



Resolve Social Benefit Bond

Annual Investor Report
Period ending 30 September 2024
Issued April 2025

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Acknowledgement of Country

Social Ventures Australia acknowledges and pays respect to the past and present traditional custodians and elders of this country on which we work. 'After the Rains' by Richard Seden for Saltwater People, 2024.



Foreword

Dear Investor,

Social Ventures Australia is pleased to present the final Resolve Social Benefit Bond (**Resolve SBB**) Investor Report.

Australia's first mental health-focused social impact bond, the Resolve SBB, has reached its conclusion. Across 7.75 years, the Resolve Program provided up to two years of recovery-orientated community support to 469 individuals who had spent significant time as a mental health hospital inpatient prior to their enrolment. Over half of participants were diagnosed with schizophrenia or another type of psychosis, with each participant spending almost 90 days in hospital on average in the year prior to their enrolment in Resolve.

The Resolve Program was designed to address a gap in the community mental health system by offering a flexible and integrated mix of residential stays, outreach support and a warm-line service through a peer-worker led model. It was delivered by Flourish Australia in partnership with the Western NSW and Nepean Blue Mountains Local Health Districts (**LHDs**).

Participants, staff and clinicians have identified several strengths of the Resolve Program, including the support model's flexibility – participants can choose how and when they access the different supports offered – and the peer-worker led model – helping to reduce stigma for participants and build trust with staff, making it easier for participants to engage in their recovery.

The Resolve SBB was renegotiated in 2020 and 2021 following lower than expected performance. The parties agreed to several changes, including the basis on which results are measured against – from measuring Resolve participants' health service usage (measured as NWAUs) relative to a matched control group to measuring participants' experience relative to their year prior to enrolment in the Program.

Participants used almost two-thirds less health services compared to the year prior to their enrolment in Resolve (a cumulative NWAU reduction of 64.1% which is in line with expected), and experienced reductions in their average lengths of stay in hospital, their overall time spent in hospital and the rate at which they present to emergency departments – 26%, 66% and 36% respectively.

The Resolve SBB delivered a financial return to investors of 3.4% per annum, which is lower than initially targeted (7.5% per annum) but higher than estimated following contractual renegotiations in 2021 (1.9% per annum).

The social impact bond financing arrangement has now matured. Despite the positive outcomes evidenced by Resolve, no follow-on funding arrangement was established as it is unclear whether Resolve is a more effective or efficient support model than usual care services. The final evaluation report will be completed in the coming months and is expected to inform mental health policy and the commissioning of community based mental health programs in future.

We hope you enjoy reading the reflections in this report, and thank you once again for being an early champion of this innovative approach to funding important social support programs.

Kind regards,



Kirsten Armstrong
Executive Director,
Social Impact Initiatives,
Social Ventures Australia



Patrick Bollen
Associate Director,
Commissioning for Outcomes,
Social Ventures Australia

A snapshot of the Resolve SBB's impact



Supported
469
people

55%

were diagnosed with schizophrenia
or another type of psychosis

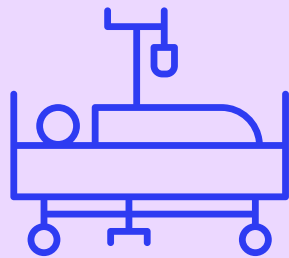
each participant spent

89 days

in hospital on average the year
before resolve

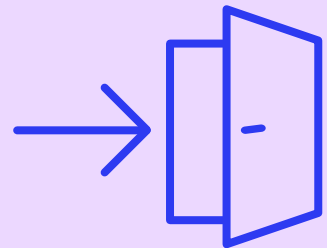
Reduced time
spent in hospital by

66%



Reduced hospital
admissions by

54%



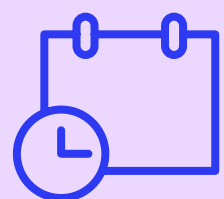
Reduced emergency
department
presentations by

36%



Reduced average
length of stays in
hospital by

26%



Resolve SBB overview

The Resolve SBB funded the delivery of the Resolve Program in the Western NSW and Nepean Blue Mountains LHDs. The Program was delivered by Flourish Australia, a highly experienced mental health service provider and a national leader in the employment and support of mental health peer workers. The Resolve SBB had a 7.75 year term and utilised \$7 million of investor capital.

