ABILITY OPTIONS LIMITED

(ABN 92 003 175 335)

AND

ITS CONTROLLED ENTITIES

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

30 June 2022

Contents

The Directors of Ability Options Limited and its Controlled Entities are:

Director	Appointed
Robert Lang	June 2019
Patricia Biszewski	February 2017
Michael Maxwell	April 2014
Heather Scheibenstock	February 2017
Claire Cavanaugh	April 2019
Owen Gilbert	July 2019
Matthew Levy OAM	October 2020

Registered street address and principal place of business

The registered street address of the entity is:
Ability Options Limited
Suite 1.14, The Versatile Building
29 – 31 Lexington Drive, Bella Vista NSW 2153

Auditor

KPMG
Level 38 Tower Three
300 Barangaroo Avenue
Sydney NSW 2000

ABN

92 003 175 335

Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of Ability Options Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2022 there have been:

i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Stephen Isaac

Partner

Sydney

10 October 2022

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The Directors of Ability Options Limited (the "Company") declare that:

1. The consolidated financial statements and notes of Ability Options Limited, are in accordance with the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
   (a) complying with Australian Accounting Standards – *AASB 1060* Simplified Disclosures and the *Australian Charities and Not-for-Profits Commission Regulation 2013*;
   (b) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance, for the year ended on that date; and
2. In the Directors' opinion there are reasonable grounds to believe that the Group is 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 pursuant to S295(5) of the *Corporations Act 2001* and in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2012.

Signed on behalf of the Directors

RDLang

Dr Robert Lang – Chair and Director
10 October 2022

Owen Gilbert – Director
10 October 2022

For the year ended 30 June 2022

in AUD	NOTE	2022	2021
Revenue and Income			
Revenue from ordinary activities	4	111,741,319	109,878,970
Other income	4	4,634,608	9,073,500
Interest Income	5	65,589	64,656
Total revenue and other income		**116,441,516**	**119,017,126**
Costs and Expenses			
Employee benefits		(89,774,836)	(83,550,631)
Depreciation	7,8	(5,780,506)	(5,961,133)
Other expenses	12	(18,431,243)	(15,626,253)
Fair value loss on investments	9	(665,484)	-
Finance costs	5	(557,789)	(585,028)
Total expenses		**(115,209,858)**	**(105,723,045)**
Net surplus		**1,231,658**	**13,294,081**
Other comprehensive income			
Actuarial gain on defined benefit superannuation plans	16	531,095	(679,282)
Net gain on revaluation of property, plant and equipment	7	1,820,418	645,183
Total other comprehensive income		**2,351,513**	**(34,099)**
Total comprehensive income		**3,583,171**	**13,259,982**

As at 30 June 2022

in AUD	NOTE	2022	2021
Current Assets			
Cash and cash equivalents		39,504,396	46,069,879
Trade and other receivables	6	6,893,029	7,781,435
Prepayments and other assets	10	1,494,938	998,437
Total current assets		**47,892,363**	**54,849,751**
Non-Current Assets			
Investments	9	5,334,516	-
Property, plant & equipment	7	16,275,364	14,753,352
Right of use assets	8	10,786,097	12,977,691
Total non-current assets		**32,395,977**	**27,731,043**
Total Assets		**80,288,340**	**82,580,794**
Current Liabilities			
Trade and other payables	11	11,010,080	13,019,114
Provisions	14	10,266,775	10,728,353
Lease liabilities - current	13	3,838,553	6,190,344
Total current liabilities		**25,115,408**	**29,937,811**
Non-Current Liabilities			
Provisions	14	2,641,259	4,058,363
Lease liabilities- non current	13	7,469,874	7,105,992
Total non-current liabilities		**10,111,133**	**11,164,355**
Total Liabilities		**35,226,541**	**41,102,166**
Net Assets		**45,061,799**	**41,478,628**
Accumulated funds		38,003,494	36,771,836
Reserves	15	7,058,305	4,706,792
Total Funds		**45,061,799**	**41,478,628**

