

# Gateways Support Services Inc

ABN 98 140 810 929

## Financial Statements

For the Year Ended 30 June 2024

# Gateways Support Services Inc

ABN 98 140 810 929

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For the Year Ended 30 June 2024

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## Gateways Support Services Inc

ABN 98 140 810 929

### Committees Report

30 June 2024

The committee present their report on Gateways Support Services Inc for the financial year ended 30 June 2024.

#### General information

##### Information on committee members

The names of each person who has been a committee member during the year and to the date of this report are:  
Dr Bernard Jenner OAM

Christopher Davies (appointed 29/7/24)

Cassandra Gravenall

Graeme Howie (appointed 26/8/24)

Greg Hughes (resigned 28/5/2024)

James Arnott (resigned 25/6/2024)

Jessica Eagles

Jacqueline Malloch

Keith Baillie (resigned 26/2/24)

Karl Morris

Dr Robert Ward (resigned 27/11/2023)

Sonya Curciev (appointed 9/10/24)

Committee members have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Association secretary

The following person held the position of Association secretary at the end of the financial year:

Karl Morris has been the Association secretary since 2015.

#### Principal activities and significant changes in nature of activities

The principal activities of Gateways Support Services Inc during the financial year were:

Gateways Support Services Inc. is a not-for-profit community organisation making a positive difference in the lives of children and adults with a disability or additional needs and their families for more than 40 years. Gateways Support Services Inc. is recognised and respected for our expertise in supporting children and adults with a broad range of disabilities including autism, intellectual disabilities, developmental delays, challenging behaviors and complex medical needs. Gateways Support Services Inc is committed to providing quality, safety and wellbeing to every person we support.

## Gateways Support Services Inc

ABN 98 140 810 929

# Committees Report

30 June 2024

### General information

#### Principal activities and significant changes in nature of activities

Gateways Support Services Inc. currently provide services throughout the Geelong region, Wyndham, Western Melbourne and Southwest Victoria with offices in Geelong and Werribee. Services include early intervention and therapy, support coordination, group recreation and skill development activities, individual in-home support, parent support and education, day activities, housing, and support for adults as well as children in out of home care.

There were no significant changes in the nature of Gateways Support Services Inc's principal activities during the financial year.

#### Performance measures

The Association has a strategic plan and management reports to the Committee of Management regularly via the CEO on progress. The CEO also reports financial performance on a monthly basis to the Committee, and an annual report is produced which demonstrates the Association's performance to the community.

#### Review of operations

The deficit of the Association amounted to \$ (184,820). (Prior year; \$1,418,614 deficit).

A review of operations of the Association during the financial year and the results of those operations found that during the year the Association continued to engage in its principal activities, the results of which are disclosed in the attached financial statements.

#### Other items

#### Events after the reporting date

During and subsequent to 30 June 2024, the Association continues to renegotiate the Thompson road lease which will reduce the physical space occupied by Gateways Support Services Inc. This will provide the organisation with financial relief through lease outgoings, a secondary tenant has since occupied the vacated space via a licencing agreement. Lease negotiations continue with a formal lease yet to be executed as at the date of signing the financial statements. This lease renegotiation resulted in an impairment of leasehold improvements, and capital work previously capitalised as at 30 June 2024 as future economic benefit is no longer expected. Refer to note 12 and note 22 for further details.

Gateways Support Services Inc. is undertaking a comprehensive review of historical wage payments and payroll processes. This was undertaken to proactively ensure payroll compliance practices are sound and provide comfort of material compliance of historical wage payments. Refer to note 18 for further details. As at date of report the result of the review is unquantifiable

Except for above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

#### Future developments and results

Likely developments in the operations of the Association and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Association.

## Gateways Support Services Inc

ABN 98 140 810 929

### Committees Report

30 June 2024

#### Information on Committee Members

Dr Bernard Jenner OAM

Qualifications

Committee member

MBBS, FRACP, Dip Child Psychiatry, Grad Dip Social Sciences Family Therapy

Christopher Davies

Qualifications

Committee member (appointed 29/7/24)

Bachelor of Applied Science (Microprocessor Application)

Cassandra Gravenall

Qualifications

Committee member

Bachelor of Commerce (Accounting), CPA, Registered Company Auditor, Registered Organisations Auditor

Graeme Howie

Qualifications

Committee member (appointed 26/8/24)

Bachelor of Science, Bachelor of Social Work, Advanced Diploma Business Management, Diploma of Business, Diploma of Accounting.

Greg Hughes

Qualifications

Committee member (resigned 28/5/2024)

Diploma Teaching, Education

James Arnott

Qualifications

Committee member (appointed 25/6/2024)

Diploma in Applied Science

Jessica Eagles

Qualifications

Committee member

AICD Directors course, Master of Public Admin (MPA), Public Policy Analysis, Graduate Diploma of Legal Practice, Bachelor of Law (LLB), Bachelor of Arts (BA), Bachelor of Psychology.

