

Scope (Aust) Ltd and controlled entities

ABN 63 004 280 871

Annual Financial Report

30 June 2025

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

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SCOPE (AUST) LTD AND CONTROLLED ENTITIES YEAR ENDED 30 JUNE 2025

DIRECTORS' REPORT

The Directors of Scope (Aust) Ltd ("Scope" or the "Company") present their report of the Company, and its controlled entities (collectively the "Group") for the financial year ended 30 June 2025.

Principal activities

The principal activities of the Group during the course of the financial year were the provision of services to people with disabilities.

There were no significant changes in the nature of the activities of the Group during the financial year.

Review and result of operations

The Group had a surplus for the financial year of \$39,736,000 (2024: surplus of \$64,339,000).

Significant changes in the state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or the financial statements.

Objectives

The Group's objectives, short and long term, were guided by our organisational Purpose, Vision and Values, as part of our Strategic Plan 2024 – 2028 launched in prior year, May 2024. The Group's Purpose is to create meaningful opportunities for people with disabilities to belong and thrive whilst its Vision is for our clients and employees to be empowered to live their dreams.

Scope's Strategic Plan articulates areas of focus over the next four years as we strive towards our Vision.

1. Strengthening our organisation
2. Evolving our home and living options
3. Enhancing our community supports
4. Building sector leadership and advocacy.

Scope's Strategic Plan also references several strategic enablers that will underpin the successful delivery of our plan. They include:

1. Upholding quality, safety and continuous improvement practices
2. Collaborating with our clients to reshape our services
3. Investing in capabilities to measure and monitor client outcomes and experience
4. Trialling, evaluating and implementing innovations
5. Managing organisational transformations
6. Developing and managing partnerships.

Dividends

The Company's Constitution, and its controlled entities' Constitutions, specifically prohibit the declaration or payment of dividends.

Events subsequent to reporting date

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

DIRECTORS' REPORT (CONTINUED)

Indemnifications and insurance of Directors, Officers and Auditors

Indemnification

The Group has agreed to indemnify the Directors and Officers of the Group against all liabilities to another person (other than the Company or a related entity) that may arise from their positions as Directors and Officers of the Group. The Group has not indemnified or made any relevant agreement for indemnifying against a liability of any person who is or has been an auditor of the Company.

Insurance premiums

During the financial year, insurance cover was provided for Directors and Officers in respect of Directors' and Officers' liability.

Environmental regulation

The Group's operations are not subject to any significant environmental regulations under both Commonwealth and State legislation. However, the Directors believe that the Group has adequate systems in place for the management of its environmental requirements and are not aware of any breach of those environmental requirements as they apply to the Group.

Rounding off

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and in accordance with that Corporations Instrument, amounts in the Directors' Report and the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 6 and forms part of the Directors' report for the financial year ended 30 June 2025.

Directors and Committee Members 2024/2025

The Scope Board of Directors is responsible for the overall governance of the Company and its controlled entities, including its strategic direction, establishing goals for the Group, and monitoring the achievement of these goals.

Controlled entities have a Board of Directors consisting of Scope Directors who serve concurrently on both, or Scope's key management personnel.

Scope Board of Directors is responsible for the approval of significant decisions involving the controlled entities. The names of the Directors of the Company during or since the end of the financial year are:

Scope (Aust) Ltd - Board of Directors

Non-Executive Directors	Number of meetings eligible to attend	Number of meetings attended
Professor Sanchia Aranda (Chair)	7	7
Gary Brinkworth	7	6
Dr Sarah Anderson	7	6
Brendan Earle	7	7
The Hon Jill Hennessy	7	6
Andrew Richardson	7	6
Dr Nadine White	7	6
Nicholas Taylor	7	7
Dr Julie Caldecott (term started 12 November 2024)	5	4
Sergio Sardo (term ended 12 November 2024)	2	2
Barbara Hingston (term ended 1 November 2024)	2	2

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

DIRECTORS' REPORT (CONTINUED)

Directors and Committee Members 2024/2025 (continued)