For the year ended 30 June 2022

in AUD	NOTE	Accumulated Funds	Reserves	Total
Balance at 30 June 2020		23,477,755	4,740,891	28,218,646
Defined benefit superannuation plan reserves	15	-	(679,282)	(679,282)
Revaluation of assets	7,15	-	645,183	645,183
Net surplus for the year		13,294,081	-	13,294,081
Balance at 30 June 2021		**36,771,836**	**4,706,792**	**41,478,628**
Defined benefit superannuation plan reserves	15	-	531,095	531,095
Revaluation of assets	7,15	-	1,820,418	1,820,418
Net surplus for the year		1,231,658	-	1,231,658
Balance at 30 June 2022		**38,003,494**	**7,058,305**	**45,061,799**

For the year ended 30 June 2022

in AUD	NOTE	2022	2021
Cash Flows from Operating Activities			
Receipts from operations		113,586,057	118,266,119
Payments to suppliers & employees		(107,414,245)	(95,201,529)
Interest income		65,589	64,656
Net cash from operating activities		**6,237,401**	**23,129,246**
Cash Flows from Investing Activities			
Payments for property plant and equipment	7	(1,317,323)	(1,551,989)
Investment in managed funds		(6,000,000)	-
Net cash used in investing activities		**(7,317,323)**	**(1,551,989)**
Cash Flows from Financing Activities			
Lease payment principal and interest		(5,485,561)	(5,316,803)
Net cash used in financing activities		**(5,485,561)**	**(5,316,803)**
Net (decrease) / increase in cash held		(6,565,483)	16,260,454
Cash at beginning of the financial year		46,069,879	29,809,425
Cash at end of the financial year		**39,504,396**	**46,069,879**

1) General Information

a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB) and comply with other requirements of the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements comprise the consolidated financial statements of Ability Options (the Company) and the entities it controls (together the Group).

The presentation currency used in these financial statements is Australian dollars ($). Amounts in these financial statements are stated in Australian dollars unless otherwise noted.

b) Statement of Compliance

The Company does not have 'public accountability' as defined in *AASB 1053* Application of Tiers of Australian Accounting Standards and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by *AASB 1060* General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (*AASB 1060*) and the disclosure requirements in *AASB 1060*. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

c) Rounding of Amounts

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

d) Information about the Company

Ability Options is a limited liability company incorporated in Australia under the *Corporations Act 2001.*

The address of its registered office and principal place of business is:

Ability Options Limited
Suite 1.14, The Versatile Building
29 – 31 Lexington Drive, Bella Vista NSW 2153

The nature of the Group's operations and its principal activities are providing employment and NDIS associated services in order to create opportunity and provide services for people to participate fully in society, to support people who need assistance to achieve their aspirations and inclusion in the community.

2) Changes in accounting policies and changes in estimates

The entity previously prepared general purpose financial statements under Tier 2 – Reduced Disclosure Requirements. There were no transition adjustments other than a few disclosure changes on the adoption of Australian Accounting Standards – Simplified Disclosures.

3) Judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 24, the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation.

Key estimates

Provision for impairment of receivables

The Group assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due. For non-government debts, the Group allows 50% for amounts that are 60 to 90 days past due and 100% for amounts that are greater than 90 days past due. For government related debtors, Group allows 50% for amounts that are 180-365 days past due and 100% that are greater than 365 days past due. The allowance percentages are reviewed regularly to ensure these are aligned with our cash collection history.

All debt write offs are approved by the board or as delegated within the board approved delegation policy.

Land and building valuations

Land and Buildings are based on Director's valuations that rely on external expert reports obtained as of 30 June 2022 in regard to the fair value of the properties.

The Directors obtain independent property valuations as the basis for determining fair values of land and buildings.

4) Revenue and Other Income

in AUD	2022	2021
Revenue from contract with Customers - *AASB 15 Revenue from Contract with Customers*		
Department of Social Services: National Disability Insurance Scheme	65,300,760	69,063,680
Department of Health	14,892,718	10,928,865
Consumer service fees received	5,403,005	4,829,113
Fees for Service - Employment	24,132,616	24,508,792
Other revenue	2,012,220	548,520
	111,741,319	**109,878,970**

