

Ability Enterprises

2024 - 2025
ANNUAL REPORT



**Real jobs
Real skills
Real people**

ABILITY ENTERPRISES
NOT FOR PROFIT
SOCIAL ENTERPRISE

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Acknowledgement of country

We acknowledge the traditional custodians of country throughout Australia and their connections to land, sea and community.

We pay our respect to their elders, past, present and emerging.





About Ability Enterprises

Ability Enterprises is a work integrated social enterprise (WISE) based in Toowoomba and working across the Darling Downs & Lockyer Valley in Queensland.

For over 13 years, Ability has provided full award wage work opportunities to marginalised people in regional Queensland. We work with a wide range of people who have struggled to gain or keep ongoing employment for a variety of reasons. We take a person centred approach to assisting our team to re-enter the workforce, gain skills and confidence, and transform their lives.

We do this by delivering commercial services in waste management, cleaning, commercial gardening, mattress recycling, car washing and our clean waste processing stream.

We deliver services in partnership with local government and commercial organisations.

We are a not for profit and registered charity, and are Social Traders and People & Planet First certified.

We unlock the door to success through meaningful employment opportunities.

Thank you to all who support us.





Theory of change

IF WE

Meet our employees where they are, supporting and developing them to gain employment, and paying award wages, they will earn a stable income, engage with others in the workplace and if they wish, explore employment in the wider community.

BY

Effective intake, on the job training and individualised support for our staff.

AND BY

Delivering our contracts to a high standard and growing our partner list.

WE CAN

Employ more people, help our employees demonstrate a wide range of transferable skills and become a trusted brand delivering great services.

SO THAT

People who faced barriers to employment have access to meaningful employment opportunities and we deliver services with professionalism, contributing to our local economy and transforming 100's of lives.

**REAL JOBS
REAL SKILLS
REAL PEOPLE**

Strategic Plan

OUR KEY PILLARS AND GOALS

Financial Health

We have cash at bank, good governance & a strong balance sheet to allow us to mobilise for new business.

Sustainable growth

We retain existing business and gain new contracts to offer more employment opportunities.

Culture & People

We put people and safety first in an inclusive way.

Our Sector

We are involved in a supportive and collaborative way. We work to build and advance the cause of Social Enterprise across Australia.

REAL JOBS

REAL SKILLS

REAL PEOPLE



Strategic Plan

WHAT'S IMPORTANT TO US

Employment

Creating real jobs.
Paying award wages or better.
Allowing people the security to stay, with the ability to leave.
Growing our own management.

Community

True partnership with those we work with.
Maximising our impact by working with others in the sector to identify jobs.

Organisation

Ensuring the safety of our team.
Delivering high quality needed services.
Embedding sustainable financial practices.
Building representation in team and board.

Environment

Continuously work with partners to increase positive outcomes.
Nurture new business streams that work for people and planet.
Build new reporting models to demonstrate diversions from landfill/waste.

REAL JOBS

REAL SKILLS

REAL PEOPLE



Our impact

2024 - 2025 was a year of growth and stabilisation for Ability Enterprises.

We can proudly say that our Not for Profit, Social Enterprise provided over 53,000 hours of meaningful award wage working hours for our staff in the areas of waste management, cleaning, garden maintenance and clean waste processing.

A total of 93 people worked with us during the financial year, including 36 new employees.

In 2024-2025 we paid over 3.3 million dollars in wages.

The result, a strong economic and social impact on our community.



**53,000 work hours
for Ability Enterprises staff**

93



**93 Staff worked with us
including 36 new staff
in 2024/2025**



**3.3 Million dollars
in wages paid**



Over 500 jobs created

Delivering services in waste management, cleaning, gardening, mattress recycling, car cleaning, recycling and clean waste processing, Ability Enterprises has created over 500 jobs since 2012.



From our Chair

Another year has flown by and I find myself writing the annual report again. I firmly believe that the annual report is much more than a summary of how Ability Enterprises has performed over the past 12 months, it is a chance to take a moment and reflect on our organisation as a whole.

Before writing this report, I re-read my report from last year and the good news is; that on just about every measure, I believe we are heading in the right direction. Last financial year I described as a year of "consolidation" after the covid turmoil. For the 2024/25 FY, we have moved from "consolidation" into what I would describe as "growth and maturity" as an organisation.

As a board we asked our leadership team to put in place transparent and professional drivers to move the organisation from a well-run social enterprise, to a professional organisation that is focussed on safely delivering our mission (providing meaningful employment opportunities for marginalised individuals), whilst ensuring Ability Enterprises is financially secure.

