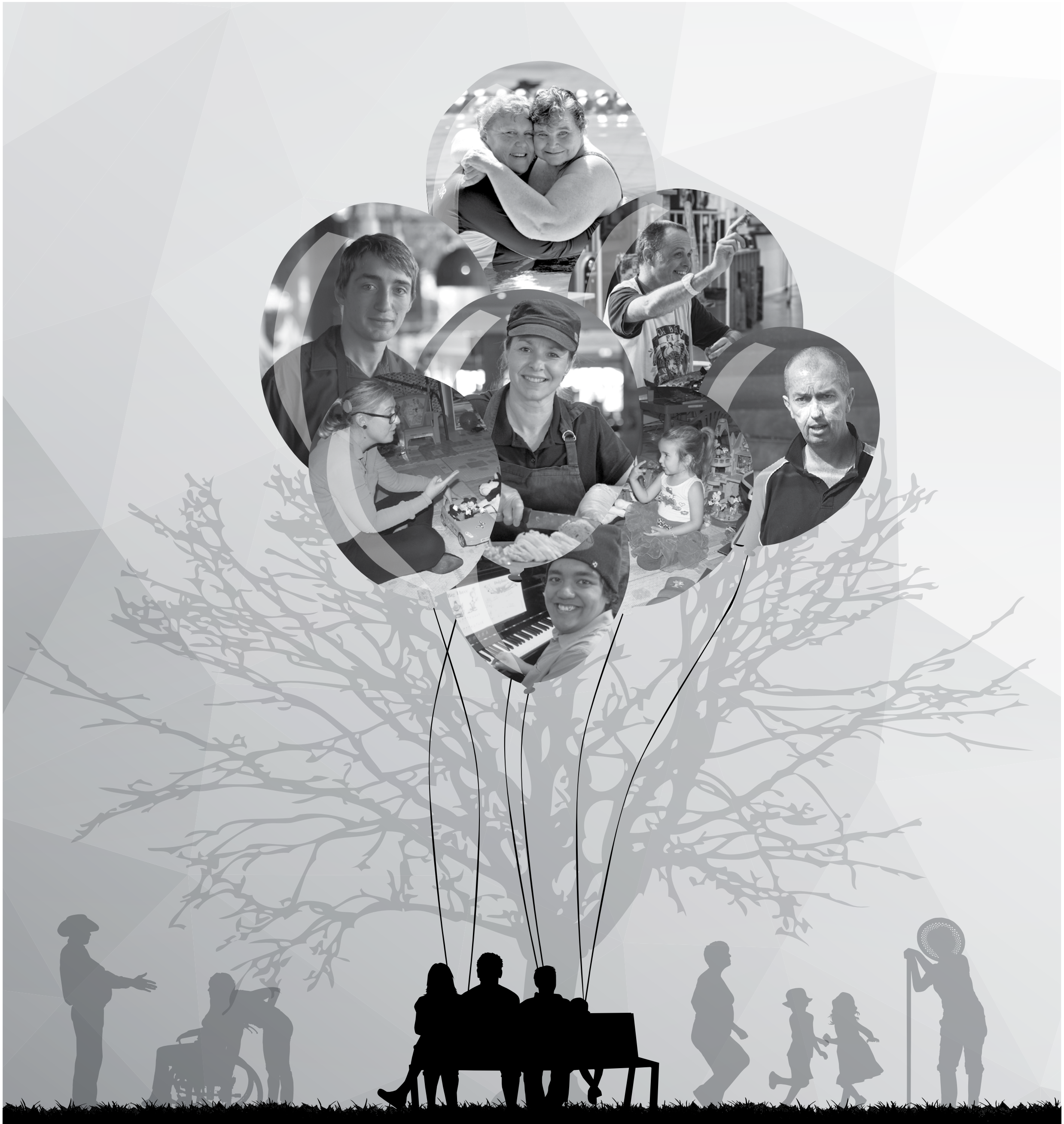
mission focused market driven

AbilityOptions

ANNUAL REPORT - FINANCIALS
2015



'One Trusted Source - Many Options'

AbilityOptions™

Directors' Report

Your Directors present their report on the consolidated entity consisting of Ability Options Limited and its wholly owned subsidiary (Newcastle Temporary Care Limited) for the financial year ended 30 June 2015.

Names of Directors in office at the date of this report are:

Director	Appointed	Resigned
Nola Buck	18 September 2002	-
David Bamford	14 June 2006	-
Richard Mossie	31 August 2000	-
Pearl Forrester	24 March 2013	-
Mark Clough	24 April 2014	-
Michael Maxwell	24 April 2014	-
Trena Blair	24 April 2014	-
Jonathan Isaacs	23 October 2014	-
Stephen Goode	15 November 2007	23 October 2014

Principal Activities

The principal activities of the consolidated entity in the course of the financial year included the provision of supported living, accommodation, case management, self-management, community access, respite, transition to work and employment services. The company also operates a nursery for which it receives some Government funding. Refer to Significant Changes in the State of Affairs over the page for further information regarding changes that occurred during the financial year.

