selectability Ltd

ABN 27 174 635 449

General Purpose Financial Report

For the year ended 30 June 2025

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Directors' Report

The Directors present their report together with the consolidated financial statements of the Group comprising of selectability Ltd (the Company), and its subsidiary for the financial year ended 30 June 2025 and the auditor's report thereon.

1. Directors

The Directors of the Company at any time during or since the end of the financial year are:

Names	Position	Appointed	Resigned
Danielle Hornsby	Board Chair	17-Jan-22	-
Dr Tulha Aga	Director	30-Jan-21	-
Shawn Anderson	Director	3-Mar-25	-
Sonia Bennetto	Director	26-Oct-21	24-Jan-25
Patricia Brand	Director	4-Mar-25	-
Robert (Bob) James	Director	28-Nov-17	-
Karen Lenihan	Director	28-Mar-23	-
Louise Prychidczuk	Director	28-Mar-23	-
Dr Clive Skarott AM	Director	7-Feb-19	-
Neil Willmett	Director	29-Mar-22	29-Oct-24

Information on directors

Daniel Hornsby	Director and Board Chair (from 25 October 2023).
Qualifications	B.Sp.Thy, MBA, GAICD. (Director since 2022)
Experience	Danielle is a seasoned heath service executive who has a passion for driving innovation to improve health services in regional centres. Danielle currently leads the practice of some 700 allied health clinicians across the broader Townsville region, with a reputation and achievement record which has influenced rural health policy and practice nationally for over two decades. Danielle is a speech pathologist by background, holds a Master in Business Administration and is a Graduate of the Australian Institute of Company Directors.
Special Responsibilities	Board Chair, Member of Corporate Governance Committee, Member of Care & Practice Governance Committee
Dr Tulha Aga	Director
Qualifications	FRANZCP, MRCPsych, MBBS (Lond) (Director since 2021)
Experience	Dr Tulha Aga is a Consultant Psychiatrist with over 20 years' experience in healthcare across the UK and Australia. His interest is in community and rehabilitation psychiatry and he has worked extensively with CALD communities. Tulha works clinically for Townsville University Hospital as Clinical Director responsible for Rural and Remote Psychiatry as well as the Aboriginal and Torres Strait Islander Wellbeing Assessment and Engagement Service. He is a Senior Lecturer with JCU College of Medicine and Dentistry and has held tutor positions in Healthcare Leadership and in Communication Skills.
Special Responsibilities	Chair of Care & Practice Governance Committee
Shawn Anderson	Director
Qualifications	Dip. Financial Services, MBA (Global), GAICD (Director since 3 March 2025)
Experience	Shawn brings over 20 years of experience in Financial Services to the Board and currently serves as the Chief Transformation Officer at Queensland Country Bank. Previously, he held the position of Chief Risk Officer for seven years and has occupied various other executive roles throughout his career. Born and raised in Townsville, Shawn is passionate about fostering growth and development in regional Queensland. Currently a committee member for Townsville Enterprises Finance, Audit and Risk Committee since 2018. He holds a Diploma of Financial Services, a Master of Business Administration, and is a Graduate of the Australian Institute of Company Directors
Special Responsibilities	Member of Finance, Audit & Risk Committee

Directors' Report (continued)