Resolve Program

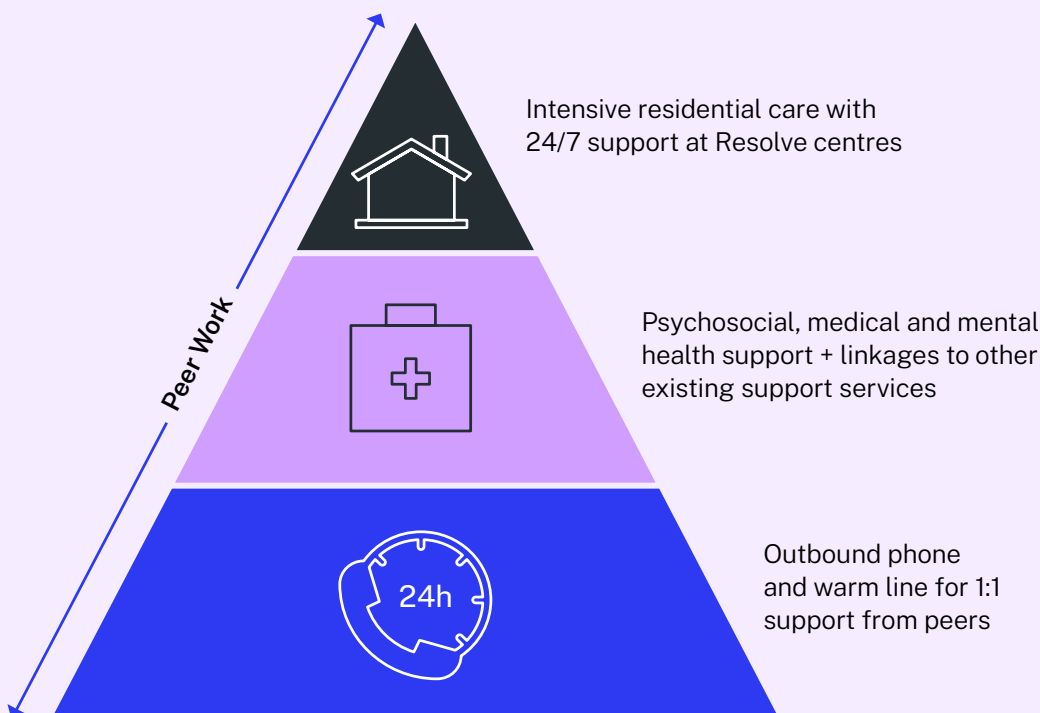
The Resolve Program was a recovery-orientated community support program that works with individuals who have spent between 40 and 270 days as a mental health inpatient over the year prior to their enrolment. Each individual was supported for up to two years, with any individuals participating in Resolve at 30 September 2022 (the end of the enrolment period) being offered an additional year of support.¹

Program elements

Resolve provided flexible, integrated support in close collaboration with LHD clinical services. In its delivery of the Resolve Program, Flourish Australia employed peer workers in service delivery to provide hope and connection for participants by drawing on their lived experience to support others.

At the heart of the Program was Resolve centres, which were residential homes designed to help participants to live well in the community and provide respite, whilst acting as a central hub for activity and services.

Figure 1 Resolve Program elements



¹ Subject to the Program end date of 30 September 2024. Outcomes recorded by participants during the extension period do not contribute to the determination of outcome payments and therefore do not impact investment returns.

SBB overview

The Resolve SBB was underpinned by an outcomes-based contract between NSW Health and the Resolve SBB Trust,² under which payments were made by NSW Health based on the savings generated by the Program. These savings were determined by measuring the reduction in participants’ utilisation of health services relative to the baseline year prior to their enrolment in Resolve.

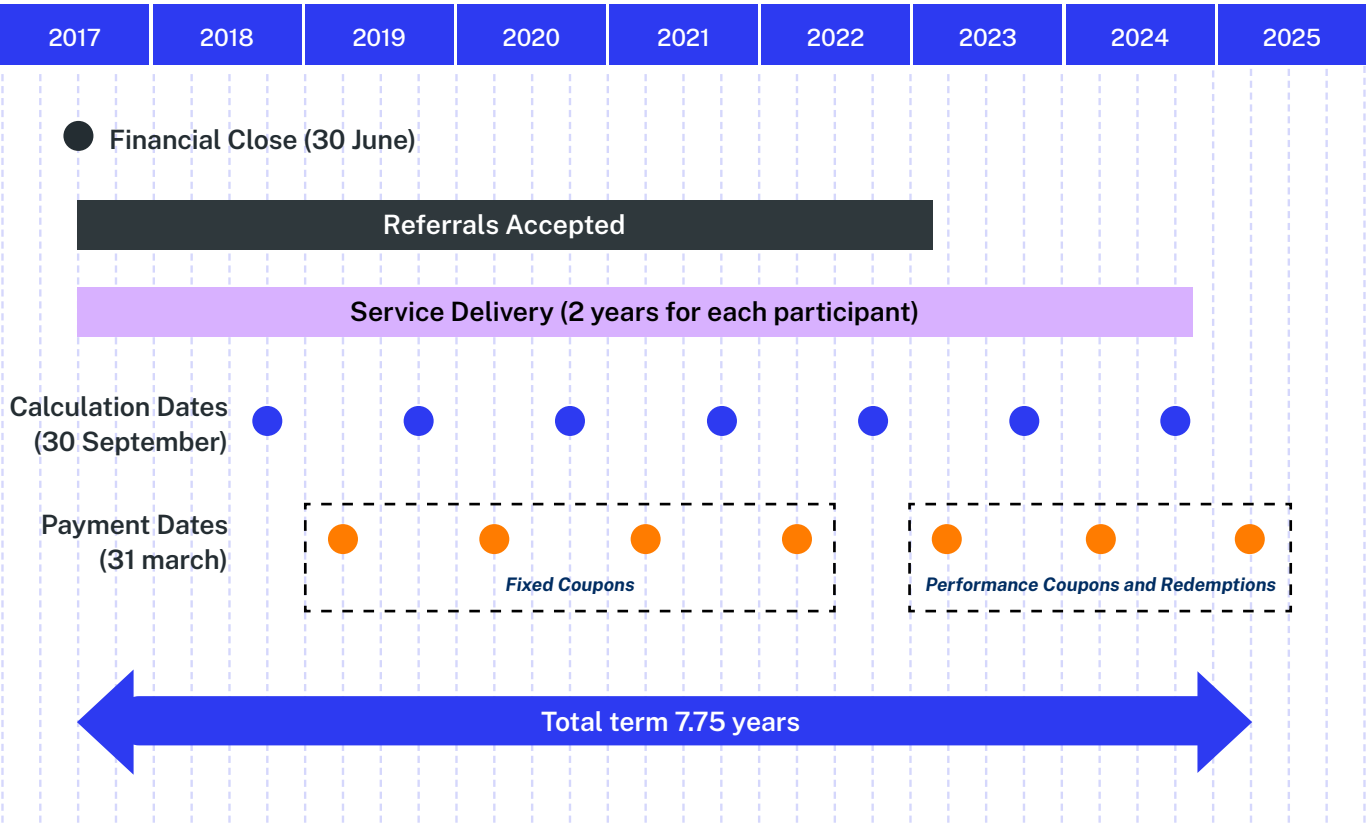
Specifically, outcome payments were made based on the reduction in the number of National Weighted Activity Units (NWAUs), an activity measure used commonly to fund public hospital services in Australia, which reflects both the duration and intensity of health service delivery. The level of these payments from NSW Health were in turn reflected in the investment returns generated by the Resolve SBB.