Short-term and Long-term Objectives

The company has established short and long term objectives as outlined in its Strategic Plan which is reviewed on an annual basis. Objectives are a mixture of both financial and non-financial which ensure that Ability Options is working to achieve its strategy.

AbilityOptions™

Directors' Report (Continued)

Strategies

To achieve its stated objectives, the consolidated entity has adopted the following strategies:

- Being 'One Trusted Source – Many Options'
- Performance focused on Person Centred Outcomes
- Supporting service delivery across an Individual's Life Transitions stages
- Delivering services to its clients that Value for Money
- Operating the Company so that its clients interactions are Consistent, Seamless and focused upon Service Excellence
- Operating the Company that is Efficient , pursuing Continuous Improvement and constantly maintaining Compliance
- A company whose staff are Skilled, Empowered and Engaged

Key Performance Measures

The consolidated entity measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the consolidated entity and whether the consolidated entity's short-term and long-term objectives are being achieved.

Review of Operations

The pre-consolidation financial results this year reflect a better than budgeted financial outcome for the operating entity Ability Options. Individual results, to their respective budgeted results, for the operating divisions of Accommodation & Supported Living, Community & Lifestyles, Employment & Transition To Work, Wholesale Nursery, Hunter NDIS and the Supporting Business Units reflect the variability associated with the changing markets in which they operate. The variability was reported to the Board throughout the year with appropriate explanation and/or corrective actions set out. The Consolidated results this year reflect a result ahead of the budgeted result anticipated.

Significant Changes in the State of Affairs

On 12 May 2015, Newcastle Temporary Care Limited merged with Ability Options Limited and all of the assets and liabilities were merged into Ability Options Limited.

In November 2014 Ability Options established and became a founding member of a consortium operating as a separate entity known as Olympus Solutions Ltd. The entity Olympus Solutions Ltd secured a government contract to deliver Jobactive employment services in NSW commencing from 1 July 2015. During the business establishment period up to 30 June 2015 a number of consortium members left the consortium. After 30 June 2015 Ability Options Ltd became the sole remaining member of Olympus Solutions Ltd.

The financial statements for the year ended 30 June 2015 include the results of Newcastle Temporary Care Limited and Olympus Solutions Limited against a comparative 2014 result, which is for Ability Options alone.

Events Subsequent to the End of Financial Year

No other material matters or circumstances have arisen since the end of the financial year.

AbilityOptions

Directors' Report (Continued)

Directors' Benefits

Since the end of the previous financial year, no directors of the consolidated entity have received or become entitled to receive a benefit by reason of a contract made by the group or a related corporation with the Directors or with a firm of which they are members, or with a consolidated entity in which they have a substantial financial interest.

Directors' and Auditor's Indemnification

The consolidated entity has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the consolidated entity or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor including costs and expenses in successfully defending legal proceedings.

Insurance of Officers

During the year the consolidated entity paid a premium under a contract of Directors' and Officers' Insurance. Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Meetings of Directors

The number of meetings of the board of directors held during the year, and the number of meetings attended by each director were:

	Director's Meetings	
	Number eligible to attend	Number attended
Nola Buck	9	9
David Bamford	9	8
Richard Mossie	9	9
Pearl Forrester	9	9
Mark Clough	9	9
Michael Maxwell	9	9
Trena Blair	9	9
Jonathan Isaacs	6	6
Stephen Goode	3	3

AbilityOptions

Directors' Report (Continued)

Members' Guarantee

The consolidated entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the consolidated entity. At 30 June 2015, the total amount that members of the consolidated entity are liable to contribute if the consolidated entity is wound up is $120 (2014: $80)

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached.

SIGNED and DATED at Bella Vista on 21st October 2015

J. Isaacs

Jonathan Isaacs – Chairperson and Director

Richard Mossie

Richard Mossie – Director and Treasurer

RSM Bird Cameron
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 8226 4500 **F** +61 2 8226 4501
www.rsmi.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Ability Options Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Australian professional accounting bodies.

RSM Bird Cameron

RSM BIRD CAMERON

C J HUME
Director

Sydney, New South Wales
Dated: 21 October 2015

AbilityOptions™

Directors' Declaration

The Directors of the company declare:

1. The financial statements and notes, as set out in the following pages are in accordance with the Corporations Act 2001:

   (a) comply with Australian Accounting Standards; and

   (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated entity.

2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with the resolution of the Board of Directors.