Sonia Bennetto	Director (resigned 24 January 2025)
Qualifications	GAICD, BBus (Marketing), GradDipEd (Middle Years), CertIV Training & Assessment (Director since 2021).
Experience	Sonia has over 15 years of experience in business development, vocational training, strategic marketing, product development, copywriting and digital design. Through her local business operations, Sonia has acquired considerable expertise in corporate governance and strategic planning. Sonia formerly served as a Councillor of the Charters Towers Regional Council for eight years; six of which were fulfilled as Deputy Mayor. She is also a Graduate of the Australian Institute of Company Directors. As an experienced teacher delivering education in a growing regional community, Sonia recognises the emerging pressures and adversities that young people face with respect to their mental health and wellbeing. A strong advocate for innovation and creativity in the workplace, Sonia is passionate about identifying opportunities to develop regional community connections, capacity, and resilience through positive mental health and wellbeing.
Special Responsibilities	Member of Corporate Governance Committee
Patricia Brand	Director
Qualifications	B.Com JCU, FCPA, FAICD, FAIM (Director since 4 March 2025)
Experience	Patricia has extensive experience in senior executive roles managing portfolios comprising a range of corporate services including financial management. She is committed to transforming service delivery to enhance organisational efficiency and effectiveness through innovation. Tricia is a born and bred North Queenslander and is passionate about serving the needs of the northern Queensland region and has just completed 12 years serving on the Finance Board of the Townsville Hospital and Health Service. She is also deeply committed to sustainability. Tricia was employed at James Cook University as the Deputy Vice Chancellor, Services and Resources. Tricia is a qualified accountant and holds post graduate qualifications in accounting and is a Fellow of CPA Australia, the Australian Institute of Company Directors and Australian Institute of Management.
Special Responsibilities	Member of Finance, Audit & Risk Committee.
Robert (Bob) James	Director
Qualifications	CPA, BSocSc (Hons); MIndigSt (Hons) (Director since 2017)
Experience	Bob is a retired university lecturer, historian and accountant. He has a long-term concern for those with mental health issues and their families and carers. This interest was brought about by family exposure to mental ill health and suicide over the last two decades. He joined the Board of one of selectability's founding organisations Mental Illness Fellowship NQ (MIFNQ) in 2004 and was President and Chair for many years.
Special Responsibilities	Chair of Finance, Audit & Risk Committee.
Karen Lenihan	Director
Qualifications	MBA, BSocSc, GradCertMentalHealthPrac, RN (Director since 2023)
Experience	Karen is the former Principal Official Visitor for New South Wales under the NSW Mental Health Act 2007. She held the position from 2016 to 2023. With a background working as a clinician, educator, manager and executive director, she has broad working experience in health service delivery, organisational development and major change management. Karen's career is characterised by her work with fringe populations who experience high levels of social stigma and disadvantage. She is committed to quality service provision, is a strong advocate for social justice and believes in equity of access to the resources available in contemporary society.
Special Responsibilities	Member of the Care & Practice Governance Committee and member of the Corporate Governance Committee.

Directors' Report (continued)

Louise Prychidczuk	Director
Qualifications	LLB(Honours), B Com (Director since 2023)
Experience	Louise is a highly experienced lawyer and board director with over 20 years of experience in the legal industry. She holds a Bachelor of Laws (Hons) degree from Griffith University and has been admitted to practice law in multiple jurisdictions. Throughout her career, Louise has worked with a diverse range of clients, from individuals and small businesses to large corporations and government entities. She has also had extensive experience working for Aboriginal and Torres Strait islander legal services in criminal law. Louise started the first Homeless Persons Legal Clinic in Cairns.
Special Responsibilities	Chair of the Corporate Governance Committee and Member of the Finance, Audit & Risk Committee
Dr Clive Skarott AM	Director and Deputy Board Chair
Qualifications	HonDUniv, DipFinSvcs, FAICD, FAMI, JP (Qual.) (Director since 2019)
Experience	As well as his work for selectability, Clive is the Chair of JCU Dental and President of the Cairns Historical Society and Museum. Clive recently retired as Chair of the Cairns and Hinterland Hospital and Health Service. Before joining our Board, Clive held the following positions - Chair of Ergon Energy; Director of Energy Queensland Ltd; Chair of the Cairns Port Authority; Director and Patron of Advance Cairns; Treasurer of the Regional Development Australia Committee (FNQ&TS); Director and Chief Executive Officer of the Electricity Credit Union Ltd. In addition, Clive had the following outstanding achievements; Distinguished Service Award (Australian Credit Union Industry - 2007); Australian Flag Bearer (World Credit Union Convention Hong Kong - 2008); Cairns Citizen of the Year (2011).
Special Responsibilities	Deputy Board Chair and Member of Finance Audit and Risk Committee.
Neil Willmett	Director
Qualifications	BAppHSc (UQ) (Resigned 29 October 2024)
Experience	Neil is a leader in Aboriginal and Torres Strait Islander health, housing, economic development and administration, leading the development of complex and sensitive economic, social and housing and health policy, projects and initiatives as well as structural, capability and cultural change reforms. He is currently the CEO of Aboriginal and Torres Strait Islander Housing Queensland and is the former CEO of the Queensland Aboriginal and Islander Health Council. With a track record in outcomes, he also has a public health degree from the University of Queensland.
Special Responsibilities	Chair of Corporate Governance Committee and member of Finance, Audit and Risk Committee

