Therapy Focus

Financial Statements

For the Year Ended 30 June 2022

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For the Year Ended 30 June 2022

Therapy Focus Limited

ABN: 67 796 715 775

Directors' Report

For the Year Ended 30 June 2022

The Board of Therapy Focus Limited presents its Directors' Report for the financial year ended 30th June 2022 and the Independent Auditor's Report.

This report provides an overview of Therapy Focus' principal activities and corporate governance framework focusing on the Board and its Committees in the 2021/2022 financial year.

Principal Activities
Therapy Focus' principal activity for 2021/2022 was to continue providing therapy services for people living with disability and others in the community.

In accord with the financial statements accompanying this report, the company revenue for FY 21/22 was $34.8 million and had $8.2 million in retained earnings. This represents a $1.4 million increase in revenue over the past 12 months, however due to increased costs there was a $2.5 million decrease in retained earnings with an operational loss of the same amount for the year.

The financial performance was impacted by pricing for therapy services during 2021/2022 remaining unchanged, there being no indexation for NDIS funded services, the organisation not being a recipient of any additional NDIS Covid support payments and the organisation experiencing very high turnover in staff levels.

The Board continues to focus on the sustainability of the organisation.

Objectives
The objectives of Therapy Focus during the year continue to align with those stated in the Company's Constitution, specifically to:

(a) provide professional therapy and related services to people with disability and others in the community;
(b) contribute to the evidence base of therapy interventions, including through practice and research;
(c) deliver services with a commitment to quality and continuous improvement.
(d) apply resources to, and advocate for, broader benevolent purposes, including the relief of distress, to contribute to a more inclusive and cohesive society;
and
(e) anything ancillary to the objects referred to in clauses (a) to (d).

2020-2023 Strategic Plan
Therapy Focus' Strategic Plan 2020 – 2023 was launched in July 2020. The Board of Directors and Executive Team set the organisation's new Ideology and Strategic Objectives, which fall under four headings: Customer, Staff, Quality and Finance.

Covid-19 caused substantial business interruption over the last two years and impacted the delivery of the strategic plan. Progress was made on a number of business system upgrades and process improvements.

Therapy Focus will continue to listen to the needs of its customers and stakeholders to ensure we are meeting their needs and expectations, whilst supporting them to strive towards meaningful goals and aspirations.

Corporate Governance Framework

Structure and Composition of the Board
Therapy Focus is committed to ensuring the Board includes Directors with a diverse range of skills, experience, expertise, age, gender, ethnicity and thinking styles. This enables the Board to fulfil its governance responsibilities and oversee delivery of the Company's strategic priorities. Additionally, two of the Directors are parents of children with disability.

The Board currently comprises six Non-Executive Directors and their biographies are available on the Therapy Focus website under About Us / Board of Directors.

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Directors' Report

For the Year Ended 30 June 2022

The table below indicates the Directors in office as at the 30 June 2022, as well as their roles and tenure.

Name		Role	Tenure
Kane	Blackman	Director | Chair Nomination and Remuneration Committee	4 years
Emma	Brierty	Director	2 years, 4 months
Rachel	Cottier	Director | Chair Audit and Risk Committee	3 years, 1 month
Ann	Dawson	Director	4 years, 5 months
Fiona	Payne	Chair	5 years, 4 months
Monish	Paul*	Director	6 months
Tony	Vis	Deputy Chair	5 years, 4 months

** Appointed to the Board in January 2022 and resigned from the Board in July 2022*

The Board's membership has undergone two changes during the financial year; Monish Paul was appointed to the Board on 01 January 2022 and resigned from the Board on 01 July 2022.

Committees of the Board
The Board has an established Audit and Risk Committee (ARC) and a Nomination and Remuneration Committee (NomRem).

Each Committee is convened with a written Charter and Terms of Reference and reports to the Board for consideration of recommendations following each Committee meeting.