SIGNED and DATED at Bella Vista on 21st October 2015

J. Isaacs

Jonathan Isaacs – Chairperson and Director

Richard Mossie

Richard Mossie – Director and Treasurer

AbilityOptions™

Consolidated Statement of Financial Position

as at 30 June 2015

Current Assets	NOTE	2015 $	2014 $
Cash and cash equivalents	13	766,360	909,952
Trade and other receivables	6	348,227	173,642
Inventories	1 (p)	568,440	308, 177
Other assets	9	2,814,815	789,074
Financial assets	7	18,465,431	17,943,543
Total current assets		**22,963,273**	**20,124,388**
Non-Current Assets			
Property, Plant and Equipment	8	11,469,069	12,988,630
Total non-current assets		**11,469,069**	**12,988,630**
Total Assets		**34,432,342**	**33,113,018**
Current Liabilities			
Trade and other payables	10	7,184,992	7,241,038
Provisions	11	1,293,239	1,098,228
Total current liabilities		**8,478,231**	**8,339,266**
Non-Current Liabilities			
Provisions	11	294,032	249,407
Total non-current liabilities		**294,032**	**249,407**
Total Liabilities		**8,772,263**	**8,588,673**
Net Assets		**25,660,079**	**24,524,345**
Accumulated Surplus	15	22,459,993	20,999,566
Reserves	16	3,200,086	3,524,779
Total Accumulated Funds		**25,660,079**	**24,524,345**

The attached notes form part of these financial statements.

Consolidated Statement of Comprehensive Income
for the year ended 30 June 2015

	NOTE	2015 $	2014 $
Revenue from ordinary activities	2	31,218,225	29,536,946
Change in Inventories held		260,264	167,703
Raw materials and consumables		(1,209,793)	(668,835)
Employee benefits expense		(20,479,912)	(21,178,671)
Depreciation expense	3	(964,624)	(1,053,898)
Gain on acquisition of Newcastle Temporary Care Limited		1,410,136	-
Other expenses		(9,098,562)	(8,119,673)
Net surplus / (deficit) from ordinary activities before income tax expense		**1,135,734**	**(1,316,428)**
Income tax expense		-	-
Net surplus / (deficit) from ordinary activities after income tax expense	15	**1,135,734**	**(1,316,428)**
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
Net gain on revaluation of property, plant and equipment	8	-	1,021,728
Total other comprehensive income		-	1,021,728
Total comprehensive income		**1,135,734**	**(294,700)**

The attached notes form part of these financial statements

AbilityOptions™

Consolidated Statement of Changes in Equity
for the year ended 30 June 2015

	NOTE	Retained Surplus $	Reserves $	Total $
Balance at 30 June 2013		**20,003,167**	**4,815,878**	**24,819,045**
Property Revaluation		-	1,021,728	1,021,728
Net Deficit for the year		(1,316,428)	-	(1,316,428)
Move Reserves back to Retained Surplus		2,312,827	(2,312,827)	-
Balance at 30 June 2014	15, 16	**20,999,566**	**3,524,779**	**24,524,345**
Property Revaluation		-	-	-
Net Surplus for the year		1,135,734	-	1,135,734
Move Reserves back to Retained Surplus		324,693	(324,693)	-
Balance at 30 June 2015	15, 16	**22,459,993**	**3,200,086**	**25,660,079**

The attached notes form part of these financial statements.

AbilityOptions™

Consolidated Statement of Cash Flows
for the year ended 30 June 2015

	NOTE	2015 $	2014 $
Cash Flows from Operating Activities			
Receipts from operations		29,421,767	39,708,583
Payments to suppliers & employees		(31,069,946)	(37,797,985)
Interest received		689,352	544,752
Net cash (used in) / provided by operating activities	13	**(958,827)**	2,455,350
Cash Flows from Investing Activities			
Payments for property plant and equipment		(588,002)	(2,000,228)
Proceeds from the sale of assets		1,925,125	324,689
Net cash provided by / (used in) investing activities		**1,337,123**	(1,675,539)
Net increase in cash held		378,296	779,811
Cash at beginning of financial year		18,853,495	18,073,684
Cash at end of the financial year	13	**19,231,791**	18,853,495

The attached notes form part of these financial statements.

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies

The financial statements cover Ability Options as an individual entity, incorporated and domiciled in Australia. Ability Options is a consolidated entity limited by guarantee.

A) Basis of Presentation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, (including Australian Accounting Interpretations) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial statements.

The financial statements were authorised for issue on 21 October 2015 by the directors of the company.

B) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of Ability Options Limited ('company' or 'parent entity') as at 30 June 2015 and the results of the subsidiary for the year then ended.

Ability Options Limited and its subsidiary together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies (Continued)

B) Principles of Consolidation (Continued)

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Business combinations
Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred. The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies (Continued)

C) Revenue Recognition

Revenue from sale of nursery products is recognised upon delivery of goods to customers. Revenue from government funding is recognised upon delivery of service.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest revenue is recognised on proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from rendering a service is recognised upon delivery of service to customers.