As a consequence, our financial reporting, safety reporting, quality reporting, training reporting, marketing, and general management practices are no longer just reports to be reviewed at a monthly board meeting, they are now driving our organisational growth.

This of course wouldn't be possible without the professional leadership of our CEO Claire Torkington and her management team, led by General Manager, Michael Gregory. Our entire management team are to be commended for their achievements over the past 12 months.

During the financial year, we were delighted to have been awarded major service contracts with both the Toowoomba Regional Council (TRC) and the Lockyer Valley Regional Council (LVRC). These contracts provide us with the opportunity to employ over 85% of our workforce and we sincerely thank both councils for their support.

Whilst we are extremely grateful to TRC and LVRC as our largest customers, we also know that diversity of our customer base is important for the long-term stability of Ability Enterprises. We simply could not help the people we do without our wonderful customers and partners including, Department of State Development & Infrastructure, Westpac & The Westpac Foundation, Qantas, Colliers, Qbuild, Newlands, Proterra Group, Masterhire, Clifford Park Racecourse and many more. With the support of our partners, we continue to provide meaningful employment through mattress recycling, cleaning, car washing, garden maintenance, general maintenance, trash & treasure, gate house services, and the new arm to our business of clean waste processing.

After purchasing our premises in Tews Court 3 years ago, we have been steadily refurbishing the building and installing over \$1million in high tech clean waste repurposing machinery. The clean waste processing business has certainly been challenging to establish; however, now up and running, we see this as an integral part of our business strategy going forward.

I would like to take the opportunity thank our entire board. My fellow board members offer their time and share their experience with us because we all believe in the Ability Enterprises mission. I value the contribution from every board member and appreciate healthy debate to ensure the best possible outcomes.

As displayed in the audited accounts, Ability Enterprises remains in a robust financial position thanks to the leadership of Claire and her team, with oversight from the Board Risk and Governance (BRAG) committee led by Danny Wiedman. With a strong balance sheet and a clear plan, we are well placed to meet the challenges ahead.



Board Chair
Ability Enterprises



From our CEO



What an incredible year it has been for Ability Enterprises, with so many things to be grateful for. Last financial year we were all about consolidation and stabilising, and this year has been all about growth. We are very proud to have won a major contract to deliver waste facility management and maintenance with the Lockyer Valley Regional Council, strengthening our partnership with them, and securing additional jobs for locals.

This was followed up by us regaining the Toowoomba Regional Council contract for waste facilities gatehouses in September, along with winning the business to run the resource recovery Shed B's and the newly badged Recycle Market stores at Wellcamp and Kleinton. In my first full year as CEO, it's been a pleasure and a privilege to work alongside the Board and the Team to grow and stabilise the organisation to give us many years of continuing to serve our local communities, both in delivering services and providing jobs for locals.

We have so many wonderful clients, and they are a very special group of organisations – ones who recognise that it is possible to receive quality commercial services whilst supporting marginalised people in regional Australia, contributing not only to their well-being, but also the well-being of the wider community and indeed to the financial health of the local community.

We were surprised and delighted earlier this year to win the 2025 Business disAbility Awards in the Business Engagement category – big thanks to the organisers and those who nominated us. This year we have again been privileged to work with some exceptional organisations who support social enterprise both in direct funding and in capacity building. SEFA, Pyxis, Social Traders and QSEC have supported us with advice, resources and some great events.

Special mention to the Westpac Foundation, who have continued to support us with an innovative approach to staff wellness and to provide the support structures that see our employees continue to grow and thrive through the challenges they face. We remain eternally grateful to the team, especially Sally McGeogh, Lisa Waldron and our local Westpac team of Nathan, Brenton and Ingrid.

We continued to receive strong support from state and federal governments in the sector. As recognition of the benefits provided by Social Enterprise in the overall economy, we are also very grateful for the support of all levels of government and the ongoing focus on job creation, especially in regional areas.

Thanks also to David New from Workforce Australia for the opportunity to sit on the Darling Downs Disability Employment Taskforce.

Our clean waste processing business is really coming into its own now, with some exciting new projects underway repurposing materials ranging from machine filter socks to marine debris. We have some very interesting projects coming up with health services and universities in the coming year, and I look forward to updating you all on these in due course.

Like so many not-for-profit organisations, we are guided by an exceptional Board of Directors, all of whom donate their time because of a deep belief in the people that we serve. I would like to thank each one of you for your ongoing support during an exciting year and look forward to working with you all again during the 2025/2026 year as we undertake some very exciting new ventures and go from strength to strength.

