Financial **Reporting**

FOR THE YEAR ENDED 30 JUNE 2022

The directors present their report, together with the financial statements of the Group, being the Group and its controlled entities, for the financial year ended 30 June 2022.

General Information

Directors

The names of the directors in office at any time during, or since the end of the year are:

Names	Position
Roger Emmerson	Chairman
Sylvia Capps	Director
Andrew Antonopoulos	Director

Company secretary

Anita Mayer was appointed the position of Group secretary from 23rd June 2022.

Review of operations

The profit of the Company after providing for income tax amounted to $23,349 (2021: $1,545,967 loss).

Significant changes in state of affairs

No significant changes in the Group's state if affairs occurred during the financial year.

The COVID 19 pandemic continued to affect the Company, especially at the beginning of the year. In particular staffing issues due to vaccine mandates. The Directors continually assess the financial impact and review financial forecasts.

Principal activities and significant changes in nature of activities

The principal activities of the Group during the financial year were disability services and support.

Events subsequent to reporting date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of the affairs of the Company, in the future financial years.

Likely developments

The Company will continue to pursue its policy of providing disability services and support. Further information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of United Disability Care Pty Ltd and it's Controlled Entities.

Auditor's Independence declaration

The auditor's independence declaration in accordance with section 60-40 of the Charities and Not-for-profits Commission Act 2012 for the year ended 30 June 2022 has been received and can be found on page 3 of the financial report.

Director: .... **Director:** ....

Dated this 30th day of November 2022

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of United Disability Care Pty Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

(i) no contraventions of the auditor independence requirements as set out in section 60-40 of 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.

1.12.2022
Dated
SOUTHPORT

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Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022	2021
		$	$
Revenue and other income	4	44,395,138	44,032,815
Interest income		133	1,277
Employee benefits expense		(31,488,790)	(29,944,808
Depreciation and amortisation expense		(812,699)	)
Motor vehicle expense		(132,083)	(542,346)
Client service expense		(428,261)	(122,164)
Service house expense		(516,247)	(480,769)
Impairment - goodwill		(593,430)	(599,936)
Finance expense		(2,216,376)	(4,341,668)
Other significant operating expenses	5	(8,184,035)	(2,208,201)
			(7,340,181)
Profit before income tax		**23,349**	
Income tax expense	2(c)	-	**(1,545,967)**
			-
Profit/(loss) from continuing operations		**23,349**	
			(1,545,967)
Profit/(loss) for the year		**23,349**	
			(1,545,967)
Total comprehensive income for the year		**23,349**	
			(1,545,967)

Statement of Financial Position

AS AT 30 JUNE 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,122,548	715,532
Trade and other receivables	7	2,453,549	1,679,075
Inventories	8	11,775	11,781
Other assets	9	286,602	224,392
TOTAL CURRENT ASSETS		**3,874,474**	**2,630,780**
NON-CURRENT ASSETS			
Other assets	9	258,695	83,908
Right of use assets	10	1,674,435	1,708,733
Property, plant and equipment	11	8,959,859	7,011,687
Intangible assets	12	21,050,704	20,444,135
TOTAL NON-CURRENT ASSETS		**31,943,693**	**29,248,463**
TOTAL ASSETS		**35,818,167**	**31,879,243**
LIABILITIES			
CURRENT LIABILITIES		1,030,576	1,227,437
Trade and other payables	13	1,937,500	1,208,257
Borrowings	14	516,189	498,315
Lease liabilities	10	1,725,716	1,198,339
Employee benefits	15	98,648	110,235
Other liabilities	16		
TOTAL CURRENT LIABILITIES		**5,308,629**	**4,242,583**
NON-CURRENT LIABILITIES			
Borrowings	14	20,717,849	20,509,591
Lease liabilities	10	1,052,638	1,042,806
Employee benefits	15	209,865	850,511
Other liabilities			
TOTAL NON-CURRENT LIABILITIES		**21,980,352**	**22,402,908**
TOTAL LIABILITIES		**27,288,981**	**26,645,491**
NET ASSETS		**8,529,186**	**5,233,752**
EQUITY			
Issued capital		5	5
Asset revaluation reserve	17	3,404,100	132,000
Retained earnings		5,125,081	5,101,747
TOTAL EQUITY		**8,529,186**	**5,233,752**