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	2022		2021	
in AUD	**Services transferred at point of time**	**Services transferred over time**	**Services transferred at point of time**	**Services transferred over time**
Department of Social Services: National Disability Insurance Scheme	65,300,760	-	69,063,680	-
Department of Health	-	14,892,718	-	10,928,865
Consumer service fees received	5,403,005	-	4,829,113	-
Fees for Service - Employment	9,688,879	14,443,737	7,201,328	17,307,464
Other revenue	2,012,220	-	548,520	-
	82,404,864	**29,336,455**	**81,642,641**	**28,236,329**

Income recognised under AASB 1058 *Income of NFP entities*		
Government Grants:	**2022**	**2021**
Government subsidies - JobKeeper	-	8,977,500
Government subsidies - JobSaver	1,150,000	-
Other government subsidies and grant	2,128,376	96,000
Other	1,356,232	-
Other Income	**4,634,608**	**9,073,500**

Impacts of COVID 19 included a reduction of budgeted revenue due to customers not required to be supported in the respite and community services whilst following public health orders to isolate. However, all staff were retained during this period even when support was not required. Further to this, additional agency and overtime costs were incurred to fulfill work obligations due to COVID 19 in the accommodation services. In total the additional cost was $2.8m. Ability Options was eligible to receive a payment for reimbursement of additional costs, above those already covered by revenue from the National Disability Insurance Scheme, for the purpose of providing reasonable and necessary supports including the costs of keeping participants safe during the COVID-19 pandemic.

4) Revenue and Other Income (continued)

Information about revenue sources

The group recognises revenue from the following major sources:

- NDIS related revenue
- Department of Health
- Consumer service fees received
- Fees for service – Employment
- Other revenue

Revenue recognition for contracts with customers (AASB 15)

AASB 15 requires revenue to be recognised when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration.

Revenue is recognised by applying a five-step model as follows:

- Identify the contract with the customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price
- Recognise revenue

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

Contract asset and liabilities accounting policy

Contract assets

Contract assets arise when work has been performed on a particular program and goods or services have been transferred to the customer, but the invoicing milestone has not been reached and the rights to the consideration are not unconditional. If the rights to the consideration are unconditional then a receivable is recognised. No impairment losses were recognised in relation to these assets during the year (2021: $nil).

Contract liabilities

Contract liabilities generally represent the fees received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided, or the conditions usually fulfilled within 12 months of receipt of the fees. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is presented as non-current.

Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

Government grants

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but maybe property which has been donated or sold to the company at significantly below its fair value. Once the asset has been recognised, the Company recognises any related liability amounts (e.g. provisions, financial liabilities). Once the assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

4) Revenue and Other Income (continued)

Client contributions, NDIS revenue and other service revenue

Fees charged for care or services provided to clients are recognised when the service is provided.

Donations and bequests

Donations collected, including cash and goods for resale, are recognised as income when the Group gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Income from legacies comprising bequest assets is recognised at fair value, being the market value of the asset at the date the Group becomes legally entitled to the asset.

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

In-kind donations

No amounts are included in the financial statements for services donated by volunteers or amounts provided to the Group at no cost, unless the fair value of the contributions can be reliably measured.

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

5) Investment income and finance costs

in AUD

	2022	2021
Investment income		
Interest on financial assets measured at amortised cost:	65,589	64,656
Total Investment Income	65,589	64,656
Finance costs		
Interest on financial liabilities measured at amortised cost:		
- Interest on obligations under leases	557,789	585,028
Total Finance Costs	557,789	585,028

6) Trade and Other Receivables

in AUD	2022	2021
Trade debtors and other receivables	7,633,163	8,555,660
Less provision for impairment	(740,134)	(774,225)
	6,893,029	**7,781,435**

7) Property, Plant and Equipment

in AUD	2022	2021
Land & Buildings	13,250,600	11,529,200
Less Accumulated Depreciation	-	-
	13,250,600	**11,529,200**
Motor Vehicles At Cost	39,314	77,651
Less Accumulated Depreciation	(39,314)	(72,545)
	-	**5,106**
Furniture & Fittings At Cost	13,203,511	12,756,819
Less Accumulated Depreciation	(10,178,747)	(9,537,773)
	3,024,764	**3,219,046**
Total Property, Plant and Equipment	**16,275,364**	**14,753,352**