Scope (Aust) Ltd - Risk and Audit Committee

Committee Members	Number of meetings eligible to attend	Number of meetings attended
Brendan Earle (Chair)	5	5
Professor Sanchia Aranda	5	5
Andrew Richardson	5	5
Julie Caldecott	3	2
Anne Howells (Independent Member)	5	5
Emma Olivier (Independent Member)	5	5

Scope (Aust) Ltd – People, Culture and Governance Committee

Committee Members	Number of meetings eligible to attend	Number of meetings attended
Dr Nadine White (Chair)	4	4
Professor Sanchia Aranda	4	4
The Hon Jill Hennessy	4	3
Dr Cadeyrn Gaskin (Independent Member)	4	4
Barbara Hingston (term ended 1 November 2024)	1	1
Sergio Sardo (term ended 12 November 2024)	1	1

Scope (Aust) Ltd - Financial Sustainability Committee

Committee Members	Number of meetings eligible to attend	Number of meetings attended
Gary Brinkworth (Chair)	5	5
Professor Sanchia Aranda	5	5
The Hon Jill Hennessy	5	4
Nicholas Taylor	5	5
Andrew Sutherland (Independent Member)	5	5

Scope (Aust) Ltd - Quality, Safeguarding and Client Experience (QSCE)

Committee Members	Number of meetings eligible to attend	Number of meetings attended
Dr Sarah Anderson (Chair)	4	4
Andrew Richardson	3	3
Julie Caldecott	3	2
Dr Philomena Horsley (Independent Member)	4	4
Dr Cadeyrn Gaskin (Independent Member)	4	4
Barbara Hingston (term ended 1 November 2024)	1	1
Sergio Sardo (term ended 12 November,2024)	1	1
Emily Unity (Independent Member) (term ended 8 July 2025)	4	1

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

DIRECTORS' REPORT (CONTINUED)

Directors and Committee Members 2024/2025 (continued)

Home@Scope Pty Ltd - Board of Directors (a controlled entity)

Directors	Number of meetings eligible to attend	Number of meetings attended
Kate MacRae (Chair)	1	1
Joel Chibert	1	1
Leanne Dillon	1	1
Kirsty Burke (term ended 15 November 2024)	1	1

Disability Services Australia Ltd - Board of Directors (a controlled entity)

(All are concurrent appointments to Disability Services Australia Limited, DSA Mentoring Services Limited and Macquarie Employment Training Service Limited)

Directors	Number of meetings eligible to attend	Number of meetings attended
Kate MacRae (Chair) (term started 25 March 2025)	1	1
Joel Chibert (term started 25 March 2025)	1	1
Leanne Dillon (term started 25 March 2025)	1	1
John Preston (term started 25 March 2025)	1	1
Gary Brinkworth (term ended 25 March 2025)	1	1
Professor Sanchia Aranda AM (term ended 25 March 2025)	1	1
Brendan Earle (term ended 25 March 2025)	1	1
Dr Nadine White (term ended 25 March 2025)	1	1

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

Dated at Melbourne this 23rd day of September 2025.



Professor Sanchia Aranda AM

Chair

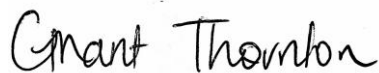
Grant Thornton Audit Pty Ltd

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Auditor's Independence Declaration

To the Directors of Scope (Aust) Ltd

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 Scope (Aust) Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J D Vasiliou
Partner – Audit & Assurance

Melbourne, 23 September 2025

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**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

DIRECTORS' DECLARATION

In accordance with a resolution of Directors made pursuant to Section 60.15 of the *Australian Charities and Not-for-Profits Commission Regulations 2022*, we state in the opinion of the Directors:

- a) The financial statements and notes of the Group 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 at 30 June 2025 and of its performance for the financial year ended on that date; and
 - (ii) Complying with *Australian Accounting Standards – Simplified Disclosures* and the *Australian Charities and Not-for-Profits Commission Regulations 2022*.
- b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