Statement of Financial Position

AS AT 30 JUNE 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,122,548	715,532
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TOTAL EQUITY		**8,529,186**	**5,233,752**

Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2022

2022	Ordinary Shares $	Retained Earnings $	Asset Revaluation Reserve $	Total $
Balance at 1 July 2021	5	5,101,747	132,000	5,233,752
Profit attributable to group	-	23,349	-	23,349
Revaluation increment	-	-	3,272,100	3,272,100
Balance at 30 June 2022	**5**	**5,125,081**	**3,404,100**	**8,529,186**
2021				
Balance at 1 July 2020	5	6,645,714	132,000	6,779,719
Loss attributable to group	-	(1,545,967)	-	(1,545,967)
Balance at 30 June 2021	**5**	**5,101,747**	**132,000**	**5,233,752**

The accompanying notes form a part of these financial statements.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		9,034,726	10,720,655
Receipt from grants and subsidies		34,130,370	31,214,185
Payments to suppliers and employees		(40,804,705)	(38,855,194)
Interest received		133	1,278
Finance costs		(2,314,242)	(1,805,354)
Net cash provided by/(used in) operating activities		46,282	1,275,570
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		1,191,178	8,977
Purchase of property, plant and equipment		(595,651)	(2,048,877)
Purchases for investments		(1,200,000)	-
Net cash provided by/(used in) investing activities		(604,473)	(2,039,900)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from borrowings		1,811,604	1,691,093
Repayment of leases		(533,897)	(233,879)
Repayment of loans		(312,500)	(1,571,476)
Net cash provided by/(used in) financing activities		965,207	(114,262)
Net increase/(decrease) in cash and cash equivalents held		407,016	(878,592)
Cash and cash equivalents at beginning of year		715,532	1,594,124
Cash and cash equivalents at end of financial year	6	1,122,548	715,532

The accompanying notes form a part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

The financial report covers United Disability Care Pty Ltd and its controlled entities ('the Group'). United Disability Care Pty Ltd ('the Parent') is a not for profit Company, registered and domiciled in Australia, ABN 75 065 087 210.

The Parent entity exercises control and owns at 30 June 2022:

- 100% of subsidiary Adelaide Supportive Care Pty Ltd (2021: 100%).
- 100% of subsidiary DJ Health Holdings Pty Ltd (2021: 100%).

The functional and presentation currency of United Disability Care Pty Ltd and its Controlled Entities is Australian dollars.

The financial report was authorised for issue by those charged with governance on the date of signing the Responsible Person's Declaration.

1 Basis of Preparation

The amendments to this standard are effectively for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively.

Amendments to AABS 2020-1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current

The amendments affect not only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability or expenses, or the information

-AASB 2020-1 Amendments to Australian Accounting Standards -Disclosure of accounting policies

-AASB 2020-1 Amendments to Australian Accounting Standards -Classification of Liabilities as Current or Non-Current

-AASB 2021-2 Disclosure of Accounting Policies, Changes in Accounting Estimates and Errors -Definition of Accounting Estimates; and

Amendments to AASB 2020-1 Presentation of Financial Statements and Making Materiality Judgements-Disclosure of Accounting Policies.

The amendments change the requirements with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in the standard are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Board plans to develop guidance and examples to explain and demonstrate the application of the 'four-step materiality process'.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

1 Basis of Preparation

The amendments to this standard are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively.

Amendments to MSB 2020-1 Presentation of Financial Statements-Classification of Liabilities as Current or Noncurrent.

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

Amendments to MSB 2021-2 Disclosure of Accounting Policies. Changes in Accounting Estimates and Errors-Definition of Accounting Estimates.

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted. Directors will assess the impact of this amendment. The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the company in future periods

2 Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 21 to the financial statements.

Subsidiaries

Subsidiaries are all entities over which the parent has control. Control is established when the parent 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 relevant activities of the entity.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Group.

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

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.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Grants under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.
Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Statement of financial position balances relating to revenue recognition

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Group presents the contract as a contract liability.

Contract cost assets

The Group recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

Other income

Donations must be spent in line with donors request income in .
Interest revenue is recognised using the effective interest rate method.

