussed and provide a consistent foundation for delivering safe, reliable and high-quality pathology services for patients, clients and the broader community across Western Australia and nationally.

During the 2025/26 year, there were 94 internal and 26 external audits completed across PathWest laboratories and service areas. These audits help to identify risks and opportunities for improvement, including the standardisation of processes and practices, which in turn leads to greater consistency in service delivery across the organisation. Early identification of actual and potential risks through the audits allows PathWest to intervene and reduce the likelihood of patient harm.

NATA delivered the following commendations to PathWest laboratories and collection services during external audits conducted throughout the year.

Training and competency

‘The laboratory is to be commended on the training and competency documentation of staff as it is quite comprehensive.’

‘The laboratory is commended on the Quality of their GeneXpert ongoing staff competency questionnaire.’

‘The laboratory is to be commended on the staff competencies questionnaire and matrix.’

Operational efficiency and effectiveness

‘The laboratory is commended on the use of spreadsheets for tracking staff competencies, QAP participation and analysing results.’

‘The laboratory is to be commended on the use of Excel as an all-in-one stop for electronic records. They were very comprehensive and easily found when needed.’

‘The laboratory is commended for the quality of their records for their microbiological reference culture collection.’

‘The laboratory is commended on their documentation of quality control.’

‘The laboratory is commended on correlation meetings conducted for cytology screeners.’

‘Collection staff demonstrated excellent processes and techniques and are commended accordingly.’

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Appendices

Board remuneration

Member position	Member name	Period of membership for 2025/26	Term of appointment and tenure	Type of remuneration	Base salary/ sitting fees ($)	Gross/actual remuneration ($)
Chair	Angie Paskevicius	12 Months	1 July 2020 to 30 June 2027	Annual	$76,094	$85,105.03
Deputy Chair	Tarun Weeramanthri	12 Months	16 August 2020 to 30 June 2026	Annual	$41,926	$51,815.45
Member	Gelareh Farshid	12 Months	1 July 2020 to 30 June 2026	Annual	$41,926	$47,040.84
Member	Samantha Elder	12 months	1 July 2020 to 30 June 2026	Annual	$41,926	$46,807.28
Member	Kevin Taylor	12 Months	1 July 2020 to 30 June 2027	Annual	$41,926	$47,090.51
Member	Christobel Saunders	12 Months	1 July 2020 to 30 June 2026	Annual	$41,926	$46,807.28
Member	Tony Vis	12 Months	1 July 2022 to 30 June 2028	Annual	$41,926	$46,807.28
Member	Susan Rooney	12 Months	1 July 2022 to 30 June 2028	Annual	$41,926	$46,807.28
Member	Paul O'Farrell	12 months	17 April 2023 to 16 April 2026	Annual	$41,926	$46,807.28
Member	Rishelle Hume	11 months	1 July 2025 to 30 June 2028	Annual	$41,926	$41,476.41
					Total	**$498,070.52**

Board Meeting Attendance FY 2025/2026

Name	Position	Number of Meetings	Meetings Attended
Board Meetings			
Ms Angie Paskevicius	Board Chair	10	9
Prof. Tarun Weeramanthri	Deputy Board Chair	10	9
Prof. Christobel Saunders	Member	10	7
Prof. Gelareh Farshid	Member	10	6
Mr. Kevin Taylor	Member	10	8
Mr. Paul O'Farrell	Member	10	10
Ms. Samantha Elder	Member	10	9
Ms. Susan Rooney	Member	10	10
Mr. Tony Vis	Member	10	10
Ms. Rishelle Hume	Member	10	8
Finance, Risk and Audit Committee			
Ms. Samantha Elder	Committee Chair	4	4
Mr. Paul O'Farrell	Committee Member	4	4
Mr. Tony Vis	Committee Member	4	3
Mr. Jeff Docking	Committee Member	4	4
Safety and Quality Committee			
Mr. Kevin Taylor	Committee Chair	4	4
Prof. Gelareh Farshid	Committee Member	4	4
Prof. Tarun Weeramanthri	Committee Member	4	1
People and Culture Committee			
Mr. Tony Vis	Committee Chair	4	4
Ms. Susan Rooney	Committee Member	4	4
Ms. Rishelle Hume	Committee Member	4	3
Forensic Biology Advisory Council			
Hon. John Chaney SC	Council Chair	1	1
AC Arlene Mavratsou	Council Member	1	1
Prof. Christobel Saunders	Council Member	1	1
Dr. Gavin Turbett	Council Member	1	1
A/Prof. James Speers	Council Member	1	1
Dr Narelle Hadlow	Council Member	1	1
Mr Robert Owen	Council Member	1	1







GOVERNMENT OF WESTERN AUSTRALIA

PathWest
LABORATORY MEDICINE WA

PathWest Laboratory Medicine WA

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