Jacqueline Malloch

Qualifications

Acting President, Treasurer

Bachelor of Commerce, CA

Keith Baillie

Qualifications

Committee member (resigned 26/2/24)

Bachelor of Economics, MBA, FCPA

Karl Morris

Qualifications

Acting Vice President, Secretary

Bachelor of Business (Accounting), Master of Arts (Virtual Comms)

Dr Robert Ward

Qualifications

Committee member (resigned 27/11/2023)

General Practitioner, MBBS, DRANZCOG, FRACGP

Sonya Curciev

Qualifications

Committee member (appointed 9/10/24)

Bachelor of Laws (Hons), Bachelor of Science, Graduate Diploma in Applied Corporate Governance, Graduate in the Company Directors Course

**Gateways Support Services Inc**

ABN 98 140 810 929

**Committees Report**

**30 June 2024**

**Meetings of Committee Members**

During the financial year, 12 meetings of Committee Members were held. Attendances by each Committee Member during the year were as follows:

<b>Committee Meetings</b>	
<b>Number eligible to attend</b>	<b>Number attended</b>
Dr Bernard Jenner OAM	12
Karl Morris	12
James Arnott (resigned 25/6/2024)	12
Greg Hughes (resigned 28/5/2024)	11
Cassandra Gravenall	6
Jacqueline Malloch	6
Jessica Eagles	12
Keith Baillie (resigned 26/2/24)	12
	8
	8

**Auditor's independence declaration**

The auditor's independence declaration in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2024 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Committee of Management:

Committee Member :  Committee Member: 

Dated 28 October 2024



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**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES  
AND NOT-FOR-PROFITS COMMISSION ACT 2012  
TO THE DIRECTORS OF GATEWAY SUPPORT SERVICES INC.**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

**RYAN LEEMON**  
Partner – Audit and Assurance  
[Moore Australia Audit \(VIC\)](#)  
Melbourne, Victoria

28 October 2024

Moore Australia Audit (VIC)  
ABN 16 847 721 257  
Chartered Accountants

## Gateways Support Services Inc

ABN 98 140 810 929

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	5	58,641,728	49,297,248
Employee benefits expense	6	(48,867,609)	(43,733,066)
Depreciation and amortisation expense	6	(2,209,895)	(2,244,851)
Impairment expense	12	(1,891,479)	-
Other expenses	6	(5,249,386)	(4,064,580)
Finance expenses	11	(608,179)	(673,365)
<b>Deficit from operations</b>		<b>(184,820)</b>	<b>(1,418,614)</b>
Revaluation increment		724,163	-
<b>Total other comprehensive income for the year</b>		<b>724,163</b>	<b>-</b>
<b>Total comprehensive surplus/(deficit) for the year</b>		<b>539,343</b>	<b>(1,418,614)</b>

The accompanying notes form part of these financial statements.



## Gateways Support Services Inc

ABN 98 140 810 929

### Statement of Financial Position

As At 30 June 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	3,976,567	5,713,007
Trade and other receivables	8	2,618,185	1,907,563
Financial assets	9	5,246,220	5,123,918
Other assets	10	766,989	675,483
TOTAL CURRENT ASSETS		<u>12,607,961</u>	<u>13,419,971</u>
NON-CURRENT ASSETS			
Trade and other receivables	8	459,806	304,076
Property, plant and equipment	12	4,773,159	5,353,623
Investment properties	13	4,720,000	1,971,392
Right-of-use assets	11	8,458,469	9,811,815
Other assets	10	564,875	566,811
TOTAL NON-CURRENT ASSETS		<u>18,976,309</u>	<u>18,007,717</u>
TOTAL ASSETS		<u>31,584,270</u>	<u>31,427,688</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Employee benefits	16	3,638,740	3,729,422
Trade and other payables	14	4,762,901	2,941,043
Lease liabilities	11	1,602,214	1,600,486
Other financial liabilities	15	1,104,844	2,059,099
TOTAL CURRENT LIABILITIES		<u>11,108,699</u>	<u>10,330,050</u>
NON-CURRENT LIABILITIES			
Lease liabilities	11	9,573,239	10,898,972
Employee benefits	16	1,083,975	919,652
TOTAL NON-CURRENT LIABILITIES		<u>10,657,214</u>	<u>11,818,624</u>
TOTAL LIABILITIES		<u>21,765,913</u>	<u>22,148,674</u>
NET ASSETS		<u>9,818,357</u>	<u>9,279,014</u>
<b>EQUITY</b>			
Reserves		724,163	1,012,000
Retained surplus		9,094,194	8,267,014
TOTAL EQUITY		<u>9,818,357</u>	<u>9,279,014</u>

The accompanying notes form part of these financial statements.

## Gateways Support Services Inc

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### Statement of Changes in Equity For the Year Ended 30 June 2024

2024

		Retained Surplus	Asset Revaluation Reserve	Other Reserves	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2023</b>		8,267,014	-	1,012,000	9,279,014
Deficit for the year		(184,820)	-	-	(184,820)
Revaluation increment	12	-	724,163	-	724,163
Transfers from general reserve to retained earnings	(a)	1,012,000	-	(1,012,000)	-
<b>Balance at 30 June 2024</b>		<b>9,094,194</b>	<b>724,163</b>	<b>-</b>	<b>9,818,357</b>

2023

		Retained Surplus	Asset Revaluation Reserve	Reserves	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2022</b>		9,685,628	-	1,012,000	10,697,628
Deficit for the year		(1,418,614)	-	-	(1,418,614)
<b>Balance at 30 June 2023</b>		<b>8,267,014</b>	<b>-</b>	<b>1,012,000</b>	<b>9,279,014</b>

(a) During the financial year committee members undertook a review of historical reserves, basis and purpose. As a result of this review "Other Reserves" were deemed of minimal purpose to users of the financial statements and as a result consolidated back to retained surpluses of the Association.