Movements in carrying amounts

	Land & Bldgs at valuation	Motor Vehicles at cost	Furniture, Fittings & Equipment at cost	Total
Balance on 1 July 2021	**11,529,200**	**5,106**	**3,219,046**	**14,753,352**
Additions during the year	22,287	-	1,295,036	**1,317,323**
Revaluation increase during the year	1,820,418	-	-	**1,820,418**
Depreciation expense for the year	(121,305)	(3,864)	(1,483,479)	**(1,608,648)**
Disposals during the year	-	(1,242)	(5,839)	**(7,081)**
Closing balance at 30 June 2022	**13,250,600**	**-**	**3,024,764**	**16,275,364**

	Land & Bldgs at valuation	Motor Vehicles at cost	Furniture, Fittings & Equipment at cost	Total
Balance on 1 July 2020	**10,934,999**	**38,591**	**4,109,868**	**15,083,458**
Additions during the year	71,969	-	1,879,059	**1,951,028**
Work In Progress	-	-	(540,129)	**(540,129)**
Revaluation increase during the year	645,183	-	-	**645,183**
Depreciation expense for the year	(122,951)	(7,667)	(1,655,688)	**(1,786,306)**
Disposals during the year	-	(25,818)	(574,064)	**(599,882)**
Closing balance at 30 June 2021	**11,529,200**	**5,106**	**3,219,046**	**14,753,352**

7) Property, Plant and Equipment (continued)

Fair value measurement of the Group's freehold land and buildings

The Group's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The fair value measurements of the Group's freehold land and buildings as at 30 June 2022 and 30 June 2021 were performed by Paul Green of Independent Property Valuations Pty Ltd, independent valuers not related to the Group. Independent Property Valuations Pty Ltd are members of the Australian Valuers Institute and the Australian Property Institute, and they have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant locations. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties.

There has been no change to the valuation technique during the year.

Assets pledged as security

Freehold land and buildings with a carrying amount of $1,480,000 (2021: $1,200,000) have been pledged to secure bank guarantees in favour of lessors from which the entity leases it properties totalling $651,651 (2021: $583,381).

8) Right of use assets

Lease impact in the statement of profit and loss and other comprehensive income

The amounts recognised in the statement of profit and loss and other comprehensive income relating to leases where the company is a lessee are shown below:

in AUD	2022	2021
Interest on lease liabilities	557,789	585,028
Depreciation expenses - Property leases	3,171,622	3,211,237
Depreciation expenses - Motor vehicles	1,000,236	963,590
Expenses relating to leases of low-value assets	79,269	199,329
Expenses relating to short term leases	22,938	208,737
Total	**4,831,854**	**5,167,921**

8) Right of use assets (continued)

Right of use of assets	**Property**	**Motor Vehicle**	**Total**
Balance as at 1 July 2020	9,508,205	2,827,846	12,336,051
Depreciation charges	(3,211,237)	(963,590)	(4,174,827)
Additions to right-of-use-assets	3,972,595	848,062	4,820,657
Reduction in right-of-use-assets due to change in lease liability	(82,046)	77,856	(4,190)
Balance at 30 June 2021	**10,187,517**	**2,790,174**	**12,977,691**

Right of use of assets	**Property**	**Motor Vehicle**	**Total**
Balance as at 1 July 2021	10,187,517	2,790,174	12,977,691
Depreciation charges	(3,171,622)	(1,000,236)	(4,171,858)
Additions to right-of-use-assets	1,743,819	286,753	2,030,572
Reduction in right-of-use-assets due to change in lease liability	(50,360)	52	(50,308)
Balance at 30 June 2022	**8,709,354**	**2,076,743**	**10,786,097**

Depreciation

Depreciation of the right-of-use assets is recognised on a straight-line basis in accordance with the accounting policy in Note 24.