Investor returns

Investors received a 2% per annum Fixed Coupon over the first 4.75 years of the bond. Performance Coupons and Redemptions were determined by the balance of Trust Assets,³ and are thus directly linked to the performance of the Resolve Program. Other influences include the amounts paid to Flourish Australia and earnings on cash balances in the Trust.

Timeline

Figure 2 Resolve Program elements



² The Resolve SBB Trust (being SVA Nominees Pty Ltd (ACN 616 235 753) as the trustee of the Resolve SBB Trust (ABN 65 228 690 068)) was the issuer of the Resolve SBB and is managed by Social Ventures Australia Limited (ACN 100 487 572).

³ Trust Assets are all the rights, property and undertaking of the Resolve SBB Trust.

Program update

Future of Resolve beyond the SBB

Service delivery under the Resolve SBB funding arrangement ended on 30 September 2024. Despite the positive outcomes evidenced by Resolve, no follow-on funding arrangement was established as it is unclear whether Resolve is a more effective or efficient support model than usual care services.

Urbis is undertaking the final evaluation of the Resolve Program, with the report expected to be made available in the coming months. The report will focus on outcomes achieved and economic analysis to understand the cost effectiveness of the Resolve Program. It is intended that the learnings from the Resolve SBB will inform mental health policy and the commissioning of community based mental health programs in the future.

Resolve team reflections

Being a completely peer-led team, the Resolve Program operated with a recovery focus at the forefront of all the supports we provided. The people supported by Resolve always found being supported by peer workers as a connecting point. We had a few participants who were quite inspired by the peer workers and decided to explore becoming peer workers themselves.

The uniqueness of the Program was what made it work well. Having access to residential stays, social activities, outreach visits, and the warm line was a key success factor for people. The flexibility of supports was definitely a key strength of the Resolve Program. A participant could choose the support they wanted and needed at the time. They did not have to fit in the box of the Program and supports were able to adjust according to their individual needs. There were many times we received feedback about how it helped, being able to use the supports as needed.

Some things that could help improve or increase the effectiveness of the program would include making the participation time flexible rather than a set two years. Some participants would have benefitted with an additional 3-6 months, as they were at crucial points in their recovery, and continued follow-through, with the Resolve team, would have been instrumental. This kind of flexibility is key for long-term recovery, since everyone's journey looks different.

Enrolments and referrals

The Intervention Group comprised **573 individuals**, 9% higher than planned (526). Of those enrolled in the Intervention Group, a total of **469 people were referred** to the Resolve Program (82% of the Intervention Group), slightly less than the planned figure of 498. The remaining 104 people declined referral. Those who declined referral were still included in the Intervention Group and counted for measurement and payment purposes, using an 'intention-to-treat'⁴ measurement approach.

The overall proportion of the group that was 'enrolled but not referred' (**EBNR**) was 18%, which was more than three times higher than the rate initially expected. The high EBNR rate meant that more enrolments than planned were needed to meet minimum referral numbers. In some instances, the minimum referral numbers were not met, and as a result a total of 39 'deemed' enrolments have been included in the calculation of Program Savings since program inception.

Please see previous [Annual Investor Reports](#) for further information about enrolment and referral numbers.

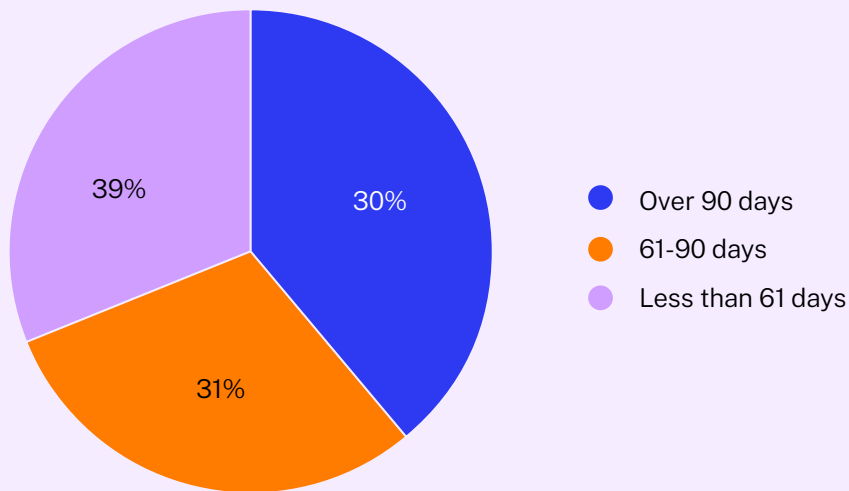
⁴ Intention to treat analysis measures outcomes for all patients assigned to a group regardless of the treatment they actually received.

Profile of Resolve participants

Over the year prior to their enrolment, Intervention Group members were significant users of health services. In the year prior to their enrolment, on average, each measured individual:

- presented at an emergency department 5.2 times;
- was admitted to hospital 3.6 times;
- spent 88.8 days in hospital, of which 82.9 days were mental health related; and
- incurred 20.6 NWAUs, equivalent to \$133,000⁵ of hospital-related costs.