All revenue is stated net of the amount of goods and services tax (GST).

D) Financial Reporting By Segments

As Ability Options is a not-for-profit entity, it is not required to comply with segment reporting Australian Accounting Standards AASB114 “Segment Reporting” and AASB 8 “Operating Segments”. Ability Options Limited exists for the purpose of providing support services to persons with social or intellectual disability including the provision of residential accommodation, vocational training, and advocacy support employment opportunities in the Ability Options Nursery and assistance in finding employment.

E) Employee Entitlements

Provision is made for the group’s liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount plus related on-costs. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions to employee superannuation funds are charged against the statement of comprehensive income as an expense when incurred.

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies (Continued)

F) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Assets at fair value through Profit & Loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Held-to-maturity investments

These investments have fixed maturities, and it is the entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial Liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

G) Property, Plant & Equipment

Fixtures and Fittings, Equipment and Motor Vehicle in excess of $1,000 are capitalised at cost and depreciated over their estimated useful life in accordance with the decisions of the directors.

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses. Plant and equipment are measured on the cost basis less depreciation and impairment losses.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over the asset's useful life however buildings are depreciated on a straight line basis. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Buildings - Internal Fitout	20%
Plant and equipment	22.5%
Motor Vehicle	22.5%
Computer equipment	33.33%

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies (Continued)

G) Property, Plant & Equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

H) Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of asset belongs.

I) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

J) Land and Buildings

Buildings are depreciated in accordance with the decisions of the directors.

K) Cash

Cash and cash equivalents include cash on hand and deposits held at-call with banks.

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies (Continued)

L) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Cashflow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

M) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

N) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

O) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

P) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs include direct materials, being the cost of seed/seedlings, pots and soils etc.

Q) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the entity during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 1 – Summary of Significant Accounting Policies (Continued)

R) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates

Provision for impairment of receivables

Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the group.

S) Impairment

The group assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

T) New Standards and interpretations issued but not yet effective

At the date of this financial report the following standards and interpretations, which may impact the entity on the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 2015-3	*Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality*	The Standard completes the AASB's project to remove Australian guidance on materiality from Australian Accounting Standards.	1 July 2015	No expected impact
AASB 2015-4	*Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent*	This Standard amends AASB 128 to require the ultimate Australian entity apply the equity method in accounting for an interest in an associate or joint venture, to be consistent with the AASB 10 requirement for the ultimate Australian parent to present consolidated financial statements	1 July 2015	No significant impact expected

		when either the parent or the group is a reporting entity, or both the parent and the group are reporting entities.		
AASB 14	*Regulatory Deferral Accounts*	Specifies the financial reporting requirements for regulatory deferral account balances that arise when an entity provides goods or services to customers at a price or rate that is subject to rate regulation.	1 January 2016	No expected impact
AASB 2014-1D	*Amendments to Australian Accounting Standards*	Part D of AASB 2014-1 makes amendments to AASB 1 *First-time Adoption of Australian Accounting Standards*, which arise from the issuance of AASB 14 *Regulatory Deferral Accounts* in June 2014.	1 January 2016	No expected impact
AASB 2014-3	*Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations*	This Standard amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business.	1 January 2016	No expected impact
AASB 2014-4	*Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset, and to clarify that revenue is generally presumed to be an inappropriate basis for that purpose.	1 January 2016	No expected impact
AASB 2014-9	*Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements*	This amending standard allows entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.	1 January 2016	No expected impact
AASB 2014-10	*Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	This amending standard requires a full gain or loss to be recognised when a transaction involves a business (even if the business is not housed in a subsidiary), and a partial gain or loss to be recognised when a transaction involves assets that do not constitute a business (even if those assets are housed in a subsidiary).	1 January 2016	No expected impact

AASB 2015-1	*Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle*	The Standard makes amendments to various Australian Accounting Standards arising from the IASB's Annual Improvements process, and editorial corrections.	1 January 2016	No expected impact
AASB 2015-2	*Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*	The Standard makes amendments to AASB 101 *Presentation of Financial Statements* arising from the IASB's Disclosure Initiative project.	1 January 2016	Disclosures Only
AASB 15	*Revenue from Contracts with Customers*	This Standard establishes principles (including disclosure requirements) for reporting useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.	1 January 2017	No expected impact
AASB 2014-5	*Amendments to Australian Accounting Standards arising from AASB 15*	Consequential amendments arising from the issuance of AASB 15.	1 January 2017	No expected impact
AASB 9	*Financial Instruments*	This Standard supersedes both AASB 9 (December 2010) and AASB 9 (December 2009) when applied. It introduces a "fair value through other comprehensive income" category for debt instruments, contains requirements for impairment of financial assets, etc.	1 January 2018	No expected impact
AASB 2014-7	*Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*	Consequential amendments arising from the issuance of AASB 9	1 January 2018	No expected impact

The group does not anticipate early adoption of any of the above reporting requirements and does not expect them to have any material effect on the group's financial statements.