(c) Income Tax

Parent

The parent Group is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Subsidiaries

The income tax expense (revenue) for the year comprises current income tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting year. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(d) Goods and services tax (GST)

Revenue, 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 Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 Summary of Significant Accounting Policies

(e) Economic dependence

United Disability Pty Ltd and its Controlled Entities are dependent on continued funding from the Department of Health & Ageing and the National Disability Insurance Agency for the delivery of the majority of its services. Directors believe that ongoing financial support will continue to be provided by relevant funding bodies.

(f) Inventories

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the revaluation model. Refer to note 3 - key estimation of property at fair value.

Plant and equipment

Plant and equipment are measured using the revaluation model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Group, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	**Depreciation rate**
Buildings	2.00%-10.00%
Plant and Equipment	7.50%-50.00%
Motor Vehicles	20.00%
Computer Software	40.00%
Leasehold improvements	2.00%-10.00%
Right-of-Use - Buildings	10.00%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 Summary of Significant Accounting Policies

(h) Intangibles

Goodwill arising from acquisition of subsidiaries

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that of:

•liabilities related to employee benefit arrangements are recognised and measured in accordance with MSB 119 'Employee Benefits'.

Goodwill is calculated as the excess of the sum of:

i) the consideration transferred;

ii) any non-controlling interest; and

iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired in a business combination.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any impairment triggers are identified.

Goodwill is not amortised but is tested for impairment annually and is allocated to the Group's cash generating units or groups of cash generating units, which represent the lowest level at which goodwill is monitored but where such level is not larger than an operating segment.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 Summary of Significant Accounting Policies

(j) 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 (such as tablets and personal computers, small items of office furniture and telephones). 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 comprise:

- Fixed lease payments less any lease incentives

The lease liability is presented as a separate line in the 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 asset) whenever:

- The lease term has changed

-The lease payment change due to changes in an index or rate or a change in expected payments under a guaranteed residual value, in which cases the lease liability is remeasures by discounting the revised lease payment using an unchanged discount rate (unless the lease payment change is due to a change in a floating interest rate, in which case a revised discount rate is used).

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

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right of use asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the 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.

Rental leases on the properties are exempt under AASB 16 under the term of a short-term lease.

(k) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.
Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

3 Critical Accounting Estimates and Judgments

Thoes charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.
The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Group assesses impairment at the end of each reporting period by evaluating conditions 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.

Key estimates - impairment of goodwill

In accordance with AASB 136 Impairment of goodwill, the Group is required to estimate the recoverable amount of goodwill at each reporting period.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of goodwill can be supported by the net present value of anticipated future cash flow projections which have been discounted at an appropriate rate and using a terminal value to incorporate expectations of growth thereafter

Key estimates - provisions of long service leave

A portion of non-current long service leave consist of prior contributions to Q-leave expected to be utilised upon reaching required milestones.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key estimates - property held at fair value

An independent valuation of property (land and buildings) carried at fair value was conducted by Opteon Solutions in the financial year ending 30 June 2022. Directors have reviewed this valuation and updated it based on valuation indexes for the area in which the property is located. The valuation is an estimation which would only be realised if the property is sold.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

4 Revenue and Other Income

	2022	2021
Funding Income	$	$
NDIS funding	34,130,370	33,742,671
Over 65's	762,634	1,188,995
Total funding income	34,893,004	34,931 1666
Other Income		
Service recoveries	636,067	646,341
Fee for service income	7,995,319	8,129,000
Management fee	125,455	
Profit on sale of assets	405,910	78,578
Other income	945	13,277
Reimbursement of occupancy charges	122,059	87,394
Workers Comp Reimbursements	216,379	146,559
Total other income	9,5021134	9,101,149
Total revenue and other income	44,395,138	44,032,815

5 Significant other operating expenses

	2022	2021
	$	$
Operating expenses		
Staff Training	142,431	108,110
Workers Compensation Wages	368,537	161,187
Workers Compensation	1,089,463	936,234
Accounting Fees	41,671	52,650
Computer Expenses	43,150	60,213
Consultancy Fees	95,429	206,645
Insurance - Public Liabilty	96,509	75,454
IP Expenses	975,000	440,306
License Fees	212,761	163,438
Legal Expenses	60,491	70,640
Office Expenses	75,340	111,304
Office Telephone	81,696	84,923
Administration Expenses	4,213,331	4,506,305
Staff Amenities	37,560	48,278