The Committee structure and details of the role and current membership of each Committee are outlined below:

ARC
The purpose of the ARC is to assist the Therapy Focus Ltd Board in fulfilling its responsibilities by reviewing the:

- Financial statements;
- Performance and independence of external auditors;
- Effectiveness of the risk management framework including compliance, internal controls and the assurance provided by the internal audit program;
- Insurance requirements including the liability, professional indemnity and the directors' and officers' insurance policies;
- Clinical governance framework by ensuring it directly links to the organisation's objectives and supports quality and safeguarding outcomes; and
- Clinical governance compliance.

The current membership of the ARC is as follows:

Name	Role
Rachel Cottier	Member / Chair
Ann Dawson	Member / Director
Emma Brierty	Member/Director
Tony Vis	Member / Deputy Chair
Fiona Payne	Board Chair – Invited Guest
Angelena Fixter*	CEO – Invited Guest
Brendan Parker **	Acting CEO/EM Experience Hub – Invited Guest
Kanishka Kumarage	EM Intelligence Hub – Invited Guest

** Until February 2022*
*** From March 2022*

Directors' Report

For the Year Ended 30 June 2022

The Company's external Auditor is Dry Kirkness. Dry Kirkness was appointed Therapy Focus' Auditor in October 2014. The Auditor has provided the required independence declaration to the Board for the financial year ended 30 June 2022.

NomRem

The purpose of the NomRem is to support and advise the Therapy Focus Ltd Board on:

- The nomination and remuneration policies and processes of the CEO, the Board and its Directors;
- Identifying, evaluating and recommending candidates to the Board and its Committees; and
- Overviewing CEO recruitment, dismissal, performance, salary review and succession planning.

Membership of the Committee during the year was as follows:

Name	Role
Kane Blackman	Member / Chair
Fiona Payne	Member/Board Chair
Tony Vis	Member / Deputy Chair
Angelena Fixter*	CEO - Invited Guest
Brendan Parker **	Acting CEO/EM Experience Hub – Invited Guest

** Until February 2022*
*** From March 2022*

Meeting attendance

During the 2021/2022 financial year, the attendance of Directors at Board and Committee meetings was as follows:

Board & AGM				
	Attended	Apology	# Eligible	Att. Rate
Kane Blackman	9	1	10	90%
Emma Brierty	10	0	10	100%
Rachel Cottier	10	0	10	100%
Ann Dawson	7	3	10	70%
Fiona Payne	10	0	10	100%
Monish Paul	6	0	6	100%
Tony Vis	10	0	10	100%

ARC				
	Attended	Apology	# Eligible	Att. Rate
Emma Brierty	4	0	4	100%
Rachel Cottier	4	0	4	100%
Ann Dawson	2	2	4	50%
Tony Vis	4	0	4	100%

NomRem				
	Attended	Apology	# Eligible	Att. Rate
Kane Blackman	3	0	3	100%
Fiona Payne	3	0	3	100%
Tony Vis	2	1	3	67%

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

	Note	2022 $	2021 $
RECURRENT OPERATIONS			
Revenue	4(a)	**34,838,035**	33,357,504
Finance income		**28,376**	54,904
Auditors' remuneration	20	**(75,419)**	(40,554)
Bad debts	5	**(28,660)**	-
Depreciation and amortisation expense	5	**(1,830,183)**	(1,354,914)
Employee benefits expense	5	**(30,077,209)**	(26,834,185)
Interest expense on lease liabilities	5	**(74,170)**	(41,459)
Loss on disposal of assets	5	**(36,930)**	(10,801)
Other expenses		**(1,773,022)**	(1,667,860)
Program expenses		**(2,592,945)**	(2,925,339)
Repairs and maintenance		**(431,838)**	(326,887)
Short-term lease expense and outgoings	5	**(412,998)**	(446,519)
Recurrent deficit for the year		**(2,466,963)**	(236,110)
NON-RECURRENT OPERATIONS			
Government subsidies - COVID-19	4(b)	**-**	2,897,636
(Deficit)/Surplus before income tax		**(2,466,963)**	2,661,526
Income tax expense	2(a)	**-**	-
(Deficit)/Surplus for the year		**(2,466,963)**	2,661,526
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income for the year		**(2,466,963)**	2,661,526