The Social Enterprise and Not-For-Profit eco system in Toowoomba continues to punch above its weight, and I'm grateful to all the other wonderful organisations that we partner and collaborate with to try and make life a little better for the local population – thanks to Adapt Mentorship, Base Services, 2nd Shot, Momentum Mental Health, Vanguard Laundry, The Karma Collective, Hope Horizons and all the others.

As ever, a big shout out to Kristen O'Brien, our Communications & Media Consultant who has partnered with Ability Enterprises for five years now, doing a brilliant job of all our socials, marketing and PR.

Last, but by absolutely no means least – to the incredible team at Ability Enterprises – whether at our office at Tews Court or our team out in the field delivering services in waste management, Recycle Market, cleaning, gardening, mattress recycling, clean waste processing and car cleaning – I am so, so proud of your courage, your resilience and your commitment – Ability Enterprises would not exist without you.



CEO
Ability Enterprises

Our Management Team

Our experienced Management Team are committed to the success of Ability Enterprises. A cohesive group of professionals with a strong focus on innovation, team support and social good, guarantees our operations run smoothly and efficiently 365 days a year.



CLAIRE TORKINGTON
CEO



MICHAEL GREGORY
General Manager



SHAN WANASINGHE
Head of Finance &
Governance



JULLENE CAPEWELL
Head of Operations



CHERYL MCGRATH
HR Manager



LAUREN COLES
LVRC Waste Operations
Supervisor



BIANCA TUEUDEMANN
TRC Waste Operations
Supervisor



CHRIS BARBER
Site Supervisor
RR & Recycle Market



NAKITA DAY
HR & Operations
Co-ordinator



STEPHANIE SPENCER
Payroll & Admin Officer



LUCY ADAMS
Admin Assistant

Our Board

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Ability Enterprises is fortunate to have an extremely generous volunteer Board of Directors that each bring with them skills and experience in an array of different areas. The collective diversity of our Board of Directors ensures strong governance across every facet of our enterprise. The Board of Directors hold great responsibility for the longevity and sustainability of Ability Enterprises, they achieve this through clear leadership, strategic planning and risk management. They also ensure that Ability Enterprises continues to operate within our mission and adheres to our values.



PHIL GREGORY
Board Chair - Member Finance & Risk Committee

Phil joined the Ability Enterprises Board in 2020. Phil is well known within the Toowoomba business community having previously served on the boards of the Toowoomba Chamber of Commerce and Southern Queensland Country Tourism.



DANIEL WIEDMAN
Director - Business Risk, Audit & Governance Committee Chair

Danny joined the Ability Enterprises Board in 2013. Danny has a well rounded approach to business, developed through his dedication across several varied industries, and administrative positions for local scouting and sporting groups and school boards over the past 40 years.



LAURA SCURR
Director

Laura joined the Ability Enterprises Board in 2023. An administration advisor who runs her own successful business, and a tireless advocate for those in our community experiencing disabilities, Laura has had a long association with Ability Enterprises.



JOY MINGAY
Vice Chair

Joy joined the Ability Enterprises Board in 2019. With an experienced background in business and recruitment, she has a deep understanding and respect for all aspects of small business operations. Joy maintains a strong commitment to community in her role as Director, not only at Ability Enterprises, but previously on the Board of Lifeline Darling Downs.

Our Board

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(CONTINUED)



GED BRENNAN

Director

Ged joined the Ability Enterprises Board in 2020. Ged brings a vast 30 years professional experience in State and Local Government consulting firms and is passionate to see the ongoing growth and development of community, sustainable resources and development pathways.



KATHRYN MCKEEFRY

Director

Kathryn is also a Board member of Private Hospitals Association Queensland (PHAQ), Toowoomba & Surat Basin Enterprise (TSBE), and is a valued member of four community groups. The Ability team are excited about the wealth of health industry knowledge and expertise Kathryn brings to our Social Enterprise.



DR PAUL CLAYTON

Director

Paul is well known locally for his professional work in water sciences and through his many business and community interests. Among other things, Paul has served on the USQ Strategic Infrastructure Board, the Regional Development Australia Board and on the executive team for Darling Downs Health.



SAM WRIGHT

Director

Sam is an accountant and a partner at Ambrosiussen The Business Accountants. Sam has a fervent belief that a strong and thriving business community is the foundation for a successful society. A former Vice President of the Toowoomba Chamber of Commerce, Sam is committed to giving back to the local community of Toowoomba.