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

6 Cash and Cash Equivalents

	2022	2021
	$	$
Cash on hand	1,450	1,092
Bank balances	1,121,098	714,440
Total cash and cash equivalents	1,122,548	715,532

7 Trade and other receivables

	2022	2021
	$	$
GST receivable	169,352	186,566
Current tax receivables	1,345	
Trade receivables	508,251	591,066
Provision for doubtful debts	(50,000)	
NDIS debtor	1,825,946	900,098
Total current trade and other receivables	2,453,549	1,679,075

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Inventories

	2022	2021
At cost:	$	$
Merchandise	11,775	11,781
Total inventory	11,775	11,781

9 Other Assets

	2022	2021
	$	$
Current		
Prepayments	160,807	99,137
Deposits paid	125,795	125,255
Total current other assets	286,602	224,992
Non - Current		
Q-Leave PLSL Credits	258,695	83,908
Total non-current other assets	258,695	83,908
Total other assets	545,297	308,300

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

10 Lease

Right-of-use assets

	Office Premises
Year ended 30 June 2022	$
Asset balance	1,708,733
Accumulated depreciation charge	(494,953)
Additions to right-of-use assets	460,655
Balance at end of year	1 674 435

	Office Premises
Year ended 30 June 2021	$
Balance at beginning of year	1,947,087
Depreciation charge	(238,354)
Balance at end of year	1,708,733

Lease liabilities	**2022**	**2021**
	$	$
Current		
Operating- lease of premises	516,189	498,315
Total current lease liability	516 189	498 315
Non-current		
Operating- lease of premises	1,052,638	1,042,806
Total non-current lease liability	1,052,638	1,042,806
Total Lease liabilities	1,568,827	1,541, 121

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

11 Property, plant and equipment	**2022**	**2021**
	$	$
Freehold land		
At fair value	4,335,000	1,436,000
At Cost	555,000	555,000
Total Land	4,890,000	1,991,000
Buildings		
At fair value	2,468,800	3,348,459
At cost	1,957,759	1,957,759
Accumulated depreciation	(643,552)	(648,207)
Total buildings	3,783,007	4,658,011
Plant and equipment		
At cost	617,562	594,316
Accumulated depreciation	(510,684)	(427,801)
Total plant and equipment	106,878	166,515
Furniture, fixtures and fittings		
Motor vehicles		
At cost	399,273	674,396
Accumulated depreciation	(376,720)	(629,318)
Total motor vehicles	22,553	45,078
Office equipment		
At cost	275,653	269,943
Accumulated depreciation	(248,337)	(233,979)
Total office equipment	27,316	35,964
Computer equipment		
At cost	-	-
Computer software		
At cost	1,233	
Total computer software	1 233	
Leasehold Improvements		
At cost	401,530	373,105
Accumulated depreciation	(272,658)	(257,986)
Total leasehold improvements	128,872	115,119
Total property, plant and equipment	8,959,859	7,011,687

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

11 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land	Buildings	Plant and Equipment	Motor Vehicles	Office Equipment	Computer Software	Leasehold Improvements	Total
	$	$	$	$	$	$	$	$
Year ended 30 June 2022								
Balance at the beginning of year	1,991,000	4,658,011	166,515	45,078	35,964	-	115,119	7,011,687
Additions	-	-	34,146	-	6,606	46,099	93,011	179,862
Disposals	-	(1,132,259)	(9,019)	(508)	(785)	(44,866)	(48,607)	(1,236,045)
Depreciation expense	-	(115,845)	(84,764)	(22,017)	(14,468)	-	(30,651)	(267,745)
Revaluation increase	2,899,000	373,100	-	-	-	-	-	3,272,100
Balance at the end of the year	4,890,000	3,783,007	106,878	22,553	27,316	1,233	128,872	8,959,859