Figure 4 Proportion of individuals in Intervention Group by number of mental health bed days in year prior to enrolment



The Intervention Group comprised a broadly equal number of men and women, while Aboriginal and Torres Strait Islander participants make up 17% of the cohort (25% in Western NSW and 9% in Nepean Blue Mountains).

55% of participants were diagnosed with schizophrenia or another type of psychosis in the year prior to their enrolment in the Resolve Program.



⁵ Based on the National Efficient Price (NEP) for 2024-25 of \$6,465 per National Weighted Activity Unit (determined by the Independent Hospital Pricing Authority).

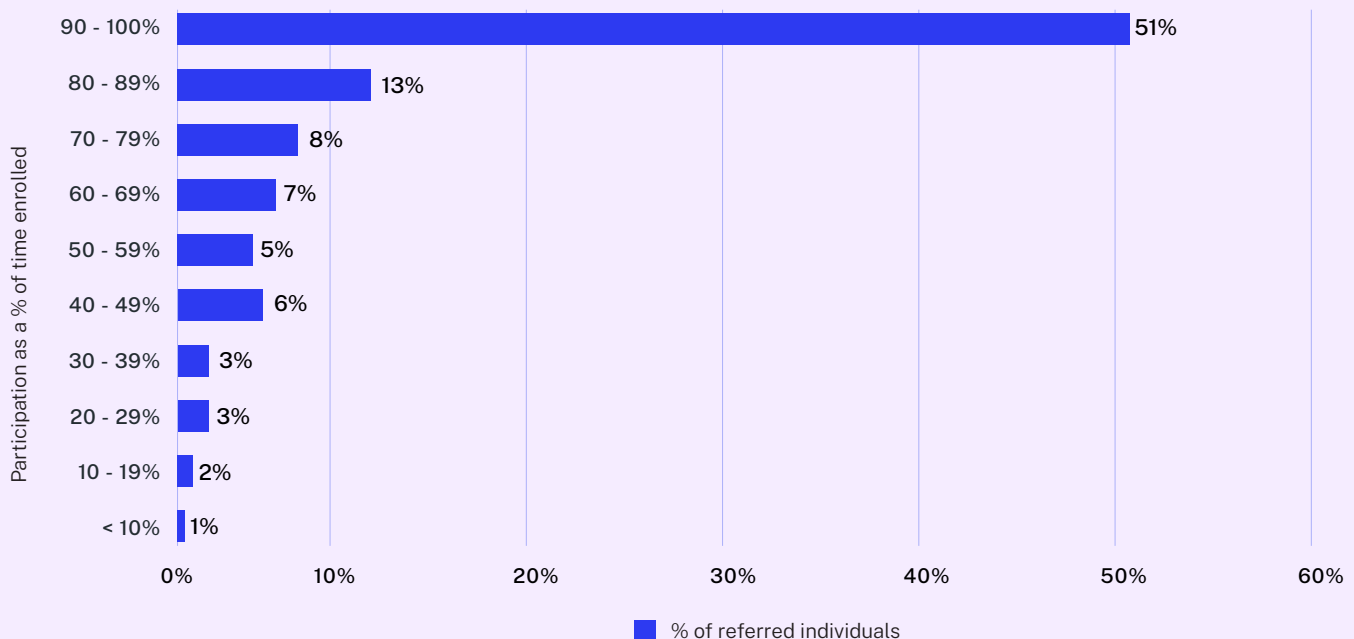
Participant engagement

Figure 3 shows the level of participation for all individuals who were referred to the Program over the seven years it was operational. In any month, an individual was classified as 'participating' if a phone contact is recorded, they accessed face-to-face support, or spent a night at a Resolve centre. For example, if an individual was enrolled for 16 months and had contact with Resolve in 14 of those months, their participation level is 87.5%.

Almost two-thirds (64%) of participants consistently participated in Resolve (i.e. maintaining engagement for over 80% of their time with the Program) and 84% have engaged at least half the time.

13 individuals (3% of those referred to the Program) sadly died during their two-year support period.

Figure 3 Participant engagement level



Similar to last year's trends:

- men are less likely to consistently participate than women (61% vs 69%); and
- people who identify as Aboriginal or Torres Strait Islander are less likely to consistently participate than those who don't (57% vs 69%).

During the Program, Flourish Australia and the LHDs explored ways to improve Resolve's connection with men and with First Nations people, including developing linkages with local men's sheds and Aboriginal Community-Controlled Organisations, and providing cultural safety training for staff.

On average over the final year of the Program each referred participant:⁶

- had 51 phone contacts (down from 76 in year 6)
- accessed 22 hours of individual face to face support (down from 47 in year 6)
- stayed at a Resolve centre for 0.1 nights (down from 0.9 in year 6)

The decrease in engagement with different services is largely due to the reduction in staffing levels and participants withdrawing from services prior to completion of their two-year support period.

Group activities were an integral part of Resolve, providing regular opportunities for social engagement and skill development. Participants played a role in shaping the activity schedule, with centre-based sessions over the final year including cooking, arts and crafts, and conversation groups. Group sizes have ranged from two to six participants, ensuring a supportive and interactive environment. Social outings have remained popular, with activities such as mini golf, bowling, and picnics, as well as visits to the Sydney Powerhouse Museum, Featherdale Wildlife Park, and the Australian Reptile Park.

⁶ All referred individuals who had not completed their two-year support period, including those who disengaged from the Program for any reason..

Kim's story⁷

Kim often feels overwhelmed in group settings, making them reluctant to accept invitations for social activities with other people. Over time, with regular outreach and encouragement from Resolve peer workers, Kim built confidence in social situations and gradually began engaging more with their local community. The consistent support from Resolve allowed them to take small but meaningful steps toward overcoming their social anxiety.