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 2 - Revenue and Other Income

	2015	2014
Operating Surplus has been determined after:	$	$
Crediting as revenue		
Sales revenue	2,142,012	1,669,610
Gain on disposal of Property Plant and Equipment	182,390	5,924
Interest Income	689,352	705,282
Government Grants:		
- Grants from Department of Human Services: Ageing, Disability and Home Care Funding (i)	15,988,058	16,549,241
- Grants from Department of Education, Employment and Workplace Relations	9,442,900	8,749,313
- Other Grants (including Department of Families, Housing, Community Services and Indigenous Affairs; and the NSW Department of Education and Training	140,143	778,535
Total Government Grants	**25,571,101**	**26,077,089**
Consumer Service Fees Received	793,524	888,765
Other Income	1,839,846	190,275
Total Income	**31,218,225**	**29,536,946**

(i) During 2015 $950,000 of this revenue was transferred from deferred income. Approval to retain the funds from the respective government department was received during the current financial year.

NOTE 3 - Operating Surplus

	2015	2014
Charging As Expenses		
Depreciation	964,624	1,053,898
Provision for Leave Entitlement	1,321,516	1,394,558
Rental Expense on Operating Leases	1,094,908	959,045
Auditors Remuneration:		
Audit fees – current year	40,000	23,000
Audit fees – other services (acquittals)	8,500	8,500

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 4 – Security Over Borrowings

Land and Buildings are secured by registered first mortgages to the Commonwealth Bank of Australia. Security extends only to the assets of Ability Options Limited and no Directors or Members have personal guarantee against the group's borrowings.

NOTE 5 – Government Funding

Ability Options Limited receives funding from the NSW Department of Family and Community Services: Ageing, Disability and Home Care; the Department of Families, Housing, Community Services and Indigenous Affairs; the Department of Education Employment and Workplace Relations and the NSW Department of Education and Training.

NOTE 6 – Credit Risk Trade and Other Receivables

	2015 $	2014 $
Trade Debtors and Other Receivables	357,022	173,642
Less: Provision for Impairment	(8,795)	-
	348,227	**173,642**

The group does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the group.

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 6 – Credit Risk Trade and other Receivables (Continued)

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31–60	61–90	> 90	
	$	$	$	$	$	$	$
2015							
Trade and term receivables	322,108	(6,059)	268,396	54,753	2,691	2,327	-
Other receivables	26,119	(2,736)	28,855	-	-	-	-
Total	**348,227**	**(8,795)**	**297,251**	**54,753**	**2,691**	**2,327**	**-**
2014							
Trade and term receivables	146,362	-	-	3,584	796	10,961	131,021
Other receivables	27,280	-	-	-	27,280	-	-
Total	**173,642**	**-**	**-**	**3,584**	**28,076**	**10,961**	**131,021**

The group does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

There are no balances within trade receivables that are part due and impaired other than those identified as impaired. It is expected that these balances will be received when due.

NOTE 7 - Financial Assets

	2015 $	2014
Cash Settlement Account	785,695	1,443,543
Term Deposits	17,679,736	16,500,000
	18,465,431	**17,943,543**

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 8 – Property, Plant and Equipment

	2015 $	2014 $
Land & Buildings - At Directors' Valuation	9,648,426	10,727,076
Less Accumulated Depreciation	401,864	174,226
	9,246,562	**10,552,850**
Motor Vehicles At Cost	2,774,639	2,654,622
Less Accumulated Depreciation	1,693,150	1,284,199
	1,081,489	**1,370,423**
Furniture, Fittings & Nursery Equipment at cost	3,584,582	2,229,541
Less Accumulated Depreciation	2,443,564	1,164,184
	1,141,018	1,065,357
	11,469,069	**12,988,630**

Movements in carrying amounts

	Land & Bldgs at valuation	Motor vehicles at cost	Furniture, Fittings & Nursery Equipment at cost	Total
Balance at the beginning of the year	10,552,850	1,370,423	1,065,357	**12,988,630**
Additions during the year	3,850	92,345	552,611	**648,806**
Additions – Acquired from Newcastle Temporary Care Ltd	456,048	53,658	30,396	**540,102**
Revaluation increment during year				
Disposals during the year	(1,612,325)	(128,176)	(3,344)	**(1,743,845)**
Depreciation expense for the year	(153,861)	(306,761)	(504,002)	**(964,624)**
30-Jun-15	**9,246,562**	**1,081,489**	**1,141,018**	**11,469,069**

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 8 – Property, Plant and Equipment (Continued)