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 30 June 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**7,123,043**	12,363,873
Trade and other receivables	7	**5,203,149**	3,436,266
Other assets	8	**426,751**	365,746
TOTAL CURRENT ASSETS		**12,752,943**	16,165,885
NON-CURRENT ASSETS			
Property, plant and equipment	9	**5,230,256**	3,942,842
Right-of-use assets	10	**1,736,743**	1,129,666
TOTAL NON-CURRENT ASSETS		**6,966,999**	5,072,508
TOTAL ASSETS		**19,719,942**	21,238,393
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	**1,374,507**	1,138,010
Contract liabilities	12	**4,856,234**	4,642,084
Lease liabilities	10	**473,505**	565,259
Employee benefits	13	**2,886,356**	2,963,641
TOTAL CURRENT LIABILITIES		**9,590,602**	9,308,994
NON-CURRENT LIABILITIES			
Lease liabilities	10	**1,300,124**	538,456
Employee benefits	13	**523,857**	551,142
TOTAL NON-CURRENT LIABILITIES		**1,823,981**	1,089,598
TOTAL LIABILITIES		**11,414,583**	10,398,592
NET ASSETS		**8,305,359**	10,839,801
EQUITY			
Reserves		**874,115**	941,594
Retained earnings		**7,431,244**	9,898,207
TOTAL EQUITY		**8,305,359**	10,839,801

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2022

2022

	Retained Earnings $	Accommodation Development $	The Complete Advantage $	Information Technology Reserve $	Scholarship Fund $	Barrows Foundation Fund $	GIVE Reserve $	Total $
Balance at 1 July 2021	**9,898,207**	**-**	**-**	**-**	**691,477**	**-**	**250,117**	**10,839,801**
Deficit attributable to members of the entity	**(2,466,963)**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,466,963)**
Funds distributed to GIVE during the period	**-**	**-**	**-**	**-**	**-**	**-**	**(67,479)**	**(67,479)**
Transfers	**-**	**-**	**-**	**-**	**(191,477)**	**191,477**	**-**	**-**
Balance at 30 June 2022	**7,431,244**	**-**	**-**	**-**	**500,000**	**191,477**	**182,638**	**8,305,359**

2021

	Retained Earnings $	Accommodation Development $	The Complete Advantage $	Information Technology Reserve $	Scholarship Fund $	Barrows Foundation Fund $	GIVE Reserve $	Total $
Balance at 1 July 2020	6,757,502	100,000	200,000	179,179	691,477	-	307,741	8,235,899
Surplus attributable to members of the entity	2,661,526	-	-	-	-	-	-	2,661,526
Funds distributed to GIVE during the period	-	-	-	-	-	-	(57,624)	(57,624)
Transfers from retained earnings to general reserve	479,179	(100,000)	(200,000)	(179,179)	-	-	-	-
Balance at 30 June 2021	9,898,207	-	-	-	691,477	-	250,117	10,839,801

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and government funding/subsidies		**33,449,556**	30,618,097
Payments to suppliers and employees		**(35,020,044)**	(32,233,009)
Interest received		**25,074**	61,114
Interest expense on lease liabilities		**(74,170)**	(41,459)
COVID-19 assistance received from government		**-**	3,773,636
Short-term, low-value and variable lease payments		**(529,556)**	(563,249)
Net cash (used in)/provided by operating activities	18(b)	**(2,149,140)**	1,615,130
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from disposal of property, plant and equipment		**1,780,573**	2,150,836
Payments to acquire property, plant and equipment		**(4,273,538)**	(4,144,100)
Net cash used in investing activities		**(2,492,965)**	(1,993,264)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of lease liabilities		**(598,725)**	(463,776)
Net cash used in financing activities		**(598,725)**	(463,776)
Net decrease in cash and cash equivalents held		**(5,240,830)**	(841,910)
Cash and cash equivalents at beginning of year		**12,363,873**	13,205,783
Cash and cash equivalents at end of financial year	18(a)	**7,123,043**	12,363,873

The accompanying notes form part of these financial statements.