After almost two years in the Resolve Program, Kim accepted an invitation to their first Resolve group activity, which happened to be a Christmas lunch. Attending this event was a significant milestone, as Kim had previously avoided social gatherings. During the lunch, Kim expressed gratitude for the warm and inclusive environment and shared that they truly enjoyed meeting new people. This experience has strengthened their sense of belonging and increased their willingness to participate in future social opportunities.

Extension of support

71 participants opted to extend their time in the Resolve Program beyond the two-year support period. While the uptake of the extension was lower than anticipated, those who participated found it valuable in furthering their recovery goals. Participants who declined the extension cited a range of reasons, including having achieved their goals within the original timeframe or securing alternative supports. Some individuals also could not be contacted following the completion of their two-year support period. The extension period has reinforced the importance of flexibility in service provision, highlighting that recovery journeys differ for each participant.

Transition out

As the Resolve Program reached its conclusion, Flourish Australia implemented a structured transition plan to ensure continuity of care for participants while managing the Program's gradual closure.

A key challenge of the wind-down process was the progressive reduction in staffing as participant numbers decreased. This phased approach ensured that staff had sufficient time to adjust and transition out of the Program, however, it also required adjusting the residential component of Resolve which required participants to book stays in advance rather than access them on demand.

The closure process also reinforced the strength of partnerships between Flourish Australia and LHDs. These relationships, built over the seven years of the Program, have strengthened collaboration between peer workers and LHD staff, with ongoing partnerships expected to extend beyond the completion of the Program.

Morgan's story⁸

Morgan has been in the Resolve Program for nearly three years after being offered an extension with the Program. Morgan was selected to be on a television program, which provides a safe space to discuss taboo topics.

Morgan was very excited for the episode to go to air as they were proud of their courage and confidence to be able to be a part of it. It was a big step for Morgan as they struggle with all social environments and are highly sensitive to smells and sounds.

Since they were first referred to Resolve, they have attained part-time work and successfully completed their degree. Although they have valued the Resolve Program and were saddened that it was ending, they are ready to move forward in their life.

⁷ The participant's name has been changed to protect their privacy.

⁸ The participant's name has been changed to protect their privacy



Reflections

The Resolve SBB has been an incredible learning opportunity for Flourish Australia, NSW Health, the Office of Social Impact Investment and SVA. Some of their reflections on the Resolve SBB journey are shared below.

Resolve provided an innovative solution for individuals experiencing mental ill-health in New South Wales

As highlighted by the [interim evaluation](#), Resolve has played a valuable role in participants' mental health recovery. Feedback from participants, staff and clinicians has consistently emphasised the positive impact that Resolve had for participants. This is supported by participants' reduced engagement with the hospital system relative to their year prior to enrolment in Resolve, including a 66% reduction in days spent in hospital, a 26% reduction in average lengths of stay and a 36% reduction in presentations to emergency departments.

A defining feature of Resolve has been its peer workforce, and participants have consistently indicated that peer-led services helped reduce stigma and built trust, making it easier for them to engage in their recovery. Several participants were inspired by their experience to pursue careers in peer work, reinforcing the importance of lived experience in the mental health sector.

The flexibility of the Resolve Program has allowed participants to choose how and when they accessed support, whether through outreach visits, group activities, the warm line, or residential stays. All supports have been consistently utilised by participants. Other NSW Government funded programs do not offer this breadth of supports and do not have a limited support period like Resolve. Resolve's two-year support period created a focus on recovery and setting participants up for success beyond their time in the Program.

The residential stay component of Resolve has been utilised less than expected, however, it has been a strength of the Program with participants indicating that it has reduced engagement with the hospital system in multiple ways by de-escalating crisis events, providing an alternative to hospital admission, increasing individuals' capacity and resilience to manage their own symptoms, and facilitating shorter hospital admissions.

The systemised referral process of Resolve has also been innovative. Participants were referred to the Resolve Program using an automated system to determine whether they meet the Program's eligibility criteria. This has removed the unconscious bias clinicians may demonstrate in referring individuals that are more likely to engage with services and has enabled an equal opportunity for all eligible individuals to engage with Resolve.

The flexibility of the social impact bond funding arrangement enabled Resolve to adapt services over time to meet the needs of participants

One of the key strengths of the social impact bond funding arrangement was the ability to trial different approaches over the seven-year service delivery period and refine services based on data and real-time participant feedback. Several innovations emerged throughout the life of Resolve:

- **Learning to Be groups** – originally developed as a pilot, these structured, recovery-focused sessions provided participants with life skills, confidence-building, and peer-led support. Their success led to their expansion into other Flourish programs.
- **Flexible brokerage funding** – the ability to redirect unspent funds allowed Resolve to support participants in highly individualised ways, such as covering education costs, buying household necessities, gym memberships, driving lessons, and creative pursuits.
- **Regional service adjustments** – the establishment of an office in Dubbo allowed staff to spend less time traveling and more time delivering services, demonstrating the importance of regional service flexibility.
- **Specialist roles** – Resolve was able to invest in specialist roles, such as transition workers, that didn't work directly with participants, but supported Resolve teams to manage participants during their transition period by developing resources and approaches.
- **Extending support periods** – due to additional capacity in the Program, Resolve was able to extend the support period for participants who wanted it in the final two years of the Program.