	Land & Bldgs at valuation	Motor vehicles at cost	Furniture, Fittings & Nursery Equipment at cost	Total
Balance at the beginning of the year	7,910,614	1,925,469	1,682,106	**11,518,189**
Additions during the year	1,775,390	167,308	57,530	**2,000,228**
Revaluation increment during year	1,021,728	-	-	**1,021,728**
Disposals during the year	-	(316,681)	(180,936)	**(497,617)**
Depreciation expense for the year	(154,882)	(405,673)	(493,343)	**(1,053,898)**
30-Jun-14	10,552,850	1,370,423	1,065,357	**12,988,630**

NOTE 9 – Other Assets

	2015 $	2014 $
Prepayments	288,412	251,876
Work in progress (i)	1,547,063	-
Other receivables	979,340	537,198
	2,814,815	**789,074**

(i) Work in progress includes costs associated with the Energise Project that went live 1 July 2015 of $1,090,064. The balance of this relates to costs incurred in relation to properties owned by the Company.

NOTE 10 – Trade and Other Payables

	2015 $	2014 $
Trade Payables	676,161	711,633
Sundry Payables and Accrued Expense	3,927,429	3,524,435
Deferred Income	2,581,402	3,004,970
	7,184,992	**7,241,038**

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 11 – Provisions

	2015 $	2014 $
Current		
Provision for Annual Leave	1,162,062	971,780
Provision for Long Service Leave	131,177	126,448
	1,293,239	**1,098,228**
Non-current		
Provision for Long Service Leave	294,032	249,407
	294,032	**249,407**
Number of employees at year end	**308**	541

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 12 – Lease and Hire Commitments

The group rents properties from Department of Housing and other parties. The annual rental commitment is currently $1,886,733 (2014: $1,035,230).

The group rents printers, photocopy and facsimile equipment from Ricoh Finance Pty Ltd and Fuji Xerox Australia Pty. Ltd. The annual rental commitment is $232,648 (2014: $141,985) which includes print & copy costs.

No other significant expenditure commitments exist.

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

	2015 $	2014 $
Payable — minimum lease payments		
— not later than 12 months	187,508	1,177,214
— later than 12 months but not later than 5 years	2,502,849	1,356,034
— greater than 5 years	-	-
	2,690,357	**2,533,248**

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with a five-year term. Increase in lease commitments may occur in line with CPI.

Notes to and Forming Part of the Financial Statements
for the Year Ending 30 June 2015

NOTE 13 – Notes to the Statement of Cash Flows

Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdraft. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2015 $	2014 $
Cash	766,360	909,952
Investments	18,465,431	17,943,543
	19,231,791	**18,853,495**

Reconciliation of Net Cash Provided by Operating Activities To Net Surplus/(Deficit) from Ordinary Activities

	2015 $	2014 $
Net surplus/(deficit) from ordinary activities	1,135,734	(1,316,428)
Add (deduct) expenses (revenue) not derived from external transactions:		
Depreciation	964,624	1,053,898
(Gain) / loss on disposal of assets	(182,390)	172,928
Gain on acquisition of Newcastle Temporary Care Limited	(1,410,136)	-
Net surplus/(deficit) before changes in working capital and provisions	**507,832**	**(89,602)**
(Increase)/Decrease in other assets	(1,188,989)	591,878
Increase in inventory	(260,263)	(167,704)
Decrease in receivables	81,884	243,836
(Decrease)/Increase in trade creditors	(154,084)	2,029,459
Increase/(Decrease) in provisions	54,793	(152,517)
Net Cash (used in)/provided by operating activities	**(958,827)**	**2,455,350**

AbilityOptions

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 14 – Financial Risk Management

(a) Terms, conditions and accounting policies

The group's accounting policies, including the terms and conditions of each class of financial assets, financial liability and equity instruments, both recognised and unrecognised at the balance date, are as follows:

Recognised Financial Instrument	Statement of Financial Position Notes	Accounting Policies	Terms and Conditions

(i) Financial Assets

Cash		Cash accounts are carried at nominal amounts.	Interest is earned at bank rate.
Receivables	6	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of full nominal amount is no longer probable.	Monies due in relation to settlement of trading. Majority settled within 60 days of trade.
Other Debtors - Current	6	Other debtors are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full amount is no longer probable.	Collection of monies due is dependent on the nature and terms of the debt.
Financial Assets	7	All investments are carried at normal commercial terms and cost.	

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 14 – Financial Risk Management (Continued)

(a) Terms, conditions and accounting policies (continued)

Recognised Financial Instrument	Statement of Financial Position Notes	Accounting Policies	Terms and Conditions

(ii) Financial Liabilities

Bank Overdraft		The bank overdraft is carried at the principal amount. Interest is charged as an expense as it accrues.	Interest is charged at the Bank's benchmark rate.
Trade and Other Creditors	10	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed.	Accounts payable are settled on normal commercial terms.
Bank Loans		The bank loans are carried at the principal amount. Interest is charged as an expense as it accrues.	The group has no Bank loans at 30 June 2014.