The financial report covers Therapy Focus Limited as an individual entity. Therapy Focus Limited is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2022 were to provide therapy services for people living with a disability or learning impairment.

The functional and presentation currency of Therapy Focus Limited is Australian dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board ("AASB") and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Revenue and other income

The Company has applied AASB 15 *Revenue from Contracts with Customers* ("AASB 15") and AASB 1058 *Income of Not-for-Profit Entities* ("AASB 1058").

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised by applying a five-step model follows:

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

2 Summary of Significant Accounting Policies (Continued)

(b) Revenue and other income (Continued)

Operating grants

When the Company receives operating grant revenue from government, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9. AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Rendering of services

Revenue in relation to rendering of services is recognised at a point in time when the given performance obligation is met, that is, when clients receive and consume the benefits of the services as the Company provides them, the revenue recognition model is based on the time elapsed output method.

A receivable in relation to these services is recognised when a bill has been issued, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Donations

Donations and bequests are recognised as revenue when the Company gains control of the asset.

Interest revenue

Interest is recognised using the effective interest method.

2 Summary of Significant Accounting Policies (Continued)

(b) Revenue and other income (Continued)

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date at fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

2 Summary of Significant Accounting Policies (Continued)

(d) Property, plant and equipment (Continued)

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

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	3 - 7 years
Motor Vehicles	5 - 7 years
Office Equipment	3 - 5 years
Computer Equipment and Software	3 - 5 years
Leasehold Improvements	5 - 6 years

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

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component.

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.

2 Summary of Significant Accounting Policies (Continued)

(e) Financial instruments (Continued)

Financial assets (Continued)

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 - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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 are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise of trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

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.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

2 Summary of Significant Accounting Policies (Continued)

(e) Financial instruments (Continued)

Impairment of financial assets

Trade receivables

Impairment of trade receivables 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 profit or loss. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

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.

(f) Cash and cash equivalents

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

(g) Leases

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

The Company as a lessee

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets if there are leases present. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease. The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

2 Summary of Significant Accounting Policies (Continued)

(g) Leases (Continued)

(i) Right-of-use asset

Right-of-use assets are recognised at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Prepaid building lease payments	20 years
Buildings	2 to 10 years

If ownership of the leased asset transfers to the Company by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(ii) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments included in the measurement of the lease liability are as follows:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- the amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Company;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for termination of a lease, if the lease term reflects the Company exercising the option to terminate the lease.

The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

2 Summary of Significant Accounting Policies (Continued)

(g) Leases (Continued)

(ii) Lease liabilities (Continued)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(iii) Adoption of short-term leases or low value assets exemptions

The Company has elected to apply the recognition exemption to its short-term leases of offices (i.e. leases with a term of a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets. The Company has also elected to apply the recognition exemption for leases of low-value assets to leases of photocopiers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(iv) Concessionary leases

For leases that have significantly below-market terms and conditions principally to enable the Company to further its objectives (commonly known as peppercorn/concessionary leases), the Company has adopted the relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

(h) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

2 Summary of Significant Accounting Policies (Continued)

(i) Provisions

Provisions are recognised when the Company 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.

(j) Economic dependence

The Company is a significant provider of therapy services in Western Australia under the Federal National Disability Insurance Scheme (NDIS). The NDIS is the major revenue generating activity of the Company. Accordingly, the Company is financially dependent on the successful commercialisation of NDIS funding for its future activities. Additionally, the Company is working to diversify income streams that are aligned with the values and mission of the Company.

(k) Comparative figures

When required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for current financial year.

(l) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Critical Accounting Estimates and Judgments

The Board makes estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

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

The significant estimates and judgements made have been described below.