Professor Sanchia Aranda AM
Chair
Melbourne, 23 September 2025

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

**CONSOLIDATED STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 \$'000	2024 \$'000
Revenue and income	3	629,873	626,891
Employee expenses		(497,791)	(476,261)
Depreciation, amortisation and impairment expense		(9,035)	(10,075)
Client costs		(2,977)	(4,196)
Communication expenses		(21,869)	(18,210)
Vehicle costs and allowances		(6,009)	(5,016)
Other expenses		(52,456)	(48,794)
Total expenses		(590,137)	(562,552)
Surplus for the year before tax		39,736	64,339
Income tax expense	2(h)	-	-
Surplus for the year after tax		39,736	64,339
Other comprehensive income		-	-
Total comprehensive income for the year		39,736	64,339

The accompanying notes form part of these financial statements.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

	Note	2025 \$'000	2024 \$'000
Assets			
Cash and cash equivalents	4	77,852	38,107
Trade and other receivables	5	45,263	41,775
Other financial assets	6	80,003	128,928
Other assets	7	5,530	5,134
Total current assets		208,648	213,944
Trade and other receivables	5	3,340	2,573
Other financial assets	6	329,037	278,027
Property, plant and equipment	8	33,782	29,795
Intangible assets		277	414
Investment property		68	68
Other assets	7	390	433
Right-of-use assets	11	24,064	26,822
Total non-current assets		390,958	338,132
Total assets		599,606	552,076
Liabilities			
Trade and other payables	9	37,146	26,991
Contract liabilities	3(ii)	5,732	8,256
Provisions	10	93,391	76,812
Lease liabilities	12	4,529	4,585
Total current liabilities		140,798	116,644
Non-current liabilities			
Contract liabilities	3(ii)		2,167
Provisions	10	17,512	29,836
Lease liabilities	12	22,556	24,425
Total non-current liabilities		40,068	56,428
Total liabilities		180,866	173,072
Net assets		418,740	379,004
Equity			
Retained surpluses		418,738	379,002
Reserves		2	2
Total equity		418,740	379,004

The accompanying notes form part of these financial statements.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025**

	Retained surpluses \$'000	Reserves \$'000	Total equity \$'000
Balance at 30 June 2023	314,663	2	314,665
Surplus for the year	64,339	-	64,339
Other comprehensive income	-	-	-
Total comprehensive income for the year	64,339	-	64,339
Balance at 30 June 2024	379,002	2	379,004
Surplus for the year	39,736	-	39,736
Other comprehensive income	-	-	-
Total comprehensive income for the year	39,736	-	39,736
Balance at 30 June 2025	418,738	2	418,740

The accompanying notes form part of these financial statements.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 June 2025**

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Cash receipts from clients, donors and funding entities		602,924	609,453
Cash payments to suppliers and employees		(581,602)	(560,690)
Finance expenses paid		(1,242)	(1,137)
Net cash provided by operating activities		20,080	47,626
Cash flows from investing activities			
Interest received		6,090	5,480
Distributions and dividends received		13,183	8,595
Proceeds from sale of property, plant and equipment		854	466
Purchase of property, plant and equipment and intangible assets		(8,099)	(1,599)
Receipts from financial assets		254,224	153,526
Payments for financial assets		(241,636)	(252,455)
Net cash provided by/(used in) investing activities		24,616	(85,987)
Cash flows from financing activities			
Repayment of lease liabilities (principal)		(4,951)	(6,246)
Net cash used in financing activities		(4,951)	(6,246)
Net increase/(decrease) in cash and cash equivalents		39,745	(44,607)
Cash and cash equivalents at the beginning of the financial year		38,107	82,714
Cash and cash equivalents at the end of the financial year	4	77,852	38,107

The accompanying notes form part of these financial statements.

SCOPE (AUST) LTD AND CONTROLLED ENTITIES YEAR ENDED 30 JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Scope (Aust) Ltd is incorporated and domiciled in Australia. These financial statements comprise Scope (Aust) Ltd ("Scope" or the "Company"), a company limited by guarantee and its subsidiaries Home@Scope Pty Ltd, Disability Services Australia Limited, DSA Mentoring Services Limited and Macquarie Employment Training Service Limited (collectively referred to as the "Group").