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 14 – Financial Risk Management (Continued)

(b) Interest Rate Risk Exposures

The group's exposure to interest rate risk and the effective weighted average interest rate of each class of financial assets and financial liabilities is set out below.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the group intends to hold fixed rate assets and liabilities to maturity.

	Note	Floating Interest Rate	Non-Floating Interest Bearing	Total
Financial Assets				
				2015
				$
Cash	13	-	766,360	766,360
Trade Debtors	6	-	348,227	348,227
Investments	7	18,465,431	-	18,465,431
		18,465,431	**1,114,587**	**19,580,018**
Financial Liabilities				
Trade & Other Payables	10	-	7,184,992	7,184,992
		-	**7,184,992**	**7,184,992**
Net financial assets/(liabilities)		**18,465,431**	**(6,070,405)**	**12,395,026**

Reconciliation of Net Financial Assets to Net Assets

Net financial assets as above		12,395,026
Non financial assets and liabilities		
Inventories		568,440
Other assets		2,814,815
Property, plant & equipment	8	11,469,069
Provisions	11	(1,587,271)
Net Assets per Statement of Financial Position		**25,660,079**

Notes to and Forming Part of the Financial Statements
for the Year Ending 30 June 2015

NOTE 14 – Financial Risk Management (Continued)

(c) On Statement of Financial Position

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

The net fair value of other monetary financial assets and liabilities is based upon market prices where a market exists.

	2015 $
On-Statement of Financial Position	
Financial Assets	
Cash	766,360
Trade Debtors	348,227
Investments	18,465,431
	19,580,018

	Notes	Carrying Amount	Net fair Value
Financial Liabilities			
Trade & Other Creditors	10	7,184,992	7,184,992
		7,184,992	**7,184,992**

(d) Credit Risk Exposure

The credit risk on financial assets of the group which have been recognised on the Statement of Financial Position, is generally at the carrying amount, net of any provisions for doubtful amounts.

NOTE 15 – Retained Surplus	2015 $	2014 $
Retained surplus at the beginning of the year	20,999,566	20,003,167
Transfers from Reserves	324,693	2,312,827
Net surplus / (deficit) for the year	1,135,734	(1,316,428)
Retained surplus at the end of the year	**22,459,993**	**20,999,566**

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 16 – Reserves

	2015 $	2014 $
Asset Acquisition Reserve		
Opening balance	-	328,280
Transfer (to) surplus funds	-	(328,280)
Closing balance	-	-
Asset Revaluation Reserve		
Opening balance	3,524,779	3,137,867
Assets revalued during the year	-	1,021,728
Acquisition of Newcastle Temporary Care Limited (note 22)	-	-
Transfer (to) surplus funds	(324,693)	(634,816)
Closing balance	3,200,086	3,524,779
Asset Realisation Reserve		
Opening balance	-	422,740
Transfer (to) surplus funds	-	(422,740)
Closing balance	-	-
General Reserve		
Opening balance	-	926,991
Transfer (to) surplus funds	-	(926,991)
Closing balance	-	-
	3,200,086	**3,524,779**

NOTE 17 – Economic Dependency

The continuing provision of a significant segment of the group's services is dependent upon the following grants being received from respective Government departments:

Department of Human Services: Ageing, Disability and Home Care Funding $15,988,158 (2014: $16,549,241).

Department of Education, Employment and Workplace Relations $9,442,900 (2014: $8,749,313).

From July 2016 the NSW Department of Human Services commences to transition clients across the NSW Family and Community Services (FaCS) 15 Districts to individualised packages under the Federal Department of Social Services National Disability Insurance Scheme (NDIS).

AbilityOptions™

Notes to and Forming Part of the Financial Statements
for the Year Ending 30 June 2015

NOTE 17 – Economic Dependency (continued)

The rate of transition will be governed by the National Disability Insurance Agency (NDIA) and the published FaCS transition timetable. The transition will continue through to 2018/19.

The funding received from the Department of Education, Employment and Workplace Relations is under a Deed of Agreement for the period 2012 to 2015 and was during the current year extended by Government to continue to 2018.

NOTE 18 - Key Management Personnel Compensation

	Short-term Benefits	Post- employ-ment Benefits	Other Long-term Benefits	Total
	$	$	$	$
2015				
Total compensation	1,468,214	-	172,955	1,641,169
2014				
Total compensation	1,055,341	-	98,644	1,153,985

NOTE 19 – Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the entity.

NOTE 20 – Interests in Subsidiaries

Information about Principal Subsidiaries

The subsidiaries listed below are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation or registration.