Our Partners



As a WISE (Work Integrated Social Enterprise) – what we do would not be possible without the valued partnerships with government and corporate organisations who support us by appointing us to deliver on commercial contracts. These contracts allow us to continue to advance employment opportunities for people who in the past may have faced barriers to full award wage employment.

Many of our employees have now worked across a range of services for our partners, including waste management, cleaning, gardening, mattress recycling and car washing. This allows them to grow and develop in the workforce. They obtain new skills, qualifications and confidence as they work.

Huge thanks to the following businesses, government bodies at all levels and membership groups which have worked with us in various ways during 2024/2025 – Toowoomba Regional Council Waste Management, Lockyer Valley Regional Council Waste Management, Department of State Development & Infrastructure, Local Government and Planning, QSEC, SEFA, Westpac & The Westpac Foundation, QBuild, ADA, Big Bag Recovery, Resitech, Tangaroa Blue, Carers Queensland, Momentum Mental Health, Masterhire, Newlands, The Proterra Group, Uniting Care, The Public Trustee, Clifford Park Racecourse, Workforce Australia, Vanguard Laundry, Vinidex, Department of Regional Development Manufacturing and Water, TSBE, Social Traders, People and Planet First, The Toowoomba Chamber of Commerce and OB Media.

Thanks also to the Toowoomba Social Enterprise Network, a group of varied Social Enterprises working together to exchange ideas and develop partnerships that will see greater employment opportunities in our sector going forward – the group includes Vanguard Laundry, Base Services, 2nd Shot, The Karma Collective, Conciinnity, Adapt Mentorship, Yellowbridge and more. Working together, we have an extremely strong Social Enterprise ecosystem in Toowoomba and the Darling Downs.





Our delivery teams

This year our employees delivered services across waste management, cleaning, gardening, mattress recycling, car washing and we saw the continuation of our very exciting clean waste repurposing work. We hope to expand our work in all these areas in 2025/2026.

Of course, none of our services could be delivered without our employees. We are so proud of the job they do, and the challenges they overcome daily. For some of our staff, this is their first chance for stable, full award wage work. For others, it's the first time they have felt comfortable in a workplace, knowing they will be valued for who they are.



From our business, risk & governance committee Chair

I am pleased to present the Business Risk Audit and Governance (BRAG) Committee Chair Report for 2024/25.

Ability Enterprises continues to grow using a solid business foundation incorporating financial, governance and strategic management. This foundation has provided Ability Enterprises with a solid financial base to continue growing the business.

Our contracts with the Toowoomba Regional Council and Lockyer Valley Regional Council in waste management, site management, mattress recycling, plus trash & treasure continues to be the mainstay of our business. Now that we have recently secured a new 5-7 year Waste Management contract with Toowoomba Regional Council including taking over the Resource Recovery section, this maintains our financial stability, allowing us to fulfil our mission of providing meaningful employment for our staff, which at times can be a challenge for Social Enterprise.

The commercial cleaning section of our business has been consistent this year with existing contracts expanded and new contracts secured. It is hoped this part of the business will continue to expand in the next financial year as further opportunities are explored.

Our clean waste processing project has been slowly progressing throughout this year and is now in operation. A number of waste products are being processed, transforming them into thousands of kilos of pellets, available to be used in manufacture of various items. This project is in its early stages and we expect it to grow over time, providing more employment opportunities in line with our mission.

Today our Social Enterprise collectively employs just over 90 staff. Our financial position is solid, with an increase in both turnover and net assets for this financial year, with a total income of \$4.378 million including Grants & Other Income of \$104,441.00.

- **Key Financial Figures 24/25**
- **Profit & Loss – Net Profit \$201,346.00**
- **Balance Sheet – Net Assets \$3,661,211.00**

A big thanks to our financial management team for all their hard work to ensure this financial years audit was completed in a timely manner with minimal issues. Our BRAG committee continues to meet on a monthly basis to review all facets of the business under their charter and report back to the Board. The BRAG committee continues to assess and consider any new business opportunities, balancing our corporate responsibilities of Risk v Growth.

I would like to thank members of the committee for their attendance and input as well as Claire, Shan and Michael for their contribution to our meetings, as well as providing excellent management, financial, operational and risk reports for review and discussion.



Chair, Business Risk Audit and Governance Committee

Ability Enterprises Limited

ABN 65 152 244 838

Financial Statements
For the year ended 30 June 2025

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Directors Report

30 June 2025 Ability Enterprises is a not-for-profit, social enterprise providing meaningful employment opportunities to

marginalised individuals living in regional Queensland. Since 2012, we have worked alongside with people facing barriers to employment. Through strategic community and corporate partnerships, we provide a social enterprise vehicle to support individuals living mental illness and/or a disability to undertake meaningful work, whilst being paid award wages.