9) Other Financial Assets

in AUD	**2022**	**2021**
Initial Investments in Funds	6,000,000	-
Financial assets designated at fair value through profit or loss	(665,484)	-
	5,334,516	-

10) Other assets

in AUD	2022	2021
Current		
Prepayments	1,088,478	558,133
Other receivables	406,460	440,304
	1,494,938	**998,437**

11) Trade and Other Payables

in AUD	2022	2021
Trade payables	1,650,797	1,693,563
Sundry payables and accrued expense	4,874,231	4,976,678
Employees salary and wages accrued expense	3,294,762	3,525,277
Contract liabilities and other revenue received in advance	1,190,290	2,823,596
	11,010,080	**13,019,114**

12) Other expenses

in AUD	2022	2021
Rent and equipment lease cost	921,445	720,903
Occupancy related cost	2,141,546	1,732,880
Clients related cost	2,861,195	2,226,088
IT related cost	3,903,091	3,674,032
Contractors cost	3,147,426	2,819,033
Repair and Maintenance cost	860,525	815,292
Insurance cost	520,877	504,772
Consulting cost	905,340	477,732
Other expenses	3,169,798	2,655,521
	18,431,243	**15,626,253**

13) Lease Liabilities

Significant leasing arrangements

Lease liabilities are secured by the assets leased and represent the discounted future rentals payable by the Group for multiple facilities which include group homes, offices, and motor vehicles. Each lease has a different lease term and most of them include an option to renew the lease after the lease end date. Lease payments are varied every year based on the contract.

in AUD

Secured	**2022**	**2021**
Current	3,838,553	6,190,344
Non - Current	7,469,874	7,105,992
Total	**11,308,427**	**13,296,336**

Future minimum lease payments

The future minimum lease payments arising under the Group's lease contracts at the end of the reporting period are as follows:
in AUD

Future lease payments	**2022**	**2021**
Not later than one year	4,233,383	6,894,033
Later than one year and not later than five years	7,021,482	6,113,820
Later than five years	1,042,708	1,713,639
Total future lease payments	**12,297,573**	**14,721,492**
Less future interest charges	(989,146)	(1,425,156)
Total minimum lease payments	**11,308,427**	**13,296,336**

Short-term and low value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for IT equipment leases as they are either short term in nature (less than 12 months) and / or of low value.

At 30 June 2022, the Group's commitments for low value leases were $102,207 (2021: $187,459).

14) Provisions

in AUD	**2022**	**2021**
Current		
Provision for annual leave	5,577,817	5,515,277
Provision for long service leave	3,718,508	4,396,328
Make good	970,450	816,748
	10,266,775	**10,728,353**
Non-current		
Provision for long service leave	1,030,110	685,076
Make good	363,401	715,478
Net defined benefit liability	232,325	705,799
Other provision	1,015,423	1,952,010
	2,641,259	**4,058,363**

15) Reserves

in AUD	**2022**	**2021**
Asset Revaluation Reserve	7,151,037	5,330,619
Defined Benefit Plan Reserves	(92,732)	(623,827)
	7,058,305	4,706,792

The Asset revaluation reserve arises on the revaluation of land and buildings. When revalued land or buildings are sold, the portion of the Asset revaluation reserve that relates to that asset is transferred directly to retained earnings.

16) Defined Benefit Plans

During the year, there were 6 employees that the Company directly contributes to a post-employment defined benefit plans established in Australia and independently administered by State Super SAS Trustee Corporation, that is legally separated from the Company. The board of the pension fund is required by law to act in the best interest of the plan participants and is responsible for setting certain policies (e.g. investment, contribution and indexation policies) of the fund.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk. The Group receives annual actuarial reports from Mercer to assess the relevant liabilities for the fund with appropriate adjustments made to ensure full disclosure of the funding required to maintain the plan. The defined benefit plan is funded by Ability Options Limited. The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

17) Related Parties

Information about the parent and subsidiaries

The subsidiary listed below is wholly owned (as noted in the table below) by the parent entity, Ability Options Limited. As at 30 June 2022, the proportion of ownership interests held equals the voting rights held by the Group. The subsidiary's principal place of business is also its country of incorporation or registration.

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Ability Options Limited is both the parent and the consolidated entity and is incorporated in Australia.