The Resolve SBB highlighted the crucial role of strong partnerships in maintaining a focus on achieving outcomes

Throughout the term of the Resolve SBB, there was a strong partnership approach from all organisations involved – Flourish Australia, NSW Health, Office of Social Impact Investment, SVA and investors. Challenges arose throughout the seven years – operational, contractual and measurement-related – and the partners embraced the social impact bond funding mechanism as a tool for collaboration by openly discussing challenges and jointly developing solutions. A few challenges which showcased the strength of the partnership included:

- **Lower than expected outcomes** – Resolve was underperforming as defined in the contract in the early years of the SBB. The partners had to come together to examine the reasons for underperformance and implement various contractual and operational changes to improve performance.
- **Lower than expected referrals** – there had been a gradual reduction in the total number of people meeting the Resolve eligibility criteria since the Program commenced in 2017. Partners have developed initiatives to improve referral numbers, including expanding the catchment area to Dubbo and accepting more referrals from the Nepean Blue Mountains LHD.
- **The impact of COVID-19** – the pandemic introduced complexity to the Program, requiring partners to identify ways to pivot quickly to virtual support models while maintaining in-person peer support where possible.

The partnership was nurtured over time by keeping the objectives of the Resolve SBB central to decision making, whilst also creating opportunities for the Joint Working Group to meet in person at Resolve centres and each organisation's offices.

The outcome measurement approach of the Resolve SBB has and will continue to inform other outcome-based contracts and social impact bonds

The Resolve SBB trialled an innovative outcomes measurement approach, measuring participants' reductions in the number of NWAUs relative to a baseline. NWAUs are an activity measure reflecting the duration and intensity of health service delivery and used commonly in Australia to fund public hospital services. The change in Resolve participants' NWAUs were measured over their two-year support period. Initially, reductions were measured relative to a matched control group and, later, relative to participants' year prior to commencing with the Resolve Program.

There have been a number of key lessons in relation to outcome measurement for outcome-based contracts and social impact bonds:

- Metrics for payment purposes are imperfect and cannot always capture the full spectrum of social outcomes a social impact bond is intended to achieve.
- Metrics should be able to be interpreted by service providers and be available in close to real-time to help inform ongoing service adaptation.
- Matched control group methodologies can create additional complexity as well as additional statistical error and volatility risk with small participant groups, so these approaches may not be suitable for all outcomes-based contracts and social impact bonds.

Outcomes

The outcomes data set out in this section is drawn from BDO's certification report for the 30 September 2024 Calculation Date (Calculation Date 7).

Contractual changes

As outlined in the [2022 Investor Report](#), the parties agreed to a number of contractual changes which were approved by Noteholders and implemented in 2021:

- The baseline or counterfactual against which results are measured has been changed from the NWAUs recorded by a matched Control Group to the NWAUs recorded by participants in the year prior to their enrolment in the Resolve Program. This change was applied retrospectively, with effect from the commencement of the Resolve SBB.
- The determination of Program Savings was adjusted to allow for the impact of the changed counterfactual. The Annual Base Cost is now lower, as the NWAU Reduction figure that is applied to it when calculating Program Savings is materially higher than under the original approach.
- Scheduled payments to Flourish Australia over the remaining term of the Resolve SBB was reduced by 10% to reflect lower than planned actual and projected program expenses at that time.
- The proportion of Program Savings that are payable as Outcome Payments was adjusted to reflect updated total expenses and the impact of the rebased outcome measurement.

These changes are reflected in the calculated outcomes and financial report in the next section of this report.

Measurement Years

The **573 individuals** enrolled during Years 1-5 have reached their second anniversary of enrolment and have now completed their measurement period. The cumulative Completed Measurement Years at the end of the Resolve SBB was thus 1,146.

NWAU reduction

The outcome measure used to determine the performance of the Resolve Program is the number of NWAUs recorded by all Intervention Group members who have completed their two-year measurement period, compared to the number of NWAUs recorded by those individuals in the one year prior to their enrolment in the Resolve Program.

$$\text{NWAU Cumulative Reduction} = \frac{\text{Counterfactual NWAUs} - 0.5 \times \text{Recorded NWAUs}}{\text{Counterfactual NWAUs}}$$

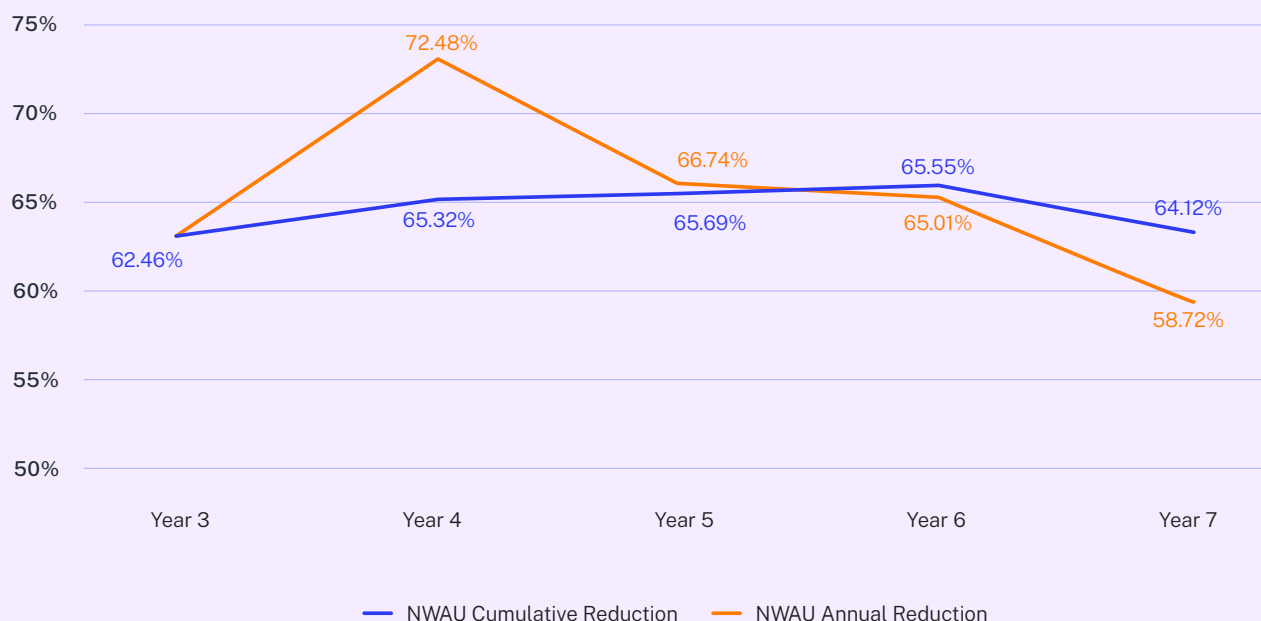
where:

- Counterfactual NWAUs is the NWAUs recorded by 'completed' Intervention Group members in the year before their enrolment.
- Recorded NWAUs is the NWAUs recorded by 'completed' Intervention Group members in the two years after their enrolment.

At the final Calculation Date the **NWAU Cumulative Reduction is 64.12%**, which is in line with the estimated reduction outlined in the Circulating Resolution issued in 2021.

This figure updates last year's cumulative reduction figure of 65.55% to reflect the NWAU Annual Reduction for the 120 'completers' in Year 7 of 58.72%.

Figure 5 NWAU Annual Reduction



Single year Annual Reduction figures are expected to be more volatile than the Cumulative Reduction due to the smaller number of individuals in each completing cohort.

It should be noted that these reductions (and those reported below) may not be entirely attributable to the Resolve Program as in prior years a matched control group also recorded a reduction in NWAUs over a two-year measurement period.

Flourish Australia has hypothesised that there were a few factors contributing to the lower NWAU Annual Reduction in Year 7, including some participants withdrawing from supports, and lower staffing levels overall which reduced the capacity of the residential component of the Program.

Change in service utilisation

The Intervention Group's change in the consumption of health services relative to the year prior to enrolment into the Resolve Program is also being measured.

Table 1 Change in Intervention Group service usage relative to year prior to Enrolment

	Prior year average per Intervention Group member	Measured average per Intervention Group member per year	Reduction
Hospital bed days	88.8	30.3	66%
Hospital admissions	3.6	1.6	54%
Average length of stay (days)	24.8	18.5	26%
Emergency department visits	5.2	3.3	36%

These results demonstrate that Resolve participants have experienced a reduction in health service utilisation while being enrolled in the Program. Hospital stays have reduced in both number and length.

Financial report

Program Savings

The Cumulative Program Savings is the total of:

- the Completed Program Savings for each Calculation Date that has occurred; and
- the Accrued Program Savings at the current Calculation Date.

The Completed Program Savings for Year 7 is calculated as:

$$\begin{aligned}\text{Completed Program Savings} &= (\text{Completed Measurement Years} + \text{Deemed Completed Measurement Years}) \times \text{Annual Cost Base} \times \text{NWAU Annual Reduction} \\ &= (240 + 8^9) \times \$25,000 \times 58.72\% \\ &= \$3.641 \text{ million}\end{aligned}$$

The Accrued Program Savings is an allowance for savings arising from time already spent on the Program by enrolled individuals (and deemed enrolments) who have not yet reached their two-year anniversary. All enrolled individuals at the end of Year 7 had reached their two-year anniversary, so the Accrued Program Savings was nil.

At the final Calculation Date, **Cumulative Program Savings were \$18.536 million**, an increase of \$1.502 million over the figure at the end of Year 6.



⁹ Eight Deemed Completed Measurement Years is calculated as two years for each of the 4 Deemed Enrolments in Year 5 who had reached the second anniversary of their Deemed Enrolment Date.

Outcome Payment

The Outcome Payment to be made by NSW Health to the Resolve SBB Trust following each Calculation Date is determined as:

- 100% of the first tier of Cumulative Program Savings; plus
- 25% of the second tier of Cumulative Program Savings;¹⁰ less
- all previous payments including the Standing Charge.

At the final Calculation Date:

- the Cumulative Program Savings were \$18.536 million as detailed above;
- the first tier of savings payable was \$17 million;
- the second tier of savings was the next \$2 million; and
- previous payments total \$15.625 million.

Accordingly, an **Outcome Payment of \$1.759 million¹¹** was made to the Resolve SBB Trust in March 2025.

Trust Assets and Cashflow

Performance coupons in 2023-2025 and redemption payments, including redemption payments on termination, are linked to the value of assets in the Trust. From its commencement in July 2017 to 31 March 2025, cashflows to and from the Resolve SBB Trust (excluding GST) were as follows:

Table 2 Resolve SBB Trust cashflows to 31 March 2025

\$m	Initial Target	Actual	Variance
Note subscription amounts	7.00	7.00	-
Government payments	21.67	17.38	(4.28)
Interest on cash and other receipts	1.27	1.13	(0.14)
Total Inflows	29.94	25.52	(4.42)
Payments to Flourish Australia	17.78	15.44	2.33
Management and other costs	1.42	1.34	0.08
Coupons	1.72	0.60	1.12
Redemption payments	6.00	6.00	-
Total Outflows	26.92	23.38	3.54
Balance of Trust Assets	3.02	2.14	(0.88)

Government payments have been lower than the initial target outlined in the Resolve SBB Information Memorandum, but have been broadly in line with estimates for the purposes of the Circulating Resolution issued in 2021. Payments to Flourish Australia have been lower than the revised maximum contractual payments that were implemented in 2020 and 2021 (10% lower than initial plan) due to lower than planned staffing levels.