	Land	Buildings	Plant and Equipment	Motor Vehicles	Office Equipment	Computer Software	Leasehold Improvements	Total
	$	$	$	$	$	$	$	$
Year ended 30 June 2021								
Balance at the beginning of year	1,991,000	4,814,473	181,452	73,407	13,632	32,090	116,812	7,222,866
Additions	-	-	79,314	24,376	35,386	-	29,118	168,194
Disposals	-	-	-	(25,098)	-	-	-	(25,098)
Transfers	-	-	(15,677)	-	-	(32,090)	-	(47,767)
Depreciation expense	-	(156,462)	(78,574)	(27,607)	(10,538)	-	(30,811)	(303,992)
Balance at the end of the year	1,991,000	4,658,011	166,515	45,078	35,964	-	115,119	7,011,687

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

12 Intangible Assets	**2022**	**2021**
	$	$
Goodwill		
At Fair Value:		
Goodwill Arising from acquisition	20,444,135	24,785,803
of subsidiaries	(593,431)	(4,341,668)
Impairment of goodwill		
Total goodwill	19,850,704	20,444,135
Intellectual Property - OS IP	1,200,000	
At cost	1200000	
Total intellectual property		
Total Intangible assets	21,050,704	20,444,135

13 Trade and Other Payables	**2022**	**2021**
	$	$
Trade payables	196,658	726,975
PAYG payable	-	90,881
Accruals and other creditors	609,848	202,864
Superannuation payable	206,401	206,717
Plan managed credit funds	17,669	-
Total trade and other payables	1,030,576	1,227,437

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

14 Borrowings	2022 $	2021 $
CURRENT		
Vendor finance loan from related party	1,000,000	1,208,257
United marketing with related party	937,500	
Total current borrowings	1,937,500	1,208,257
NON-CURRENT		
Vendor finance loan from related party	14,206,132	15,997,874
Loan from related party - DJ Property Pty Ltd	6,511,717	4,511,717
Total non-current borrowings	20,717,849	20,509,591
Total borrowings	22,655,349	21,717,848

15 Employee Benefits	2022 $	2021 $
CURRENT		
Long service leave	644,626	94,501
Provision for annual leave	1,081,090	1,103,838
Total current provision	1,725,716	1,198,339
NON-CURRENT		
Long service leave	209,865	850,511
Total non-current provision	209,865	850,511

16 Other Liabilities	2022 $	2021 $
CURRENT		
Recurrent funds received	70,095	99,239
Donations held for specific purpose	28,553	10,996
Total other liabilities	98,648	110,235

T17 Reserves

(a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on land. As at 30 June 2022, the balance of the reserve $3,404,100 relates to an independent valuation of land in 2022.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

18 Fair Value Measurement

The Group measures the following assets and liabilities at fair value on a recurring basis:

Property, Plant and Equipment

- Land

- Building

19 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of the Group is $743,529 (2021: $748,575). Includes in the 2022 key management personnel disclosed are Directors, Chief Executive Officer, Quality and Safeguarding Manager, General Manager Service Delivery, General Manager People & Development and Operations Manager.

20 Contingencies

In the opinion of, the Company did not have any contingencies at 30 June 2022 (30 June 2021 :None).

21 Related Parties

(a) The Group's main related parties are as follows:

The ultimate parent entity, which exercises control over the Company, is United Disability Care Pty Ltd which is incorporated in Australia and owns:

-100% of subsidiary Adelaide Supportive Care Pty Ltd (2020: 100%). Shares were purchased shares 31 May 2019.

-100% of subsidiary DJ Health Holdings Pty Ltd (2020: 100%). Shares were purchased 31 January 2020.

Key management personnel - refer to Note 19.

Other related parties include:

Corporate Link Services Pty Ltd: A company owned by Mr J Margerison (Investor) from 6 March 2017.

ABA Consulting Services Pty Ltd: A company owned by Mr A Antonopoulos (Director).

DS IP & Technology Pty Ltd: A company owned by Mr J Margerison (Investor).

DJ Property Pty Ltd: A company owned by Mr J Margerison (Investor).