Ownership interest held by the Group			
Name of Subsidiary	**Principal place of business**	**2022**	**2021**
		%	**%**
Olympus Solutions Limited	Sydney, New South Wales	100	100
Nambucca Valley Disability Services*	Mid North Coast, New South Wales	-	100
Kempsey Respite Services Inc.*	Mid North Coast, New South Wales	-	100
Manning Valley Respite Care Services Inc.*	Hunter New England, New South Wales	-	100
Northern Beaches Interchange Inc.*	Sydney, New South Wales	-	100
MNC Disability Services Limited*	Mid North Coast, New South Wales	-	80
Ability Options Clinical Health Pty Ltd*	Sydney, New South Wales	-	100
MNC Transfer Limited*	Port Macquarie, New South Wales	-	80

*Subsidiaries were deregistered in 2022 financial year

Remuneration of key management personnel

Key management personnel

The Company's related parties included it's Directors, key management personnel and inter-company transactions with Group entities.

Key management personnel are the Board of Directors and members of Executive. The Directors of the Company were paid nominal fees during the year and ministerial approval was obtained as required under section 48 of the *Charitable Fundraising Act 1991* for governing body members to be remunerated or receive benefit.

17) Related Parties (continued)

Remuneration of key management personnel

In 2022, executive team was made up of 7 members (2021: 7 members).

in AUD	Short-term Benefits	Other Long-term Benefits	Termination payment	Total
2022				
Executive Member's Remuneration	2,188,831	52,367	-	**2,241,198**
Board of Director's Fees	127,933	-	-	**127,933**
	2,316,764	**52,367**	**-**	**2,369,131**
2021				
Executive Member's Remuneration	1,648,814	18,486	-	**1,667,300**
Board of Director's Fees	115,000	-	-	**115,000**
	1,763,814	**18,486**	**-**	**1,782,300**

18) Contingent liabilities

Contingent Liabilities

The Directors are of the opinion that provisions are not required in respect of contingencies, as it is not probable that a future sacrifice of economic benefits will be required or that the amount is not capable of reliable measurement.

19) Subsequent events

The Minister for Social Services, the Hon Amanda Rishworth announced on 21 August 2022 an overhaul of DES services. Ability Options has received notification of reallocation of 4 DES contracts (Central Coast DES DSS and EMS, Nepean DES DMS and Wollongong DES DMS) which will impact 667 participants and results in a reduction of revenue by $2.4m.

In the opinion of the Directors, there have been no other likely changes in the operations of the Group that will adversely or significantly affect the results of the Group in subsequent financial years.

20) Members' Guarantee

The Company 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.

21) Parent Entity Information

Accounting policies

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements except as set out below. See Note 24 for a summary of the significant accounting policies relating to the Group.

in AUD	2022	2021
Balance sheet		
Current assets	49,138,103	49,856,768
Non-current assets	27,061,461	27,731,044
Total assets	**76,199,564**	**77,587,812**
Current liabilities	22,952,232	28,409,268
Non-current liabilities	10,111,134	9,212,344
Total liabilities	**33,063,366**	**37,621,612**
Net assets	**43,136,198**	**39,966,200**
Contributed equity		
Reserves	7,058,306	4,706,792
Accumulated profits	36,077,892	35,259,408
Total equity	**43,136,198**	**39,966,200**
Surplus for the year	818,484	13,297,130
Net gain on revaluation of property, plant and equipment	1,820,418	645,183
Actuarial gain on defined benefit superannuation plans	531,095	(679,282)
Total comprehensive surplus for the year	**3,169,997**	**13,263,031**

22) Authorisation of financial statements

The financial statements were approved by the board of directors and authorised for issue on 10 October 2022.

23) Remuneration of auditors

in AUD

KPMG and related network firms	**2022**	**2021**
Audit or review of financial reports	109,710	109,008

24) Significant accounting policies

The Group has initially adopted the following standard and amendments from 1 July 2021:

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-For-Profit Tier 2 Entities.

The above standard and amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

A number of other new standards and amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

a) Financial Statements

The financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services.

b) Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer. More information about the Company's revenue sources and how they are accounted for are set out in Note 4.

c) Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability compromise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options if the lessee is reasonably certain to exercise the options.

24) Significant accounting policies (continued)

c) Leases (continued)

Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liabilities are remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised leased payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under *AASB 137* Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies *AASB 136* Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the ‘Property, plant and equipment’ policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset.

The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line ‘Other expenses’ in the statement of profit or loss.

As a practical expedient, *AASB 16* permits a lessee not to separate non-lease components, and instead account for any lease and associates non-lease component as a single arrangement. The Group has not used this practical expedient.