Meetings of directors

During the financial year, the following meetings of directors were held. Attendances by each director during the year were as follows:

	selectability Ltd Board		selectability Ltd Finance, Audit and Risk committee		selectability Ltd Corporate Governance Committee	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Danielle Hornsby	14	14	-	1	2	2
Dr Tulha Aga	14	13	-	-	-	-
Shawn Anderson	4	4	2	1	-	-
Sonia Bennetto	7	6	-	-	1	1
Patricia Brand	4	4	2	2	-	-
Robert (Bob) James	14	14	4	4	-	-
Karen Lenihan	14	13	-	-	1	1
Louise Prychidczuk	14	13	4	3	2	2
Dr Clive Skarott AM	14	12	4	3	-	-
Neil Willmett	4	2	1	-	1	1

Directors' Report (continued)

	selectabiltiy Ltd Care & Practice Governance Committee		Jobtrain Pty Ltd Board		Jobtrain Pty Ltd Finance, Audit and Risk committee	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Danielle Hornsby	4	4	6	6	-	1
Dr Tulha Aga	4	4	6	5	-	-
Shawn Anderson	-	-	-	2*	-	-
Sonia Bennetto	-	-	3	2	-	-
Patricia Brand	-	-	-	2*	-	-
Robert (Bob) James	-	-	6	6	2	2
Karen Lenihan	4	4	6	6	-	-
Louise Prychidczuk	-	-	6	6	2	1
Dr Clive Skarott AM	-	-	6	4	2	2
Neil Willmett	-	-	2	-	1	-

*Both Shawn Anderson and Patricia Brand were not officially appointed to the Jobtrain Pty Ltd Board of Directors until 03 June 2025. Their attendance to Jobtrain Pty Ltd Board Meetings were as observers and incoming directors for the two meetings prior to their official appointment.

2. Environmental regulation

The Group's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

3. Principal activities

The principal activities of the Group during the financial year were improving the mental wellbeing of people in regional Queensland, the provision of child safely services and contribute to the prevention of suicide, and the provision of training through Jobtrain Pty Ltd.

4. Members' guarantee

selectability Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $10, subject to the provisions of the company's constitution.

At 30 June 2025 the collective liability of members was $220 (2024: $230).

5. Review of operations and results of those operations

Operating results

The consolidated surplus of the Group after income tax is $3,749,541 (2024: $5,311,543). The 2025 surplus includes capital revenue of $860,090 (2024: $3,182,041) for assets recognised in the statement of financial position.

6. Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

7. 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, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Directors' Report (continued)

8. Likely developments

Information about likely developments in the operations of the Group 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 Group.

9. Indemnification and insurance of officers and auditors

Indemnifications

Since the end of the previous financial year, the Group has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Group.

Insurance premiums

During the financial year the Group has paid premiums in respect of Directors' and officers' liability and legal expenses insurance contracts for the financial year ended 30 June 2025 and since the financial year, the Group has paid premiums in respect of such insurance contracts for the financial year ended 30 June 2026. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the Group.

The Directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the Directors and officers liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contract.

10. Proceedings on behalf of the Company

There are no current proceedings on behalf of the Company.

11. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 9 and forms part of the Directors report for the financial year ended 30 June 2025.

This report is made out in accordance with a resolution of the Directors:

Danielle Hornsby

Danielle Hornsby
Board Chair

Dated this 1 day of October 2025.

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

To the Directors of selectability Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit of selectability Ltd for the financial year ended 30 June 2025 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

Bronwyn Lovell

Partner

Brisbane

1 October 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 $	2024 $
Revenue	4	82,521,438	71,654,322
EXPENSES			
Employee benefits expense	5	(58,128,555)	(49,567,874)
Depreciation and amortisation		(2,328,611)	(1,907,330)
Other expenses	6	(18,512,144)	(15,011,214)
TOTAL EXPENSES		**(78,969,310)**	**(66,486,418)**
PROFIT FROM OPERATIONS		**3,552,128**	**5,167,904**
Finance income	7	452,333	294,578
Finance expense	7	(254,920)	(150,939)
NET FINANCE INCOME		**197,413**	**143,639**
PROFIT BEFORE INCOME TAX		**3,749,541**	**5,311,543**
Income tax expense		-	-
PROFIT FOR THE YEAR		**3,749,541**	**5,311,543**
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		**3,749,541**	**5,311,543**