The registered office and principal place of business for the Company is:
Level 2
109 Burwood Road
Hawthorn, VIC 3122

The Group principally is involved in providing services to people with disabilities.

The Group is a not-for-profit entity.

2 Summary of material accounting policies

(a) Statement of compliance

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

The financial statements comply with the recognition and measurement requirements of *Australian Accounting Standards – Simplified Disclosures* issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-Profits Commission Act 2012*, as appropriate for not-for-profit oriented entities.

The financial statements were authorised for issue by the Board of Directors on 23 September 2025.

(b) Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the certain financial assets measured at fair value. Cost is based on the fair values of the consideration given in exchange for assets.

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

All amounts are presented in Australian dollars, unless otherwise noted.

(c) Rounding of amounts

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* dated 24 March 2016 and in accordance with that Corporations Instrument, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise stated.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

(d) Use of estimates and judgements

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

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

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal, value-in-use or using current replacement cost where the Group has specialised assets that are not held for the purpose of generating cash flows but are used to deliver essential services to the community.

Other material estimates and judgements are found within Notes 5(a), 8(a), 10(b) and 12(a).

(e) New and revised Australian Accounting Standards on issue and effective

The Group has adopted all of the new and revised Standards, Interpretations and Amendments issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the accounting period that begins on or after 1 July 2024. This was as follows:

- AASB 2023-3 *Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2* [AASB 1060]; and
- AASB 2024-1 *Amendments to Australian Accounting Standards – Supplier Finance Arrangements: Tier 2* [AASB 1060].

The application of the amendments did not have a material impact on the Group's consolidated financial statements.

(f) New and revised Australian Accounting Standards on issue but not yet effective

Any new or amended Australian Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

SCOPE (AUST) LTD AND CONTROLLED ENTITIES YEAR ENDED 30 JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

(g) Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 June each financial year end. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

There are no non-controlling interests.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

(h) Income tax

Scope (Aust) Ltd and its controlled entities are endorsed as an income tax exempt charitable entity under Subdivision 50-B of the Income Tax Assessment Act 1997. No income tax is payable by the Group as Section 23 of the Income Tax Assessment Act exempts charitable institutions from income tax.

(i) Current and 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 Group'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 Group'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.

(j) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(k) Member liability

The Group has no issued capital and is limited by guarantee. At 30 June 2025, there were 31 members (2024: 88) each with a liability in the eventual winding up of the Group of an amount not exceeding \$100.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 Revenue and income

	Note	2025 \$'000	2024 \$'000
Services revenue			
State government – over time		6,342	8,092
Federal government – over time		468,601	468,673
	3(i)	<u>474,943</u>	<u>476,765</u>
Services contract revenue			
State government – over time	3(ii)	<u>104,504</u>	<u>105,646</u>
Rendering of services revenue – point in time			
	3(iii)	<u>13,929</u>	<u>16,891</u>
Contribution income			
Fundraising		10	6
Donations		692	2,003
Bequests and trusts		766	2,460
	3(iv)	<u>1,468</u>	<u>4,469</u>
Finance income			
Interest income		6,090	5,480
Distribution and dividend income		13,183	8,595
	3(v)	<u>19,273</u>	<u>14,075</u>
Other gains/losses			
Net (loss)/gain on disposal of property, plant and equipment		(152)	67
Net gain on financial assets at fair value through profit and loss	6	14,674	7,083
		<u>14,522</u>	<u>7,150</u>
Other income			
Rental income	3(vi)	1,222	1,872
Other income		12	23
		<u>1,234</u>	<u>1,895</u>
		<u>629,873</u>	<u>626,891</u>

Revenue from Contracts with Customers

The Group derives revenue from contracts with clients from the transfer of goods and services over time. All revenue is generated within Australia.