Today, our social enterprises collectively employ just over 90 staff and span across waste management, maintenance, administration, and cleaning industries.

The directors present their report, together with the financial statements, on the company limited by guarantee for the year ended 30 June 2025.

Directors

The following persons were directors of the company limited by guarantee during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Daniel Wieldman
- Joy Mingay
- Gerard Brennan
- Phillip Gregory
- Gary Love (resigned 27/11/2024)
- Laura Scurr
- Kathryn McKeefry
- Samuel Wright (appointed 18/12/2024)
- Paul Clayton (appointed 18/12/2024)

Operating Result

The surplus of the company for the financial year ended 30 June 2025 was \$201,346 (2024 surplus \$886,623).

Principal Activities

The principle activity of Ability Enterprises Ltd during the financial year was to provide contracted services to Toowoomba Regional Council, Lockyer Valley Regional Council, QBuild, Newlands Group and other commercial organisations.

Short Term Objectives

The Company's short-term objectives are to:

- Provide meaningful, secure, employment opportunities to marginalised people through the management of commercial contracts;
- Develop and implement a new plastics processing business;
- Develop new business models which are sustainable and scalable, and:
- Continue to compete in the commercial arena, delivering a quality service to a high standard.

Long Term Objectives

The Company's long-term objectives in line with our 5-year strategic plan are to:

- Identify and grow suitable, commercially viable and sustainable business opportunities which will allow Ability Enterprises to increase our existing workforce offering employment to those who identify with our mission: and,
- Increase our geographic footprint across the Darling Downs area.

Directors Report

30 June 2025

Strategy for achieving the objectives

- To achieve these objectives, the Company has adopted the following strategies:
- Purchase and deployment of new equipment in partnership with government;
- Improvement of premises to meet the new business needs;
- Capitalise on our strong reputation and present a clear and consistent message to our partners about who we are and what we do;
- Work collaboratively to increase community understanding and awareness, and to continue to advance employment opportunities for marginalised people facing barriers to employment; and
- Investigate business opportunities in identified industries projected for future growth.

How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives by:

- Preparing the premises and installing the machinery to operate the new plastics business; and
- Actively seeking opportunities to value add to partnerships and business opportunities through innovative business practices.

Members' guarantee

Ability Enterprises 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 for members, subject to the provisions of the company's constitution. At 30 June 2025 the collective liability of members was \$90 (2024: \$70).

Indemnifying Office or Auditor

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 the company.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company, or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditors Independence

The auditors independence declaration is set out on the page immediately following and forms part of the directors report for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Directors:



Director

Date 22/10/2025



AUDITORS INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ABILITY ENTERPRISES LIMITED

In accordance with the requirements of section 60-40 of the *Australian Charities and Not for Profits Commission Act 2012*, as lead auditor for the audit of Ability Enterprises Limited for the period ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

JG Audit & Assurance

JG Audit and Assurance

Jalvin

Jessica Galvin, Director JG Audit and Assurance Pty Ltd

Dated: 22 October 2025

Toowoomba

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Liability limited by a scheme approved under Professional Standards Legislation



Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Notes	2025	2024
		\$	\$
Revenue	2	4,274,526	2,660,984
Other income	2	104,441	1,313,710
Employee benefits expense	3	(3,429,053)	(2,437,246)
Depreciation expense		(134,642)	(156,601)
Finance costs		(37,303)	(43,743)
Other operating expenses		(576,623)	<u>(450,481)</u>
Surplus before income tax expenses		201,346	886,623
Income tax expense		-	-
Surplus after income tax expense		201,346	886,623
Other comprehensive income		-	222,694
Total comprehensive income		201,346	1,109,317

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2025

	Notes	2025	2024
		\$	\$
Current Assets			
Cash and cash equivalents	4	626,195	531,465
Trade and other receivables	5	499,708	232,745
Other assets	6	56,493	11,193
<i>Total current assets</i>		1,182,396	775,403
 Non-Current Assets			
Property, plant and equipment	7	3,639,775	3,482,547
<i>Total non-current assets</i>		3,639,775	3,482,547
 <i>Total Assets</i>		4,822,171	4,257,950
 Current Liabilities			
Trade and other payables	8	179,169	91,474
Borrowings	9	120,673	605,202
Provisions	10	133,380	87,517
<i>Total current liabilities</i>		433,222	784,193
 Non-Current Liabilities			
Borrowings	9	698,918	-
Provisions	10	28,820	13,892
<i>Total non-current liabilities</i>		727,737	13,892
 <i>Total liabilities</i>		1,160,959	798,085
 Net assets		3,661,211	3,459,865
 Equity			
Asset revaluation reserve		222,694	222,694
Retained surplus		3,438,517	3,237,171
Total equity		3,661,211	3,459,865