Key estimates - receivables

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

Key estimates - useful lives of property, plant and equipment

As described in Note 2(d), the Company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

3 Critical Accounting Estimates and Judgments (Continued)

Key judgments - 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.

Key judgments - lease term and option to extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the Company will make. The Company determines the likeliness to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the Company.

Key judgments - employee benefits

For the purpose of measurement, AASB119: *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 services. As the Company 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 despite an informal Company policy that requires annual leave to be used within 18 months, the Company believes 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.

4 Revenue and Other Income

(a) Recurrent

	2022	2021
	$	$
Revenue from contracts with customers (AASB 15)		
- Department of Communities (DoC)	**287,354**	1,765,212
- National Disability Insurance Scheme (NDIS)	**31,919,780**	28,795,777
- Community aids and equipment programs	**414,453**	1,256,866
- Department of Health	**498,221**	234,398
- Other contract revenue	**1,082,910**	765,407
- Alternative equipment support revenue	**258,254**	216,537
- Sundry income	**377,063**	323,307
Total recurrent revenue	**34,838,035**	33,357,504

(b) Non-recurrent

	2022	2021
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Government subsidies - COVID-19	**-**	2,897,636
Total non-recurrent revenue	**-**	2,897,636
Total recurrent and non-recurrent revenue	**34,838,035**	36,255,140

5 Result for the Year

The result for the year includes the following specific expenses:

Other expenses:

	2022	2021
Depreciation and amortisation expense		
- Property, plant and equipment	**1,168,621**	808,496
- Right-of-use assets	**661,562**	546,418
Employee benefits expense	**30,077,209**	26,834,185
Bad debts and provision for doubtful debts	**28,660**	-
Interest expense on lease liabilities	**74,170**	41,459
Net loss on disposal of property, plant and equipment	**36,930**	10,801
Short-term lease expense and outgoings	**412,998**	446,519

Therapy Focus Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

6 Cash and Cash Equivalents

	Note	2022 $	2021 $
Cash at bank and in hand		**832,303**	2,179,180
Short-term deposits		**6,290,740**	10,184,693
	16	**7,123,043**	12,363,873

Included in cash and cash equivalents is an amount of $312,451 (2021: $219,281) which is not available for use by the Company. This amount relates to guarantees issued to the lessors of premises of the Company.

7 Trade and Other Receivables

	Note	2022 $	2021 $
CURRENT			
Trade receivables		**2,493,369**	778,087
Provision for impairment	7(a)	**(56,766)**	(29,995)
	16	**2,436,603**	748,092
GST receivable		**-**	188,733
NDIS receivables	16	**2,556,684**	2,363,555
Interest receivables	16	**8,544**	5,242
Other receivables	16	**201,318**	130,644
		5,203,149	3,436,266

(a) Impairment of receivables

Reconciliation of changes in the provision for impairment of receivables is as follows:

	2022 $	2021 $
Balance at beginning of the year	**(29,995)**	(29,995)
Additional impairment loss recognised	**(26,771)**	-
Balance at end of the year	**(56,766)**	(29,995)

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

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Other Assets

	2022 $	2021 $
CURRENT		
Deposits	**93,680**	89,014
Prepayments	**333,071**	276,732
	426,751	365,746

9 Property, plant and equipment

	2022 $	2021 $
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	**994,311**	120,725
Furniture, fixtures and fittings		
At cost	**596,682**	543,095
Accumulated depreciation	**(403,079)**	(336,194)
Total furniture, fixtures and fittings	**193,603**	206,901
Motor vehicles		
At cost	**2,213,342**	2,062,852
Accumulated depreciation	**(230,986)**	(176,100)
Total motor vehicles	**1,982,356**	1,886,752
Office equipment		
At cost	**312,435**	310,791
Accumulated depreciation	**(293,225)**	(285,515)
Total office equipment	**19,210**	25,276
Computer equipment and software		
At cost	**3,584,624**	3,152,688
Accumulated depreciation	**(2,600,296)**	(2,061,736)
Total computer equipment and software	**984,328**	1,090,952
Leasehold improvements		
At cost	**3,133,833**	2,377,915
Accumulated amortisation	**(2,077,385)**	(1,765,679)
Total leasehold improvements	**1,056,448**	612,236
Total property, plant and equipment	**5,230,256**	3,942,842