(i) Services revenue

Services revenue includes grant revenue received directly and indirectly from the Victorian State and Australian Federal Governments for the provision of disability services. Amounts received which relate to unfulfilled performance obligations under AASB 15 *Revenue from Contracts with Customers* are recognised as part of contract liabilities - Note 3(ii). Contract liabilities may be recognised for funds received in advance, where these meet the definition of a financial liability under AASB 9. Contract assets, as disclosed in Note 5, may also be recognised when the Group has performed the services to the customer but where the Group is yet to establish an unconditional right to consideration.

Australian Federal Government funding includes monies received from customers purchasing services from the Group with funds received from the National Disability Insurance Scheme (NDIS) and are recognised over time as services are provided.

(ii) Services contract revenue

Services contract revenue relates to government revenue received from the Victorian State Government in relation to a service contract to transition disability services to the Group. Government subsidies are recognised as revenue as performance obligations are met. In this instance, these relate to services to clients where revenue is recognised over time as these services are performed.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 Revenue and income (continued)

(ii) Services contract revenue (continued)

Several performance obligations existed under contractual arrangements with one remaining performance obligation unfulfilled at the balance sheet date. This relates to the provision of care services to 31 December 2025. Amounts which relate to unfulfilled performance obligations are recognised as part of contract liabilities. Contract liabilities are recognised as revenue as the performance obligation is fulfilled over time.

In relation to the services contract, the Group has recognised the following contract liabilities in relation to contracts with customers:

	2025	2024
	\$'000	\$'000
Contract liabilities (current)	5,732	8,256
Contract liabilities (non-current)	-	2,167
	<u>5,732</u>	<u>10,423</u>

During the financial year, the Group recognised revenue of \$4,691,000 (2024: \$5,168,000) in relation to contract liabilities.

(iii) Rendering of services revenue

Rendering of services relate to the Group's commercial business services – packaging solutions and contract services for cleaning, gardening and other services. Revenue from rendering of services is recognised upon the delivery of these services to the clients.

Contributions, investment and other income

(iv) Contribution income

Contributions consist of donations, bequests and philanthropic funds and they are immediately recognised on receipt as income where there is no sufficiently specific performance obligation to refund the monies.

(v) Finance income

Finance income comprises interest income on funds invested (including financial assets at amortised cost and financial assets at fair value through profit or loss) and other investments such as dividends and fund distributions.

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Distribution and dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established.

(vi) Rental income

Rental income from operating leases and investment property is recognised in profit or loss on a straight-line basis over the term of each lease.

Economic Dependency

The Group receives a significant proportion (2025: 92.0%; 2024: 92.9%); of its operating revenue from individual contracts funded by the NDIS, Australian Federal Government and the Victorian State Government, and is therefore dependent on these income streams to sustain operations.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Cash and cash equivalents

	2025	2024
	\$'000	\$'000
Cash on hand and at bank	77,852	38,107

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

5 Trade and other receivables

	Note	2025	2024
		\$'000	\$'000
Current			
Trade receivables – amortised cost		19,396	17,102
Less: Credit loss allowance	5(a)	(1,556)	(984)
		<u>17,840</u>	<u>16,118</u>
Interest receivable		1,692	1,921
Other receivables		3,166	1,002
Contract assets	3(i)	7,435	12,907
Distributions and dividends receivable		6,211	4,026
Employee entitlement receivable	10(b)	8,919	5,801
		<u>27,423</u>	<u>25,657</u>
		<u>45,263</u>	<u>41,775</u>
Non-Current			
Employee entitlement receivable	10(b)	<u>3,340</u>	<u>2,573</u>

Trade receivables are amounts due from funders and clients for services performed and are due for settlement within seven days. Trade receivables are recognised at amortised cost, less any allowance for expected credit losses.

(a) Judgement – credit loss allowance

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses, using its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group uses judgement in making these assumptions.