		Ownership interest held by the Group	
Name of Subsidiary	**Principle place of business**	**2015 %**	**2014 %**
Newcastle Temporary Care Limited	Sydney, New South Wales	100	-
Olympus Solutions Limited	Sydney, New South Wales	100	-

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 21 – Business Combinations

(a) Summary of Acquisitions

(i) On 12 May 2015, Newcastle Temporary Care Limited merged with Ability Options Limited and all of the assets and liabilities were merged into Ability Options Limited.

The assets and liabilities recognised as a result of the acquisition are as follows:

	Fair Value $
Cash and cash equivalents	313,158
Receivables	256,468
Other current assets	523,593
Property, plant and equipment	598,090
Payables	(96,330)
Provisions	(184,843)
Net assets acquired	1,410,136

(ii) In November 2014 Ability Options established and became a founding member of a consortium operating as a separate entity known as Olympus Solutions Ltd. The entity Olympus Solutions Ltd secured a government contract to deliver Jobactive employment services in NSW commencing from 1 July 2015. During the business establishment period up to 30 June 2015 a number of consortium members left the consortium. After 30 June 2015 Ability Options Ltd became the sole remaining member of Olympus Solutions Ltd.

(b) Purchase Consideration – Cash Inflow

All members of Newcastle Temporary Care Limited were admitted effective 12 May 2015 and the consideration is in the form of all assets and liabilities of Newcastle Temporary Care Limited as at 12 May 2015. The fair value of net assets as at 12 May 2015 is then considered as the purchase consideration.

AbilityOptions™

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 22 – Parent Entity Financial Information

(a) Summary of Financial Information

The individual financial statements for the parent entity show the following aggregate amounts:

	2015 $	2014 $
Balance sheet		
Current assets	21,738,872	20,124,388
Non-current assets	10,855,016	12,988,630
Total assets	**32,593,888**	**33,113,018**
Current liabilities	8,049,251	8,339,266
Non-current liabilities	416,041	249,207
Total liabilities	**8,465,292**	**8,588,673**
Net assets	**24,128,596**	**24,524,345**
Contributed equity		
Reserves	3,524,779	3,524,779
Accumulated profits	20,603,817	20,999,566
Total equity	**24,128,596**	**24,524,345**
Surplus for the year	395,749	(1,316,428)
Total comprehensive income for the year	**395,749**	**(294,700)**

Notes to and Forming Part of the Financial Statements for the Year Ending 30 June 2015

NOTE 22 – Parent Entity Financial Information (continued)

(b) Contingent Liabilities of the Parent Entity

As at 30 June 2015, the Parent Entity did not have any contingent liabilities (2014: nil).

(c) Contractual commitments for the acquisition of property, plant and equipment

As at 30 June 2015, the Parent Entity had no contractual commitments for the acquisition of property, plant and equipment (2014: nil).

NOTE 23 – Australian Charities and Not-For-Profit Commission Act 2012

The Australian Charities and Not-For-Profit Commission Act 2012 (Cth) ('ACNC Act') passed through the Commonwealth Parliament on 1 November 2012 and received royal assent on 3 December 2012. As a consequence, Ability Options is required to provide annual information statements and annual financial reports together with auditor's report to the ACNC by 31 December 2015.

NOTE 24 – Entity Details

The registered office of the entity is:

Ability Options
Suite 1.14, Versatile Building,
29 – 31 Lexington Drive
BELLA VISTA NSW 2153

AbilityOptions™

Acknowledgements

Ability Options acknowledges with thanks the support provided by our many advocates, family members and friends during the year. It also acknowledges with thanks grants provided by the following Government agencies:

- The NSW Department of Human Services: Ageing, Disability and Home Care
- The Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs
- The Commonwealth Department of Education, Employment and Workplace Relations
- The NSW Department of Education and Training
- The NSW Department of Premier and Cabinet

Ability Options also thanks the customers of the Wholesale Nursery for their kind patronage during the year.

RSM Bird Cameron
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 8226 4500 **F** +61 2 8226 4501
www.rsmi.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ABILITY OPTIONS LIMITED

We have audited the accompanying financial report of Ability Options Limited ("the registered entity"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commissions Act 2012* (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Opinion

In our opinion the financial report of Ability Options Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) giving a true and fair view of the registered entity's financial position as at 30 June 2015 and of its financial performance and cash flows for the year ended on that date; and

(ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

RSM Bird Cameron

RSM BIRD CAMERON

C J HUME
Director

Sydney, New South Wales
Dated: 21 October 2015

Contact Us

For more information about this report please contact Ability Options.

P: (02) 8811 1777
F: (02) 8811 1788

Email: marketingteam@abilityoptions.org.au

Head Office
Suite 1.14, Versatile Building
29-31 Lexington Drive
Bella Vista NSW 2153

www.abilityoptions.org.au

bsi.

NSW DSS
NSW Disability
Service Standards

DESQA
Disability
Services
Standard

617206 NSDS640506