Therapy Focus Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

9 Property, plant and equipment (Continued)

(a) Movements in Carrying Amounts

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

	Capital Works in Progress	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment and Software	Leasehold Improvements	Total
	$	$	$	$	$	$	$
Year ended 30 June 2022							
Balance at the beginning of year	120,725	206,901	1,886,752	25,276	1,090,952	612,236	3,942,842
Additions	952,210	53,587	2,156,867	1,644	358,002	751,228	4,273,538
Disposals	-	-	(1,817,503)	-	-	-	(1,817,503)
Transfers	(78,624)	-	-	-	73,934	4,690	-
Depreciation expense	-	(66,885)	(243,760)	(7,710)	(538,560)	(311,706)	(1,168,621)
Balance at the end of the year	994,311	193,603	1,982,356	19,210	984,328	1,056,448	5,230,256

10 Right-of-use Assets and Lease Liabilities

The Company has lease contracts for various buildings used in its operations. Leases of buildings generally have lease terms between 2 and 10 years. The Company entered into an agreement for the right of use of a building located at Collier Road, Bassendean with Technology Assisting Disability WA (TADWA) for a period of 20 years commencing 29 November 2007. The Company contributed upfront towards the construction costs in return for a peppercorn sub-lease. There is an option to renew the lease at the end of the term for an additional term of 20 years.

(a) Right-of-use assets

	2022 $	2021 $
NON-CURRENT		
Buildings		
At cost	**3,328,193**	2,052,758
Accumulated depreciation	**(1,664,848)**	(1,008,569)
	1,663,345	1,044,189
Prepaid building lease payment		
At cost	**109,477**	109,477
Accumulated depreciation	**(36,079)**	(24,000)
	73,398	85,477
Total right-of-use assets	**1,736,743**	1,129,666

(b) Movement in carrying amount

	Buildings $	Prepaid building lease payment $	Total $
Year ended 30 June 2022			
Balance at beginning of the year	**1,044,189**	**85,477**	**1,129,666**
Depreciation charge during the year	**(649,483)**	**(12,079)**	**(661,562)**
Additions to right-of-use assets	**1,256,364**	**-**	**1,256,364**
Increments in right-of-use assets due to changes in lease liability	**12,275**	**-**	**12,275**
Balance at end of the year	**1,663,345**	**73,398**	**1,736,743**

10 Right-of-use Assets and Lease Liabilities (Continued)

(c) Lease liabilities

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

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	$	$	$	$	$
2022					
Lease liabilities	**572,888**	**809,247**	**944,423**	**2,326,558**	**1,773,629**
2021					
Lease liabilities	593,384	553,042	-	1,146,426	1,103,715

	Note	2022	2021
		$	$
CURRENT			
Lease liabilities		**473,505**	565,259
	16	**473,505**	565,259
NON-CURRENT			
Lease liabilities		**1,300,124**	538,456
	16	**1,300,124**	538,456

(d) Amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income

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

Interest expense on lease liabilities	**74,170**	41,459
Expense relating to short-term leases	**32,219**	139,674
Variable lease payments not included in the measurement of lease liabilities	**380,779**	306,845
Depreciation of right-of-use assets	**661,562**	546,418
Expense relating to leases of low-value assets (including in program expense)	**68,416**	65,525
	1,217,146	1,099,921

11 Trade and Other Payables

	Note	2022 $	2021 $
CURRENT			
Trade payables	16	**454,515**	629,396
GST payable		**95,435**	-
Accrued expenses	16	**824,557**	508,614
		1,374,507	1,138,010