6 Other financial assets

	2025	2024
	\$'000	\$'000
Current investments		
Term deposits – at amortised cost	34,661	124,072
Cash trust accounts – at amortised cost	45,342	4,856
	<u>80,003</u>	<u>128,928</u>
Non-current investments		
Managed funds – at fair value through profit or loss	329,037	278,027
	<u>409,040</u>	<u>406,955</u>

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Other financial assets (continued)

Term deposits held by financial institutions and cash trust accounts are financial assets recognised at amortised cost. The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Managed funds held are measured at fair value through profit or loss with fair value gains recognised in profit or loss to the extent they are not part of a designated hedging relationship. The Group classifies the following financial assets at fair value through profit or loss:

- debt instruments that do not qualify for measurement at amortised cost (above);
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains and losses through other comprehensive income.

The fair value of managed funds represents quoted market prices in active markets.

7 Other assets

	2025	2024
	\$'000	\$'000
Current		
Prepayments	5,471	5,015
Software development cost	59	119
	5,530	5,134
Non-Current		
Software development cost	-	59
Rental and security bond	390	374
	390	433

8 Property, plant and equipment

	Land and buildings \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Total \$'000
Cost				
Balance as at 1 July 2024	45,353	14,454	9,594	69,401
Additions	6,829	420	748	7,997
Disposals	(1,032)	(37)	(968)	(2,037)
Balance as at 30 June 2025	51,150	14,837	9,374	75,361
Depreciation and impairment losses				
Balance as at 1 July 2024	22,839	11,647	5,120	39,606
Depreciation for the year	1,709	578	1,116	3,403
Disposals	(773)	(27)	(333)	(1,133)
Reversal of impairment loss	(289)	(8)	-	(297)
Balance as at 30 June 2025	23,486	12,190	5,903	41,579
Carrying amounts				
as at 30 June 2024	22,514	2,807	4,474	29,795
as at 30 June 2025	27,664	2,647	3,471	33,782

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Property, plant and equipment (continued)

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(a) Judgement - Useful lives of property, plant and equipment

Assets are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component. The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- Building and improvements 5-40 years
- Plant and equipment 3-10 years
- Motor vehicles 5-10 years

(b) Properties with an equitable interest

The Minister for Families and Communities (formerly known as Ageing, Disability and Home Care) have equitable interests in four properties held by a controlled entity, Disability Services Australia in 2007 and one property acquired in March 2011. The equitable interest at the time of purchase represented an amount equal to the funding the Minister provided in proportion to the purchase cost of the property that was paid for by funding provided. Upon sale or other disposal of the property the Minister's equity is an equivalent proportion of the selling price or market price of the property, whichever is the greater. Upon recognition at the time the controlled entity became part of the consolidated group, as the equitable interest held being the Minister was 100% in these properties, the fair value was assessed as \$nil. The Group retains legal title of these properties, which allows it perpetual use of the properties.

9 Trade and other payables

	2025	2024
	\$'000	\$'000
Trade payables	1,647	1,811
Other payables and accrued expenses	6,196	3,558
Accrued employee-related expenses	29,303	21,622
	37,146	26,991

Trade and other payables are unsecured and, due to their short-term nature, are measured at amortised cost and are not discounted. Other payables and accrued expenses comprise mainly accruals for services not yet invoiced. Trade and other payables and accrued expenses are usually paid within 30 days.

10 Provisions

	2025	2024
	\$'000	\$'000
Current		
Provision for employee entitlements	89,778	72,189
Workers compensation provision	1,868	4,183
Make good provision	1,745	440
	93,391	76,812
Non-Current		
Provision for employee entitlements	10,554	24,588
Workers compensation provision	4,581	3,937
Make good provision	2,377	1,311
	17,512	29,836

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 Provisions (continued)

(a) Short-term employee entitlements

Short-term employee benefits represent annual and long service leave obligations. These are measured at the amounts expected to be paid when the liabilities are settled and are expensed as the related service is provided.

(b) Long-term employee entitlements

The Group's net obligation in respect of long-term employee benefits, which represents long service leave, is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on deep market corporate bonds that have maturity dates approximating the terms of the Group's obligations.