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2025

	Asset Revaluation Reserve \$	Retained Surplus \$	Total \$
Balance as at 1 July 2023	-	2,350,548	2,350,548
Surplus after income tax expense for the year	-	886,623	886,623
Other comprehensive income for the year, net of tax	222,694	-	222,694
Total comprehensive income for the period	222,694	3,237,171	3,459,865
Balance as at 30 June 2024	222,694	3,237,171	3,459,865
Balance as at 1 July 2024	222,694	3,237,171	3,459,865
Surplus after income tax expense for the year	-	201,346	201,346
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the period	-	201,346	201,346
Balance as at 30 June 2025	222,694	3,438,517	3,661,211

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2025

	Note	2025	2024
		\$	\$
Cash flows from operating activities			
Receipts from customers		4,063,179	3,884,131
Payments to suppliers		(3,857,190)	(2,855,980)
Interest received		3,525	5,432
Finance costs		(37,303)	(43,743)
Net cash provided by/ (used in) operating activities	11	172,212	<u>989,840</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(291,869)	<u>(767,241)</u>
Net cash provided by/ (used in) investing activities		(291,869)	<u>(767,241)</u>
Cash flows from financing activities			
Proceeds from borrowings		890,389	118,724
Repayment of borrowings		(676,001)	(44,353)
Net cash provided by/ (used in) financing activities		214,388	<u>74,371</u>
Net increase/ (decrease) in cash and cash equivalents		94,729	296,970
Cash and cash equivalents at the beginning of the financial year		531,465	234,494
Cash and cash equivalents at the end of the financial year	4	626,195	531,465

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 1: Significant Accounting Policies

These financial statements cover Ability Enterprises Limited as an individual entity. The financial statements are presented in Australian dollars, which is Ability Enterprises Limited functional and presentation currency. The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not for profits Commission Act 2012. The entity is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been authorised for issued on the date of the directors declaration.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Current/ Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

a) Revenue

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Notes to the Financial Statements

For the Year Ended 30 June 2025 Note 1: Significant Accounting Policies (continued)

a) Revenue (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

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

Rendering of Services

Recognition of revenue in relation to rendering of services depends on whether the outcome of the services can be measured reliably. If this is the case, then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured, then revenue is recognised to the extent of expenses recognised that are recoverable.

b) Property, Plant and Equipment

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings but excluding freehold land, is depreciated over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Asset	Method	Rate
Buildings	Straight line	2.5%
Plant and Equipment	Diminishing value	20% to 37.50%
Motor Vehicles	Diminishing value	22.50% to 25 %

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 1: Significant Accounting Policies (continued)

b) Property, Plant and Equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

Revaluations of property

Any revaluation increment is credited to the asset revaluation reserve included in equity, except to the extent that it reverses a revaluation decrement for the same asset class previously recognised in the Statement of Profit or Loss and Other Comprehensive Income, in which case the increment is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Any revaluation decrement is recognised in the Statement of Profit or Loss and Other Comprehensive Income, except to the extent that it offsets a previous revaluation increment for the same asset class, in which case the decrement is taken directly to the asset revaluation reserve to the extent of the existing balance in the revaluation reserve for that class of asset.

c) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes party to the contractual provisions of the financial instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- Amortised cost
- Fair value through profit or loss (FVPL)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised Cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and,
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements

For the Year Ended 30 June 2025 Note 1: Significant Accounting Policies (continued)

c) Financial Instruments (continued)

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Impairment of Financial Assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- o financial assets measured at amortised cost; and
- o contract assets.

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Company 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 Company's historical experience and informed credit assessment and including forward looking information.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial Liabilities

The financial liabilities of the Company comprise of trade and other payables, and bank loans. The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Notes to the Financial Statements

For the Year Ended 30 June 2025 Note 1: Significant Accounting Policies (continued)

d) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows — that is, they are specialised assets held for continuing use of their service capacity - the recoverable amounts are expected to be materially the same as fair value.