Consolidated Statement of Financial Position

As at 30 June 2025

	Note	2025 $	2024 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	10,918,083	7,744,854
Term deposits		1,926,633	1,792,190
Trade and other receivables	9	1,672,259	1,892,730
Other assets	10	2,363,588	2,478,615
TOTAL CURRENT ASSETS		**16,880,563**	**13,908,389**
NON-CURRENT ASSETS			
Property, plant and equipment	11	19,989,800	15,687,234
Right-of-use assets	12	3,173,278	3,494,062
Intangibles		6,705	13,092
TOTAL NON-CURRENT ASSETS		**23,169,783**	**19,194,388**
TOTAL ASSETS		**40,050,346**	**33,102,777**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	4,648,791	3,970,633
Lease liabilities	12	1,097,259	889,334
Employee benefits	14	1,567,599	1,330,028
Other liabilities	15	8,448,170	6,199,969
Make good provision		164,373	150,234
TOTAL CURRENT LIABILITIES		**15,926,192**	**12,540,198**
NON-CURRENT LIABILITIES			
Lease liabilities	12	2,209,697	2,656,724
Employee benefits	14	104,436	101,260
Make good provision		482,575	226,690
TOTAL NON-CURRENT LIABILITIES		**2,796,708**	**2,984,674**
TOTAL LIABILITIES		**18,722,900**	**15,524,872**
NET ASSETS		**21,327,446**	**17,577,905**
EQUITY			
Retained earnings		21,327,446	17,577,905
TOTAL EQUITY		**21,327,446**	**17,577,905**

The notes on pages 14 to 31 are an integral part of these consolidated financial statement.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Retained earnings $	Total equity $
BALANCE AT 1 JULY 2023	**12,266,362**	**12,266,362**
COMPREHENSIVE INCOME		
Profit for the year	5,311,543	5,311,543
TOTAL COMPREHENSIVE INCOME	**5,311,543**	**5,311,543**
BALANCE AT 30 JUNE 2024	**17,577,905**	**17,577,905**
COMPREHENSIVE INCOME		
Profit for the year	3,749,541	3,749,542
TOTAL COMPREHENSIVE INCOME	**3,749,541**	**3,749,542**
BALANCE AT 30 JUNE 2025	**21,327,446**	**21,327,446**

Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and funding bodies		88,779,546	78,476,519
Payments to suppliers and employees		(79,111,894)	(65,947,488)
Interest received		452,333	294,578
Interest paid		(254,920)	(150,939)
NET CASH FROM OPERATING ACTIVITIES		**9,865,065**	**12,672,670**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(5,557,357)	(6,493,683)
Proceeds on disposal of property, plant and equipment		15,836	-
Acquisition of intangible assets		-	(6,477)
Investment in term deposits		(134,443)	(1,792,190)
NET CASH USED IN INVESTING ACTIVITIES		**(5,675,964)**	**(8,292,350)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(1,015,872)	(936,256)
NET CASH USED IN FINANCING ACTIVITIES		**(1,015,873)**	**(936,256)**
NET INCREASE IN CASH AND CASH EQUIVALENTS HELD		**3,173,229**	**3,444,064**
Cash and cash equivalents at beginning of the year		7,744,854	4,300,790
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	8	**10,918,083**	**7,744,854**

Notes to the Consolidated Financial Statements

For the year ended 30 June 2025

Note 1 Reporting entity

selectability Ltd (the 'Company') is domiciled in Australia. The Company's registered office and principal place of business is at 131 Denham Street, Townsville, QLD, 4810.

These consolidated financial statements comprise the Company and its subsidiary Jobtrain Pty Ltd (together referred to as the 'Group').

The Group is a not-for-profit, and is primarily involved in improving the mental wellbeing of people in regional Queensland and contributing to the prevention of suicide.

Note 2 Basis of preparation

a) *Statement of compliance*

These consolidated financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. They have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board.

These consolidated financial statements were authorised for issue by the Board of Directors as of the date of the Directors Declaration.

b) *Basis of measurement*

The consolidated financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

c) *Functional currency*

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

d) *Use of judgements and estimates*

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

i. *Judgements*

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- lease term: whether the Group is reasonably certain to exercise extensionoptions;
- revenue recognition: whether revenue from grant income, NDIS and fee for service income and donations are recognised over time or at a point in time.

ii. *Assumptions and estimation uncertainties*

Information about assumptions and estimation uncertainties at 30 June 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 2 Basis of preparation (continued)

d) Use of judgements and estimates (continued)

ii. Assumptions and estimation uncertainties (continued)

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.

Provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

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.

Note 3 Material accounting policies

CHANGES IN MATERIAL ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it 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 over the entity. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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.

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.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Group are:

Grant income

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 obligation 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.

NDIS and child safety income

NDIS and other fee for service income is recognised as revenue as and when the performance obligations are satisfied.

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations

The revenue recognition policies for the principal revenue streams of the Group are:

Grant income

Revenue in the scope of *AASB 1058* is recognised on receipt unless it relates to a capital grant which satisfies certain criteria, in this case the grant is recognised as the asset is acquired or constructed.

Capital grants received to enable the Group to acquire or construct an item of property, plant and equipment to identified specifications which will be under the Group's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Group.

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.

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.

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2025

REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

Contract assets and liabilities (continued)

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.

INCOME TAX

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

PROPERTY PLANT & EQUIPMENT

a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

b) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

c) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write-off the cost of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Land is not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Buildings	2.2 - 20%
Furniture, fixtures and fittings	10 - 40%
Motor vehicles	20 - 25%
Computer equipment	20 - 100%
Leasehold improvements	5 - 40%
Freehold improvements	2.5 - 50%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

LEASES

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

LEASES (continued)

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Consolidated Financial Statements (continued)

FINANCIAL INSTRUMENTS

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

FINANCIAL INSTRUMENTS (continued)

iii. Derecognition (continued)

Financial assets (continued)

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

EMPLOYEE BENEFITS

Provision is made for the Group's liability for employee benefits, those 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. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Defined contribution plans

Obligations for contributions to defined contribution plans are expenses as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

PROVISIONS

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the consolidated statement of profit or loss and other comprehensive income.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Notes to the Consolidated Financial Statements (continued)

IMPAIRMENT

Financial assets

Financial instruments and contract assets

The Group recognises loss allowances for Expected credit loss (ECLs) on financial assets measured at amortised cost and contract assets.

The Group also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss.

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2025

IMPAIRMENT (continued)

Non-financial assets (continued)

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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 payables are stated inclusive of GST.

Cash flows in the consolidated 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.

VOLUNTEER SERVICES

No amounts are included in the financial statements for services donated by volunteers.

Note 4 Revenue

	2025 $	2024 $
Child safety income	17,598,184	7,707,030
Course fees	133,184	122,415
Donations and social enterprise income	66,782	162,437
Grant income capital	860,090	3,182,041
Grant income operational	23,623,569	19,870,021
NDIS income	36,607,530	37,379,418
Rental income	1,773,839	1,190,855
Other income	1,858,261	2,040,105
	82,521,438	**71,654,322**

Disaggregation of revenue from contracts with customers

Within the total revenue and other income above, certain income represents revenue recognised in accordance with *AASB 15* Revenue from Contracts with Customers. A summary of revenue recognised in accordance with *AASB 15* Revenue from Contracts with Customers is detailed below.

Timing of revenue recognition	**2025** **$**	**2024** **$**
Product and services transferred over time	79,807,183	70,301,030
REVENUE FROM CONTRACTS WITH CUSTOMERS	**79,807,183**	**70,301,030**
TYPE OF REVENUE		
Child safety income	17,598,184	7,707,030
Course fees	133,184	122,415
Grant income	24,281,611	23,052,062
NDIS income	36,607,530	37,379,418
Other income	1,200,218	2,040,105
	79,820,727	**70,301,030**

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2025

Note 5 Employee benefits expense

	2025 $	2024 $
Salaries, wages and other personnel expenses	50,547,328	41,295,024
Superannuation expense	5,340,816	4,119,004
Subcontracted labour expense	2,240,411	4,153,846
TOTAL EMPLOYEE BENEFITS EXPENSE	**58,128,555**	**49,567,874**

Note 6 Other expenses

	2025 $	2024 $
Staffing related expenses	3,268,530	2,458,419
Program specific expenses	980,750	943,280
Clinician fees	74,424	539,668
Office expenses	531,584	420,582
Premises expenses	6,080,214	4,265,417
ICT expenses	2,362,059	1,921,816
Motor vehicle expenses	613,073	603,215
Advertising and marketing expenses	139,246	120,035
Insurance expenses	1,134,667	1,143,592
Professional fees	2,153,273	1,344,898
Compliance expenses	371,304	271,441
Equipment expenses	673,871	742,838
Sundry expenses	44,303	64,648
Bad debts expense	70,949	171,365
Loss on disposal	13,897	-
TOTAL OTHER EXPENSES	**18,512,144**	**15,011,214**