Judgement has been applied in determining the following key assumptions used in the calculation of long service leave at reporting date:

- future increases in salaries and wages;
- future on-cost rates; and
- experience of employee departures and period of service.

Any reassessment of the above in a particular year will affect the provision for employee benefits and associated expenses (either increasing or decreasing) from the date of reassessment.

The Group also recognises liabilities in respect to employees who qualify for portable long service leave under the *Long Service Benefits Portability Act 2018*. As the Group is entitled to a reimbursement of the leave payable under these provisions, the Group also recognised an asset (included within Note 5) equal to the best estimate of the reimbursement, when the reimbursement is virtually certain.

(c) Superannuation contributions

Details of total contributions made to superannuation schemes during the year and total contributions payable to superannuation schemes are as follows:

	2025	2024
	\$'000	\$'000
Expenditure on superannuation		
Defined contribution scheme	46,572	43,933
Defined benefit scheme	818	863
	47,390	44,796
Superannuation payable at year end (included as part of accrued expenses)		
Defined contribution scheme	2,057	3,074

(d) Workers compensation provision

The workers compensation provision represents a loss prevention and recovery premium arrangement for employees located in NSW. The workers compensation provision is calculated based on actual and expected costs for each premium year. Each year there will be an adjustment made according to the actual claim costs incurred and updated estimates of expected future costs.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 Right-of-use assets

	Property \$'000	Equipment & Motor vehicles \$'000	Total \$'000
Cost			
Balance as at 1 July 2024	40,476	1,747	42,223
Additions	3,515	964	4,479
Modifications	(1,044)	3	(1,041)
Disposals	(9,876)	(1,812)	(11,688)
Balance as at 30 June 2025	33,071	902	33,973
Amortisation			
Balance as at 1 July 2024	13,795	1,606	15,401
Amortisation for the year	5,668	120	5,788
Disposals	(9,565)	(1,715)	(11,280)
Balance as at 30 June 2025	9,898	11	9,909
Carrying amounts			
Balance as at 30 June 2024	26,681	141	26,822
Balance as at 30 June 2025	23,173	891	24,064

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Lease liabilities

	2025	2024
	\$'000	\$'000
Undiscounted lease obligations are as follows:		
Within 1 year	5,609	5,432
Within 2 to 5 years	19,612	18,199
Later than 5 years	4,455	8,777
	29,676	32,408
Discounted lease liabilities recognised in the statement of financial position:		
Current lease liabilities	4,529	4,585
Non-current lease liabilities	22,556	24,425
	27,085	29,010

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(a) Judgement - Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

13 Contingent liabilities and commitments

There are no material contingent liabilities as at 30 June 2025 (2024: \$nil) and there are no material commitments for expenditure as at 30 June 2025 (2024: \$nil), other than those shown in Note 12.

SCOPE (AUST) LTD AND CONTROLLED ENTITIES YEAR ENDED 30 JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14 Related party disclosures

No Director, Company Secretary or Executive has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year end. Other related parties consist of the Group's members. During the financial year all transactions between the Group and other related parties were in the ordinary course of business and on normal arm's length commercial terms and conditions.

Key Management Personnel

The following were key management personnel of the Group at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Scope (Aust) Ltd - Non-Executive Directors

Prof S Aranda AM
Mr G Brinkworth
Dr S Anderson
Mr B Earle
The Hon J Hennessy
Mr A Richardson
Mr N Taylor
Dr N White
Dr J Caldecott (from 12 November 2024)
Ms B Hingston AM (until 1 November 2024)
Mr S Sardo (until 12 November 2024)

Scope (Aust) Ltd - Company Secretary

Ms L Dillon (from 16 November 2024)
Ms K Burke (until 15 November 2024)