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

e) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

Other long-term employee benefits (continued)

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

Notes to the Financial Statements

For the Year Ended 30 June 2025 Note 1: Significant Accounting Policies (continued)

e) Employee Benefits (continued)

Defined contribution superannuation benefits

All employees of the entity receive defined contribution superannuation entitlements, for which the entity pays the fixed superannuation guarantee contribution (as at 30 June 2025 11.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

g) Trade and Other Receivables

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

h) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

i) Income Tax

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

j) Provisions

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

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 1: Significant Accounting Policies (continued)

k) Comparative Figures

The comparative figures represent the prior year audited accounts.

l) Critical Accounting Estimates and Judgements

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

Useful lives of property, plant, and equipment

As described in Note 1 (b), the Entity reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Valuation of Land and Buildings

The land & building are held at market valuation. The market valuation is conducted by qualified external valuers based on recent observed data from similar properties. The directors review the valuations obtained to ensure reasonable prior to recognition in the financial statements.

Key Judgements

(i) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/ value, quantity, and the period of transfer related to the goods or services promised.

(ii) Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

m) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2025. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 101 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations.

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 1: Significant Accounting Policies (continued)

m) New Accounting Standards and Interpretations not yet mandatory or early adopted

The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The company will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

m) Fair Value of Assets and Liabilities

The entity measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e., unforced) transaction between independent, knowledgeable, and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e., the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statement.

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 2. Revenue	2025	2024
	\$	\$
Contract Revenue	4,274,526	2,660,984
Other Income		
Grant Revenue	90,909	1,269,910
Donations	-	4,545
Other Sundry Income	13,531	39,255
	104,441	1,313,710
Total Revenue	4,378,967	3,974,694
Note 3. Employee Benefits Expense		
Wages and Salaries	3,084,338	2,206,951
Workers Compensation	-	5,651
Superannuation Contributions	344,715	224,645
Total Employee Expenses	3,429,053	2,437,246
Note 4. Cash and Cash Equivalents		
Cash at Bank	626,195	531,465
	626,195	531,465
Note 5. Trade and Other Receivables		
Trade Receivables	459,708	160,842
Security Deposit	40,000	40,000
Accrued Income	-	31,903
Total Trade and Other receivables	499,708	232,745
Note 6. Other Assets		
Prepayments	56,494	11,194
	56,494	11,194

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 7: Property, Plant and Equipment	2025	2024
<i>Property, plant and equipment</i>	\$	\$
Property (at market value)	2,393,243	2,322,269
Accumulated Depreciation	(43,151)	(22,269)
	<u>2,350,093</u>	<u>2,300,000</u>
Plant and Equipment (at cost)	1,348,380	1,206,125
Accumulated Depreciation	(211,292)	(122,465)
	<u>1,137,088</u>	<u>1,083,660</u>
Motor Vehicles (at cost)	303,880	225,240
Accumulated Depreciation	(151,286)	(126,353)
	<u>152,595</u>	<u>98,887</u>
Net Property, Plant and Equipment	<u>a</u> <u>3,639,775</u>	<u>3,482,547</u>

a) Reconciliation of property, plant and equipment

	Land & Buildings	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Written Down Balance at 1 July 2024	2,300,000	1,083,660	98,887	3,482,547
Revaluation	-	-	-	-
Additions	70,974	142,255	78,641	291,869
Disposals	-	-	-	-
Depreciation	(20,882)	(88,827)	(24,933)	(134,642)
Balance at 30 June 2025	<u>2,350,093</u>	<u>1,137,088</u>	<u>152,595</u>	<u>3,639,775</u>

b) Valuation

The land and buildings are held at market valuation, with the last valuation being performed by independent qualified external examiners, Herron Todd White on 21 June 2024.

Note 8. Trade and Other Payables	2025	2024
	\$	\$
Trade Payables	9,855	11,361
GST Payable	23,182	8,414
Accrued Expenses	82,006	34,218
Payroll Liabilities	64,126	<u>37,481</u>
	<u>179,169</u>	<u>91,474</u>

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 9. Borrowings	2025	2024
<i>Current</i>	\$	\$
Westpac Equipment Finance Loans	34,933	-
Westpac Loan	85,740	-
Loan - 1 Tews Court	-	605,202
	120,673	605,202
<i>Non Current</i>		
Westpac Equipment Finance Loans	163,952	-
Westpac Loan	534,966	-
	698,918	-
Total borrowings	819,591	605,202

The Westpac Equipment Finance Loans are secured by the plant and equipment for which they are obtained. The Westpac Loan is secured by registered mortgages over the property situated at 1 Tews Court, Wilsonton.