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

12 Contract Liabilities

	2022	2021
CURRENT		
Alternative funding provider	**44,971**	93,298
DOC	**1,782,372**	1,659,955
DOC - Community aids and equipment programs	**566,785**	250,619
DOC - Continence Project	**305,914**	352,469
DOC - Diagnostic Assessment	**42,686**	42,686
NDIS - Community aids and equipment programs	**(10,437)**	21,967
WANDIS	**31,144**	31,144
WANDIS - Community aids and equipment programs	**2,093,444**	2,165,368
Others	**(645)**	24,578
	4,856,234	4,642,084

Grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15. The amount received at that point in time, is recognised as a contract liability until the performance obligations have been satisfied.

13 Employee Benefits

	2022	2021
CURRENT		
Annual leave	**1,901,552**	2,059,264
Long service leave	**984,804**	904,377
	2,886,356	2,963,641
NON-CURRENT		
Long service leave	**523,857**	551,142
	523,857	551,142

13 Employee Benefits (Continued)

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion of this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria for employee benefits have been disclosed in Note 2(h) to this report.

14 Reserves

(a) Scholarship Fund

- To be used to add value to graduated clients and possibly develop a relationship that in turn has them acting as our ambassador.

(b) Barrows Foundation Fund and GIVE Reserve

- To assist with the purchase of items and activities that support independence, participation and social inclusion of people with disabilities and their families.

15 Capital and Contractual Commitments

Contractual commitments

	Note	2022 $	2021 $
Non-cancellable commitments contracted for but not capitalised in the financial statements:			
- not later than one year		**35,676**	17,248
- between one year and five years		**121,893**	-
		157,569	17,248

The Company has entered into various contracts for photocopiers which normally have a term between 1 and 3 years. Lease payments are increased on an annual basis to reflect market rentals.

16 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

Financial instruments used

The principal categories of financial instrument used by the Company are cash and cash equivalents, trade and other receivables, trade and other payables and lease liabilities.

	Note	2022 $	2021 $
Financial assets			
Cash and cash equivalents	6	**7,123,043**	12,363,873
Trade and other receivables	7	**5,203,149**	3,247,533
Total financial assets		**12,326,192**	15,611,406
Financial liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	11	**(1,279,072)**	(1,138,010)
- Lease liabilities	10(c)	**(1,773,629)**	(1,103,715)
Total financial liabilities		**(3,052,701)**	(2,241,725)
Total		**9,273,491**	13,369,681

17 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $ 10 each towards meeting any outstandings and obligations of the Company. At 30 June 2022 the number of members was 7 (2021: 6).

18 Cash Flow Information

(a) Reconciliation of cash

	2022	2021
	$	$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	**7,123,043**	12,363,873

(b) Reconciliation of result for the year to cash flows from operating activities

Reconciliation of net (deficit)/surplus to net cash (used in)/provided by operating activities:

	2022	2021
(Deficit)/Surplus for the year	**(2,466,963)**	2,661,526
Non-cash flows in (deficit)/surplus:		
- depreciation - property, plant and equipment	**1,168,621**	808,496
- depreciation - right-of-use assets	**661,562**	546,418
- net loss on disposal of property, plant and equipment	**36,930**	10,801
- provision for doubtful debts	**28,660**	-
- GIVE program	**(67,479)**	(57,624)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**(1,984,276)**	(319,509)
- (increase)/decrease in prepayments	**(61,005)**	(73,711)
- increase/(decrease) in contact liabilities	**214,150**	(2,244,321)
- increase/(decrease) in trade and other payables	**425,230**	(90,084)
- increase/(decrease) in employee benefits	**(104,570)**	373,138
Cash flows from operations	**(2,149,140)**	1,615,130

19 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is $ 2,260,182 (2021: $ 1,220,434).