Scope (Aust) Ltd - Executives

Ms K MacRae	Chief Executive Officer
Ms D Bengier	Chief Quality, Safeguarding and Practice Officer
Ms L Cairns	Chief Strategy and Risk Officer
Mr J Chibert	Chief Financial & Corporate Services Officer
Ms L Evans	Chief Operating Officer
Mr B McCowan	Chief People Officer
Ms L Dillon	Chief Legal Officer
Mr J Preston	Chief Employment Pathways Officer (from 15 July 2024)
Ms A Ahluwalia	Chief Transformation Officer (from 28 April 2025)
Mr A Smith	Chief Transformation Officer (until 28 August 2024)
Mr S Shekar	Chief Information Officer (until 31 January 2025)

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14 Related party disclosures (continued)

Remuneration of key management personnel

Key management personnel are remunerated based on annually assessed competitive market rates. Remuneration reviews take into account elements such as performance, position within the market range and relativity to peers.

The annual aggregate remuneration for Company Directors and Committee members is formally approved by Scope voting members. Proposed changes to the aggregate annual remuneration amount which exceed any annual movement which is the lesser of the applicable CPI increase or annual salary increase provided to front line workers are presented for approval at an Annual General Meeting or special meeting.

The Directors of Home@Scope Pty Ltd, Disability Services Australia Limited, DSA Mentoring Services Limited and Macquarie Employment Training Service Limited are remunerated as per their employment position, and do not receive additional fees as Directors.

Compensation of key management personnel

	2025 \$	2024 \$
Non-Executive Directors	474,454	502,573
Executives and Company Secretary	4,003,567	3,855,553
	4,478,021	4,358,126

15 Auditor remuneration

	2025 \$	2024 \$
<i>Grant Thornton Audit Pty Ltd and related network firms:</i>		
Audit of financial reports		
- Group	154,500	-
Other services		
- Tax advisory services	8,348	-
<i>Deloitte and related network firms:</i>		
Audit of financial reports		
- Group	-	200,000

16 Interests in subsidiaries

The Group comprise a number of controlled entities:

Controlled entities	Interest	
Home@Scope Pty Ltd	100%	Its principal activity is to deliver disability services to its clients following transfer of services from the Victorian Government. The parent entity has provided guarantees as part of the transfer of service to ensure the performance obligations of the controlled entity are met.
Disability Services Australia (DSA) Limited	100%	Its principal activity is to deliver disability services to its clients.
Macquarie Employment Training Service Limited	100%	Its principal activity is to provide employment services to clients
DSA Mentoring Services Limited	100%	Dormant

**SCOPE (AUST) LTD AND CONTROLLED ENTITIES
YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 Parent entity information

Set out below is the supplementary information about the parent entity.

	2025	2024
	\$'000	\$'000
<i>Statement of surplus or deficit and other comprehensive income</i>		
Deficit for the year	(21,354)	(6,358)
Other comprehensive income	-	-
Total comprehensive loss for the year	(21,354)	(6,358)
<i>Statement of financial position</i>		
Current assets	253,965	212,367
Non-current assets	370,239	315,218
Total assets	624,204	527,585
Current liabilities	551,820	431,200
Non-current liabilities	18,331	20,978
Total liabilities	570,151	452,178
Net assets	54,053	75,407
Retained surpluses	54,051	75,405
Reserves	2	2
Total equity	54,053	75,407

(a) Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 (2024: \$nil).

(b) Contingencies

The Company had no material contingent liabilities as at 30 June 2025 (2024: \$nil).

(c) Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, except for the parent's investments in subsidiaries which are accounted for at cost, less any impairment.

18 Events subsequent to reporting date

No matter or circumstance has occurred subsequent to financial year end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Grant Thornton Audit Pty Ltd

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Independent Auditor's Report

To the Members of Scope (Aust) Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Scope (Aust) Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the Directors' declaration.

In our opinion, the financial report of Scope (Aust) Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the 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 also fulfilled our other ethical responsibilities in accordance with the Code.

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

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Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

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 and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial report

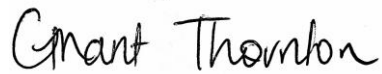
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.



Grant Thornton Audit Pty Ltd
Chartered Accountants



J D Vasiliou
Partner – Audit & Assurance

Melbourne, 23 September 2025