Note 7 Net finance costs

	2025 $	2024 $
FINANCE INCOME		
Interest income	452,333	294,578
TOTAL FINANCE INCOME	**452,333**	**294,578**
FINANCE EXPENSE		
Interest expense	254,920	150,939
TOTAL FINANCE EXPENSE	**254,920**	**150,939**
TOTAL NET FINANCE INCOME	**197,413**	**143,639**

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2025

Note 8 Cash and cash equivalents

Cash and cash equivalent in the consolidated statement of financial position and in the consolidated statement of cash flows comprises of below:

	2025 $	2024 $
Cash on hand	128,527	7,709
Bank balances	10,789,556	7,737,145
TOTAL CASH AND CASH EQUIVALENTS	**10,918,083**	**7,744,854**

Note 9 Trade and other receivables

	2025 $	2024 $
Trade receivables	1,904,839	2,067,474
Provision for impairment	(245,950)	(299,284)
GST receivables	13,370	124,540
TOTAL TRADE AND OTHER RECEIVABLES	**1,672,259**	**1,892,730**

Note 10 Other assets

	2025 $	2024 $
Accrued income	1,342,364	1,719,815
Prepayments	900,355	758,800
Credit cards	120,869	-
TOTAL OTHER ASSETS	**2,363,588**	**2,478,615**

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2025

Note 11 Property, plant and equipment

	Freehold land	Buildings	Capital works in progress	Furniture, fixtures and fittings	Motor vehicles	Computer equipment	Leasehold improvements	Freehold improvements	Total
	$	$	$	$	$	$	$	$	$
BALANCE AT 1 JULY 2024									
Gross carrying amount	2,041,016	6,313,223	3,598,071	619,799	2,661,644	1,784,939	2,922,548	503,041	20,444,281
Accumulated depreciation	-	(571,413)	-	(223,205)	(904,090)	(1,500,254)	(1,378,348)	(179,737)	(4,757,047)
NET CARRYING AMOUNT AT 1 JULY 2024	**2,041,016**	**5,741,810**	**3,598,071**	**396,594**	**1,757,554**	**284,685**	**1,544,200**	323,304	**15,687,234**
Additions	-	-	3,605,774	420,809	874,581	164,922	462,415	28,856	5,557,357
Disposal	-	-	-	(4,976)	(24,757)	-	-	-	(29,733)
Transfers	-	4,316,141	(4,316,141)	-	-	-	-	-	-
Depreciation	-	(310,543)	-	(108,579)	(428,190)	(186,727)	(159,791)	(31,228)	**(1,225,058)**
NET CARRYING AMOUNT AT 30 JUNE 2025	**2,041,016**	**9,747,408**	**2,887,704**	**703,848**	**2,179,188**	**262,880**	**1,846,824**	**320,932**	**19,989,800**
BALANCE AT 30 JUNE 2025									
Gross carrying amount	2,041,016	10,629,364	2,887,704	1,035,632	3,511,469	1,949,861	3,384,963	531,897	25,971,906
Accumulated depreciation	-	(881,956)	-	(331,784)	(1,332,281)	(1,686,981)	(1,538,139)	(210,965)	(5,982,106)
NET CARRYING AMOUNT AT 30 JUNE 2025	**2,041,016**	**9,747,408**	**2,887,704**	**703,848**	**2,179,188**	**262,880**	**1,846,824**	**320,932**	**19,989,800**

Note 12 Leases

The Group as a lessee

The Group has leases over land and buildings.

Terms and conditions of leases

The Group leases land and buildings for their corporate offices and other buildings. The leases are generally between two to five years and some of the leases include a renewal option to allow the Group to extend the non-cancellable lease term. The leases contain annual pricing mechanisms based on CPI movements at each anniversary of the lease inception.

Peppercorn leases

The Group has a peppercorn lease in place:

- A lease for land in Townsville for the period 26 November 2014 to 25 November 2034 with one, five year extension option. The rent is $1 per annum.
- A lease for land in Richmond for the period 1 February 2024 to 31 January 2034 with three, three year extension option. The rent is $1 per annum.

The Group has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability.

Right-of-use assets

Information about leases for which the Group is a lessee is presented below.