Therapy Focus Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

20 Auditors' Remuneration

	2022	2021
	$	$
Remuneration of the auditor Dry Kirkness, for:		
- auditing or reviewing the financial statements - current year	**31,000**	26,786
- auditing or reviewing the financial statements - prior year	**18,322**	-
- taxation services provided by related practice or auditor	**3,600**	-
- other services	**4,500**	1,162
	57,422	27,948
Remuneration of other auditors, for:		
- controls assurance services	**-**	12,606
- NDIS and other services	**17,997**	-
Total	**75,419**	40,554

21 Contingencies

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

22 Events after the end of the Reporting Period

The financial report was authorised for issue on 24 October 2022 by the Board.

The Company is in discussion with a funding body to renegotiate the terms of a funding agreement in so far as it relates to unspent grant funds of approximately $ 1.8 million at 30 June 2022. It is expected these discussions will result in a deferral of the repayment due date for 50% of the unspent funds to 30 June 2024 and a release of the requirement to repay the remaining 50% of the funds. The outcome of the agreement is subject to formal documentation and sign off by the funding body and the Company.

The Company has negotiated a $ 2m overdraft facility with its bankers. The term of the facility is 12 months. The Company is reviewing whether to take up the offer, given the renegotiation of the unspent grant funds noted in the above paragraph.

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

23 Statutory Information

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

Therapy Focus Limited
Suite 5, 1140 Albany Highway
BENTLEY
WA 6102

Therapy Focus Limited

ABN: 67 796 715 775

Directors' Declaration

The directors of the Company declare that:

- the financial statements and notes, as set out on pages 4 - 28 satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and:

  (a) comply with Australian Accounting Standards - Simplified Disclosures; and

  (b) give a true and fair view of the financial position of the Company as at 30 June 2022 and of its performance and cash flows for the year ended on that date.

- in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay all of its debts, as and when they become due and payable.

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

Chairperson ....
Fiona Payne

Director ....
Rachel Cottier

Dated this ....24TH.... day of ....OCTOBER.... 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Therapy Focus Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Therapy Focus Limited ("the Company"), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Therapy Focus Limited, 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 Company's financial position as at 30 June 2022 and of its financial performance and its cash flows for the year then ended; and

(b) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 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.

Ground Floor, 50 Colin Street, West Perth, WA 6005
PO Box 166, West Perth, 6872
dk@drykirkness.com.au www.drykirkness.com.au
Phone (08) 9481 1118 ABN 40 929 149 789

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

The Board is responsible for the other information. The other information comprises the information included in the Company's Directors' report for the year ended 30 June 2022, 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 Management and the Board for the Financial Report

Management of the Company is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012,* preparation of the financial report in accordance with Section 15(1) and 15(2) of the *WA Charitable Collections Act 1946 and Regulations 1947 ("the Act and Regulations")* and for such internal control as management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board 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.

In addition, we have:

- Obtained an understanding of the internal control structure for fundraising appeal activities.
- Examined on a test basis of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Act and Regulations.

We have not audited on a continuous basis the accounting records relied upon for reporting on fundraising appeal activities. These do not necessarily reflect accounting adjustments after the event or normal year-end financial adjustments required for the preparation of the Financial Report such as accruals, prepayments, provisioning and valuations.

Report on Other Legal and Regulatory Requirements

Opinion pursuant to the *Charitable Collections Act (WA) 1946* and *Charitable Collections Regulations (WA) 1947*

In our opinion, the Company has complied, in all material respects, with the requirements of the *Charitable Collections Act (WA) 1946 and Charitable Collections Regulations (WA) 1947* for the year ended 30 June 2022.

DRY KIRKNESS

M A KIRKNESS
Partner

Date: 24th October 2022
West Perth
Western Australia

DRY KIRKNESS

Auditor's Independence Declaration under Section 60.40 of the Australian Charities and Not-for-profits Commission Act 2012

To: the Board of Therapy Focus Limited

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

(i) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

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

DRY KIRKNESS

M A KIRKNESS
Partner

Dated: 24th October 2022
West Perth,
Western Australia

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