The Westpac business loan has a limit of \$1,000,000 and at 30 June 2025, \$620,706 has been utilised.

Note 10. Provisions

Current

Provision for annual leave	109,326	77,558
Provision for long service leave	24,054	9,959
	133,380	87,517

Non-current

Provision for long service leave	28,820	13,892
	28,820	13,892
Total Provisions	162,200	101,409

Notes to the Financial Statements

For the Year Ended 30 June 2025

Note 11. Cash Flow Information	2025	2024
	\$	\$
<i>Reconciliation of surplus after income tax to net cash from operating activities</i>		
Surplus after income tax	201,346	886,623
Non-cash flows in profit:		
- depreciation	134,642	156,601
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(266,963)	(91,942)
- (increase)/decrease in other assets	(45,300)	6,813
- (decrease) in trade and other creditors	87,695	36,998
- (decrease) in annual leave provisions	60,791	(5,250)
Net cash provided by operating activities	172,212	989,841

Note 12. Remuneration of Auditors

Audit of the financial statements:

JG Audit & Assurance	11,000	9,900
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Note 13. Key Management Personnel Compensation

Compensation received by executives of the company:

- Short term employee benefits	496,964	550,226
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Note 14. Related Party Transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 13.

Transactions with related parties

Related parties of key management personnel were employed by Ability Enterprise Limited during the 2025 financial year, and received \$161,880 remuneration collectively.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current or previous reporting date.

Notes to the Financial Statements

For the Year Ended 30 June 2025 Note 15. Contingent Liabilities

On 16 August 2024, the Company issued a performance security for \$135,000 in connection with a contract for facilities supervision services. The security has no expiry date and does not require any payments unless it is called upon under the terms of the contract.

At 30 June 2025, no liability has been recognised in the financial statements as the Company has assessed no present obligation exists and it is not considered probable that an outflow of resources will be required to settle the obligation.

The company had no other contingent liabilities as at 30 June 2025 and 30 June 2024.

Note 16. Commitments

The company had no commitments for expenditure as at 30 June 2025 or 30 June 2024.

Note 17. Events After the Reporting Period

Toowoomba Regional Council Contract

On 11 March 2025, the Company signed a contract with Toowoomba Regional Council extending the provision of waste management services to 30 June 2030. The contract encompassed additional services to be delivered by the Company, specifically relating to resource recovery and tip shop operations. These supplementary services commenced on 1 July 2025.

No other matters or circumstances have arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 18. Principal Place of Business

Principal place of business and registered office is:

Ability Enterprises Limited

1Tews Court

Wilsonton QLD 4350

Directors' Declaration
For the Year Ended 30 June 2025

In the opinion of the Director's:

- a) The company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached general purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profit Commission Act 2012 and associated regulations to prepare and distribute financial statements to the members of Ability Enterprises Limited;
- b) The attached financial statements and notes comply with the accounting standards as described in note 1 to the financial statements and other mandatory professional reporting requirements;
- c) The financial statements and notes present a true and fair view the company's financial position at 30 June 2025 and of its performance for the financial year ended; and
- d) 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.

On behalf of the directors



Director
Dated 22/10/2025



Director
Dated 22/10/2025

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ABILITY ENTERPRISES LIMITED**

Opinion

We have audited the financial report of Ability Enterprises Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of cashflows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the director's declaration.

In our opinion, except for the matters referred to below, the accompanying financial report of Ability Enterprises Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-Profit Commission Act 2012*, including:

- Giving a true and fair view of the registered Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with the Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-Profit Commission Regulation 201*.

Basis for qualified opinion

Revenue

It is not practical for the Company to maintain effective systems of internal control over LVRC Trash and Treasure revenue until the initial entry into the accounting records. Accordingly, our audit in relation to such receipts was limited to amounts of \$83,385 recorded. 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 Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *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-Profit Commission Act 2012*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditors report.

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

Responsibilities of management and those charged with governance for the financial report

Management is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation as described in note 1 is appropriate to meet the requirements of the *Australian Charities and Not-for-Profit Commission Act 2012* and the needs of the members. Managements responsibility also includes such internal control as management determines is necessary to enable the preparation of the financial report that gives fair presentation and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial report

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 procedure 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Entity.
- Conclude on the appropriateness of the Company's use of the going concern basis or 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 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 Entity 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 a true and fair view.

JG Audit & Assurance

JG Audit and Assurance

Jessica Galvin
Jessica Galvin

Dated: 23 October 2025

Toowoomba

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