	Land and buildings $
BALANCE AT 1 JULY 2024	
Balance at the beginning of the year	3,494,062
Depreciation	(1,097,554)
Additions	794,200
Derecognised	(17,430)
BALANCE AT 30 JUNE 2025	**3,173,278**

Future lease payments

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year $	1 - 5 years $	> 5 years $	Total undiscounted lease liabilities $	Lease liabilities included in this Consolidated Statement Of Financial Position $
2025					
Lease liabilities	1,186,781	2,650,784	-	3,837,565	3,306,956
2024					
Lease liabilities	1,147,628	2,832,871	131,453	4,111,952	3,546,058

Note 12 Leases (continued)

Lease liabilities

	2025 $	2024 $
CURRENT		
Lease liabilities	1,097,259	889,334
TOTAL CURRENT	**1,097,259**	**889,334**
NON-CURRENT		
Lease liabilities	2,209,697	2,656,724
TOTAL NON-CURRENT	**2,209,697**	**2,656,724**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the consolidated statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2025 $	2024 $
Interest expense on lease liabilities	228,376	150,939
Expenses relating to short-term leases	1,404,429	1,120,816
	1,632,805	**1,271,755**

Extension options

A number of the building leases contain extension options which allow the Group to extend the lease term.

The Group includes options in the leases to provide flexibility and certainty to the Group operations and reduce costs of moving premises and the extension options are at the Group's discretion.

At commencement date and each subsequent reporting date, the Group assesses where it is reasonably certain that the extension options will be exercised.

There are potential future lease payments which are not included in lease liabilities as the Group has assessed that the exercise of the option is not reasonably certain.

Note 13 Trade and other payables

	2025 $	2024 $
Trade payables	342,501	1,188,623
Sundry payables and accrued expenses	3,699,723	2,306,440
PAYG and Superannuation payable	606,567	475,570
TOTAL TRADE AND OTHER PAYABLES	**4,648,791**	**3,970,633**

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 Consolidated Financial Statements (continued)

For the year ended 30 June 2025

Note 14 Employee benefits

	2025 $	2024 $
CURRENT		
Long service leave	20,446	29,461
Annual leave	1,485,664	1,261,468
Provision for rostered days off	61,489	39,099
TOTAL CURRENT	**1,567,599**	**1,330,028**
NON-CURRENT		
Long service leave	104,436	101,260
TOTAL NON-CURRENT	**104,436**	**101,260**

Note 15 Other liabilities

	2025 $	2024 $
Deferred grant income	8,278,206	6,015,398
Unexpected donations and funds	160,803	144,533
Revenue in advance	9,161	40,038
TOTAL OTHER LIABILITIES	**8,448,170**	**6,199,969**

Note 16 Financial instruments

Accounting classifications

The following table shows the carrying amounts of financial assets and financial liabilities.

	Note	2025 $	2024 $
FINANCIAL ASSETS MEASURED AT AMORTISED COST			
Cash and cash equivalents	8	10,918,083	7,744,854
Term deposits		1,926,633	1,792,190
Trade and other receivables	9	1,658,889	1,768,190
TOTAL FINANCIAL ASSETS		**14,503,605**	**11,305,234**
FINANCIAL LIABILITIES MEASURED AT AMORTISED COST			
Trade and other payables	13	(342,501)	(1,188,623)
TOTAL FINANCIAL LIABILITIES		**(342,501)**	**(1,188,623)**

Note 17 Commitments

As at 30 June 2025, there existed no commitments for the Group (2024: Nil).

Note 18 Members' guarantee

The Company is registered with the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company 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 Company. At 30 June 2025 the number of members was 22 (2024: 23).

Note 19 List of subsidiary

Subsidiary	Principal place of business	Percentage owned (%)* 2025	Percentage owned (%)* 2024
Jobtrain Pty Ltd	Australia	100	100

Note 20 Related parties

a) Parent and ultimate controlling party

The ultimate controlling party of the Group is selectability Ltd.

b) Key management personnel compensation

Key management personnel compensation comprised short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits and share-based payments. This included the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and the Directors.

	2025 $	2024 $
Total key management personnel compensation	1,428,430	1,275,601

c) Other related party transactions	2025 $	2024 $
Purchases with related parties with a common director or associated with key management	653,363	199,755
Lease expense with related parties with a common director or with associated key management	32,692	100,114
Wages and salaries paid to staff associated with directors or key management	294,067	314,109
	980,122	**613,978**

Note 21 Contingencies

As at 30 June 2025, there existed no contingencies for the Group (2024: Nil).