24) Significant accounting policies (continued)

d) Retirement and termination benefits costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the statement of financial position with a charge or credit to the statement of comprehensive income in the period in which they occur. Remeasurements recognised in the statement of comprehensive income are not reclassified. Past service cost is recognised in profit or loss when the plan amendment or curtailment occurs, or when the Group recognises related restructuring costs or termination benefits, if earlier. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs.

Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are split into three categories:

- Service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements;
- Net interest expense or income;
- Remeasurements.

The Group recognises service costs within profit or loss as cost of sales and administrative expenses.

Net interest expense or income is recognised within finance costs.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

Discretionary contributions made by employees, or third parties reduce service cost upon payment of these contributions to the plan.

e) Short-term and long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

24) Significant accounting policies (continued)

f) Property, plant and equipment

Furniture and fittings, equipment and motor vehicles in excess of $1,000 are capitalised at cost and depreciated over their estimated useful life.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group’s accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

24) Significant accounting policies (continued)

f) Property, plant and equipment (continued)

The depreciation rates used for each class of depreciable assets based on its useful lives are:

Class of Fixed Asset	Useful life
Buildings	50 years
Plant and equipment	5 years
Motor Vehicles	5 years
Lease improvement	3-10 years
IT Software	3-5 years
Computer equipment	3 years

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

g) Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for:

- Leasing transactions that are within the scope of *AASB 16* Leases;
- Measurements that have some similarities to fair value but are not fair value, such value in use in *AASB 136* Impairment of Assets.

h) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which are initially measured at the transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

24) Significant accounting policies (continued)

i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);
- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election / designation at initial recognition of a financial asset.

The Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and

The Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after reporting date.

24) Significant accounting policies (continued)

j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

k) Goods and services tax

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

- Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense, or
- For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

l) Investments

The financial assets at fair value through profit or losses are funds managed by an external manager. Fair value represents the market value of the financial assets at balance date.

Term deposits held with Australian Authorised Deposit-taking Institutions are classified as financial assets at amortised cost.

Financial assets at fair value through profit or loss

A financial asset is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

25) Entity Details

The registered street address of the entity is:

Ability Options Limited
Suite 1.14, The Versatile Building
29 – 31 Lexington Drive, Bella Vista NSW 2153

Principal Officer’s Declaration

I, Julia Squire, Chief Executive Officer of Ability Options Limited declare that in my opinion:

- the Statement of Profit or Loss and Other Comprehensive Income of Ability Options Limited for the year ended 30 June 2022 gives a true and fair view of all income and expenditure of the Company with respect to fundraising appeals;
- the Statement of Financial Position of Ability Options Limited as at 30 June 2022 gives a true and fair view of the state of affairs of the Company with respect to fundraising appeals conducted by the Company;
- the provisions of the Charitable Fundraising Act 1991, the Regulations under that Act and the conditions attached to the Charitable Fundraising Authority have been complied with by the Company; and
- the internal controls exercised by the Ability Options Limited are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.

Julia Squire

CEO

10 October 2022

Independent Auditor's Report

To the members of Ability Options Limited

Opinion

We have audited the *Financial Report* of Ability Options Limited (the Company).

In our opinion, the accompanying *Financial Report* of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* including:

- giving a true and fair view of the Group's financial position as at 30 June 2022, and of its financial performance and its cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards – Simplified Disclosure Requirements and Division 60 of the Australian* Charities and Not-for-profits Commission Regulations 2013.

The *Financial Report* comprises:

- Statement of financial position as at 30 June 2022
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors Declaration of the Company

The Group consists of the Company and the entities it controlled at the year-end or from time to time during the year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the ACNC Act 2012 and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

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Other Information

Other Information is financial and non-financial information in Ability Options Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021.*
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the Audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

KPMG

Stephen Isaac

Partner

Sydney

10 October 2022

Acknowledgements

Ability Options Limited 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:

- Department of Education, Skills and Employment
- Department of Social Services
- The Commonwealth Department of the Prime Minister and Cabinet
- Department of Health and Aged Care
- National Disability Insurance Agency
- NSW Department of Education
- The NSW Department of Premier and Cabinet
- The NSW Department of Communities and Justice

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