Trust Assets are held in term deposits and cash accounts.

The Resolve SBB Trust accounts are lodged with the Australian Charities and Not-for-profits Commission on an annual basis, and PwC issued an unmodified review conclusion on its review of the FY24 accounts.

¹⁰ The first and second tiers of Cumulative Program Savings increased gradually each year, and reached \$17 million and \$2 million respectively at the final Calculation Date.

¹¹ $17,000,000 + (18,535,830 - 17,000,000) \times 25\% - 15,625,000 = 1,758,957$



Coupon Payment

A Performance Coupon was payable within 10 business days of Coupon Determination Dates 5, 6 and 7. Coupon Determination Date 7 was 31 March 2025.

The Performance Coupon this year was determined as each Noteholder's pro rata share of the Distributable Trust Assets as at Coupon Determination Date 7.

The Distributable Trust Assets were determined as the Trust Assets less the aggregate of:

- a. the maximum prospective amounts payable to Flourish Australia under the Services Agreement and to SVA under the Management Deed;
- b. an appropriate allowance for any other future debts and liabilities, including payments to the Independent Certifier; and
- c. the outstanding principal amount of the Notes then on issue.

The Distributable Trust Assets amount as at 31 March 2025 is outlined below.

Table 3 Distributable Trust Assets as at 31 March 2025

	(\$m)
Trust Assets at 31 March 2025 (as per above)	2.14
Allowance for future debts and liabilities ¹²	(0.24)
Outstanding principal amount of all Notes	(1.00)
Distributable Trust Assets	(0.90)

No further payments are anticipated, hence the Distributable Trust Assets as at 31 March 2025 were \$0.90 million. **A Performance Coupon of \$89.93 was paid on each \$100 Note on issue¹³ on or around 4 April 2025.**

¹² Evaluation fees and GST payable.

¹³ Coupon entitlements are determined before redemptions.

Redemption Amount

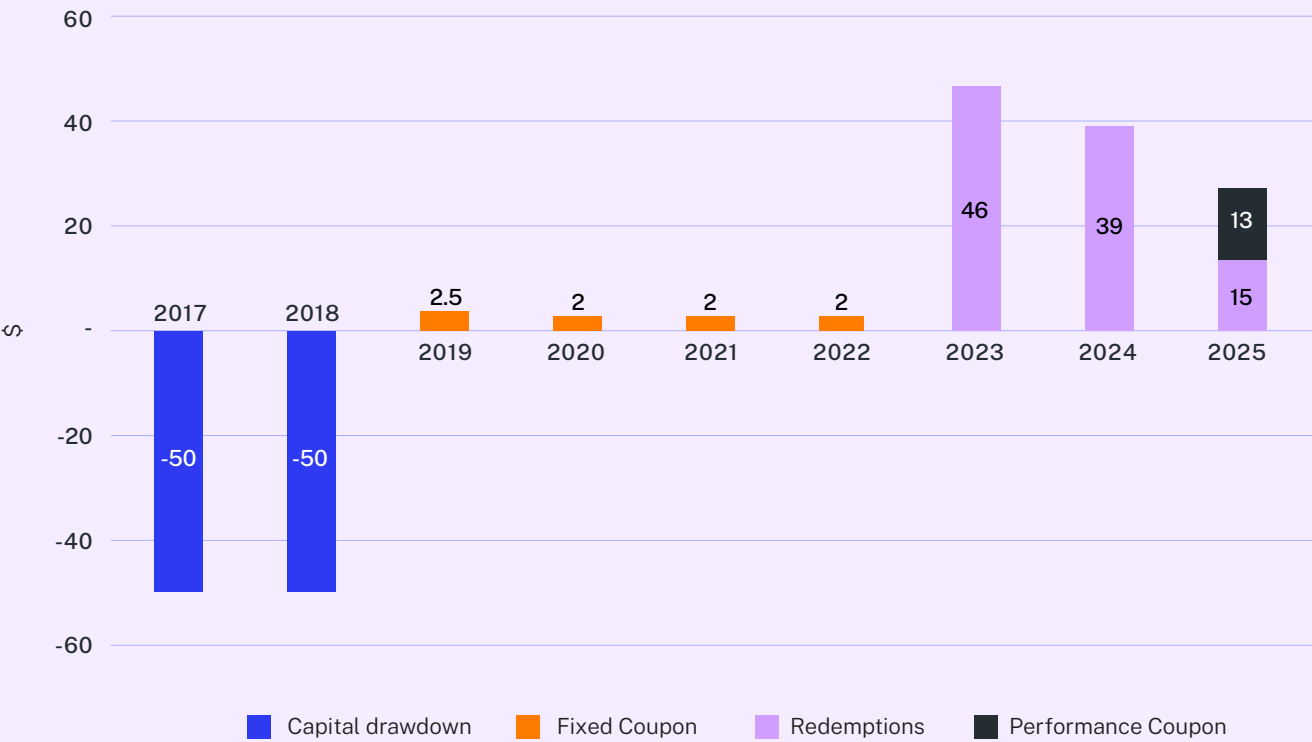
A final Redemption Amount of \$1.00 million was paid in respect of Coupon Determination Date 7, which was paid on or around 4 April 2025. All Tranche 1 and Tranche 2 Notes have been redeemed.

Actual Noteholder Payments

The actual Noteholder cashflows of the Resolve SBB represent an **internal rate of return of 3.4% per annum**. These cashflows are set out in the chart below.

The original target IRR outlined in the Resolve SBB Information Memorandum was 7.5%, however, as set out in the Circulating Resolution issued in 2021 the projected IRR was 1.9%.

Figure 7 Actual Noteholder payments per \$100 invested



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