Note 22 Contingent Liabilities

The Department of Health and Aged Care (DOHAC) has provided a capital grant to support the build of employee accommodations and uplift residential aged care facilities at Doomadgee, Normanton and Mornington Island. DOHAC retains for 10 years a right to repayment of a proportion of the grant if selectability Limited should sell or otherwise dispose of the facility or cease to use the facility and accordingly no liability is expected to arise. The residual unspent of DOHAC capital grant is $1,627,362.

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2025

Note 23 Parent entity disclosures

The financial information for the parent entity, selectability Ltd has been prepared on the same basis as the consolidated financial statements except as disclosed below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of the parent entity.

	2025 $	2024 $
RESULTS OF PARENT ENTITY		
Profit for the year	3,667,517	5,239,066
	3,667,517	**5,239,066**
FINANCIAL POSITION OF PARENT ENTITY AT YEAR END		
Current assets	16,758,743	13,825,097
Non-current assets	23,723,178	19,741,396
TOTAL ASSETS	**40,481,921**	**33,566,493**
Current liabilities	15,969,807	12,518,310
Non-current liabilities	2,796,708	2,984,674
TOTAL LIABILITIES	**18,766,515**	**15,502,984**
TOTAL EQUITY OF THE PARENT ENTITY COMPRISING OF:		
Retained earnings	21,715,406	18,063,509
TOTAL EQUITY	**21,715,406**	**18,063,509**

Parent entity contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2025 or 30 June 2024.

Contractual commitments

The parent entity has entered into a Deed of Preparedness on 28 June 2019 with Jobtrain Pty Ltd which states that the parent entity will underwrite Jobtrain Pty Ltd with respect to third parties.

Note 24 Auditors remuneration

	2025 $	2024 $
AUDIT SERVICES		
- Auditing of financial statements	61,100	44,250
- Auditing grant acquittals	16,000	14,750
	77,100	**59,000**
Other services		
- Compilation of financial statements	6,500	6,000
	6,500	**6,000**

Notes to the Consolidated Financial Statements (continued)

For the year ended 30 June 2025

Note 25 Subsequent events

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, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Note 26 Group surplus

	2025	2024
	$	$
SURPLUS FOR THE PERIOD ATTRIBUTED TO:		
selectability Ltd	3,667,517	5,239,066
Jobtrain Pty Ltd	1,392	72,478
Other eliminations	80,632	(1)
TOTAL SURPLUS	**3,749,541**	**5,311,543**

Directors' Declaration

In the opinion of the Directors of selectability (the 'Company'):

a) the Company is not publicly accountable;

b) the consolidated financial statements and notes that as set out on pages 10 to 31 are in accordance with 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 2025 and of its performance, for the financial year ended on that date; and

ii) complying with Australian Accounting Standards - Simplified Disclosure Requirements and the *Australian Charities and Not-for profits Commission Regulations 2022.*

c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Dated at Townsville this 1 day of October 2025.

Danielle Hornsby

Danielle Hornsby
Board Chair

Independent Auditor's Report

To the members of selectability Ltd

Opinion

We have audited the ***Financial Report***, of selectability Ltd (the Company) and its controlled entity (the Group).

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*, including:

i. giving a true and fair view of the Company's financial position as at 30 June 2025, and of its financial performance and its cash flows for the year ended on that date; and

ii. complying with *Australian Accounting Standards* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)*.

The ***Financial Report*** comprises

i. Statement of financial position as at 30 June 2025.

ii. Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.

iii. Notes, including material accounting policies.

iv. Directors' declaration

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial 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 Company in accordance with the auditor independence requirements of 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 these requirements.

Other information

Other Information is financial and non-financial information in selectability Ltd's annual report 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 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:

i. The preparation and fair presentation of the Financial Report in accordance with *Australian Accounting Standards – Simplified Disclosures Requirements* and the framework ACNC and ACNCR;

ii. 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.

iii. Assessing the 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 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:

i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and

ii. 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 this 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:

i. 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.

ii. 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 registered Company's internal control.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

iv. 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 registered 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 registered Company to cease to continue as a going concern.

v. 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 registered 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

B E Lovell

Partner

Brisbane

1 October 2025