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

21 Related Parties

(b) Transactions with related parties

	Purchases	Sales	Balance outstanding Owed to the Group	Balance outstanding Owed by the Group
	$	$	$	$
2022				
DS IP & Technology Pty Ltd	194,433	12,340	-	-
Corporate Link Services Pty Ltd	4,667,294	218,585	10,678	2,921
ABA Consulting Services Pty Ltd	29,308	-	-	803
2021				
DS IP & Technology Pty Ltd	482,403	25,015	3,960	38,500
Corporate Link Services Pty Ltd	4,984,378	118,748	12,144	192,090
ABA Consulting Services Pty Ltd	27,772	-	-	-

(c) Loans from related parties

Unsecured loans are made to the ultimate parent entity on an arm's length basis

<u>Vendor finance loan from Investor (Mr J Marqerison)</u>

The payment term of the loan is 10 years after the interest commencement date of 1 February 2020. The loan is unsecured and repayable in cash. Per the signed agreement, the interest rate applied is set at 10% p.a

<u>Related party loan from DJ Property Pty Ltd Loan</u>
The payment term of the loan is 1 O years after the interest commencement date of 1 April 2020. The loan is unsecured and repayable in cash. Per the signed agreement, the interest rate applied is set at 10% p.a.

<u>Related party Joan from United Marketing (Mr J Margerison)</u>
The payment terms of the loan is 2 years after the interest commencement date of 1 December 2021. The loan is unsecured and repayable in cash. Per the signed agreement, the interest rate applied is set at 5% p.a.

	Closing balance
	$
Loans from DJ Property Pty Ltd	
2022	15,206,132
2021	4,511,717
Vendor finance loan from Investor (Mr J Margerison)	
2022	6,511,717
2021	17,206,131
United Marketing with John Margersion	
2022	937,500

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

22 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

The COVID 19 pandemic continued to affect the Company, especially at the beginning of the year. In particular staffing issues due to vaccine mandates. The Directors continually assess the financial impact and review financial forecasts.

On 12 July 2022, the Group executed a new agreement with Corporate Link Service Pty Ltd to continue to provide the services under the Original Service Agreement. This Agreement is ongoing subject to any variations as agreed between the parties.

23 Statutory Information

The registered office and principal place of business of the company is:

United Disability Care Pty Ltd and its Controlled Entities
Level 5, 35 Robina Town Centre Drive
ROBINA OLD 4230

Directors' Declaration

The directors of the Company declare that:

• 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; and

• in the directors' opinion, the attached financial statements and notes are in accordance with the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

Director .... Director ....

SYLVIA CAPPS

Dated 30/11/2022

UNITED DISABILITY CARE PTY LTD AND ITS CONTROLLED ENTITIES
INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
UNITED DISABILITY CARE PTY LTD AND ITS CONTROLLED ENTITIES

Unqualified Auditors Opinion
We have audited the financial report of United Disability Care Pty Ltd and its controlled entities (the group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement
of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion, the accompanying financial report is in accordance with Division 60 the Australian Charities and
Not-For-Profits Commission Act 2012, including:

(i) Giving a true and fair view of the group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards - Simplified Disclosures.

Basis for Opinion
We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the group in accordance with the auditor independence requirements of division 60 of the Australian Charities and Not-For-Profits Commission Act 2012 and the ethical requirements of
the Accounting Professional and Ethical Standards Board's APES 11 O: Code of Ethics for Professional Accountants
(the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Australian Charities and Not-For-Profits Commission Act 2012, which has been given to the directors of the group, would be in the same terms if given to the directors as at the time of this auditor's report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Goodwill Valuation
With reference to Note 3 Directors judgement on goodwill valuation and impairment, if any of the Directors assumptions in respect of impairment of goodwill in particular estimated future income generation there is a underlying risk of overstatement of intangible assets.

Responsibilities of the Directors of the Financial Report
The directors of the group are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate
to meet the requirements of Australian Accounting Standards - Reduced Disclosure Requirements, Division 60 of
the Australian Charities and Not-For-Profits Commission and is appropriate to meet the needs of the members.
The directors' responsibility also includes such internal control as the directors determine is necessary 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.

In preparing the financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic
alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report
Our objectives are 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with the 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 group'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 director's 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'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 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 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.

DICKFOS DUNN ADAM
Audit & Assurance

DDA

Dated 15.12.2022
SOUTHPORT

T L Adam

United DisAbility
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