The accompanying notes form part of these financial statements.

## Gateways Support Services Inc

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### Statement of Cash Flows For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from operating grants and clients	55,040,571	51,196,326
Payments to suppliers and employees	(53,888,477)	(48,820,664)
Interest received	5 202,243	132,801
Interest paid on leases	11 (608,179)	(673,365)
Net cash provided by operating activities	20 <u>746,158</u>	<u>1,835,098</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant & equipment	12 (1,410,814)	(529,962)
Proceeds from property, plant & equipment	12 669,433	31,055
Investment to term deposits	9 (122,302)	(5,123,918)
Refund of security deposit	1,936	3,714
Net cash used in investing activities	<u>(861,747)</u>	<u>(5,619,111)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of lease liabilities	<u>(1,620,851)</u>	(1,466,985)
Net cash used in financing activities	<u>(1,620,851)</u>	<u>(1,466,985)</u>
Net decrease in cash and cash equivalents held	(1,736,440)	(5,250,998)
Cash and cash equivalents at beginning of year	<u>5,713,007</u>	<u>10,964,005</u>
Cash and cash equivalents at end of financial year	7 <u><u>3,976,567</u></u>	<u><u>5,713,007</u></u>

The accompanying notes form part of these financial statements.

## Gateways Support Services Inc

ABN 98 140 810 929

# Notes to the Financial Statements

## For the Year Ended 30 June 2024

The financial report covers Gateways Support Services Inc as an individual entity. Gateways Support Services Inc is a not-for-profit incorporated Association, registered and domiciled in Australia.

The functional and presentation currency of Gateways Support Services Inc is Australian dollars.

The financial reports were authorised for issue on 28 October 2024, by the Members of the Committee.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*. The prior year financial report was prepared in accordance with the Australian Accounting Standards.

The financial statements 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.

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

### 2 Change in Accounting Policy

#### Material Accounting Policies

#### AASB 2021-1 Amendments to AASB 101 Presentation of Financial Statements – Disclosure of Accounting Policies and Definition of Accounting Estimates

The Association has adopted the amendments to AASB 101 for the first time in the current year. The amendments change the requirements in AASB 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

These amendments have no effect on the measurement or presentation of any items in the financial statements of the Association but affect the disclosure of accounting policies of the Association.

#### Land and Buildings

Directors undertook a review of Land and Buildings held by the organisation, all of which have historically been held and disclosed at cost. As permitted by AASB 116 Property, Plant and Equipment, AASB 140 Investment Property and AASB 108 Accounting policies, Changes in Accounting Estimates and Errors, the directors took the view that measurement per the revaluation model was more meaningful to users. Thus Land, Buildings and Investment property are held at fair value. This application is not retrospective with prior period values disclosed at cost. Refer notes 3 (c), 3 (d) and note 12 for additional information.

#### Investment properties

During 2024, the Association identified that the Albert street property is currently in excess of its current operational requirements. The Association reclassified this property to investment properties and the property is currently under an operating lease arrangement with a third party. The property has been under operating lease in prior years and thus this application is retrospective with prior period values disclosed at cost. Refer notes 3 (d) for additional information.

## Gateways Support Services Inc

ABN 98 140 810 929

# Notes to the Financial Statements

For the Year Ended 30 June 2024

### 3 Summary of Material Accounting Policies

#### (a) Revenue and other income

##### Revenue from contracts with customers

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

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

##### Specific revenue streams

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

##### Grants

Non-reciprocal (those without specific, enforceable performance obligations) grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If specific enforceable performance conditions are attached to the grant which must be satisfied before it is eligible to be received, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, grant revenue is recognised in the statement of financial position as a liability until the specific performance obligations have been delivered to the contributor, otherwise the grant is recognised as income on receipt.

##### Donations

Donations and bequests are recognised as revenue when received. If the donation is for a specific purpose and there are sufficiently specific, enforceable performance obligations attached, recognition as revenue will be deferred until the obligations have been fulfilled and those conditions satisfied.

##### Interest revenue

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

##### Service Revenue

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent, relative to the total expected labour hours. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

## Gateways Support Services Inc

ABN 98 140 810 929

# Notes to the Financial Statements

## For the Year Ended 30 June 2024

### 3 Summary of Material Accounting Policies

#### (a) Revenue and other income

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision becomes known by management.

Revenue considered to be variable in nature is only recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Once the uncertainty related to the variable consideration is resolved, this amount is adjusted.

Revenue is recognised when it is probable that the economic benefit will flow to the Association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

#### Other income

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

#### (b) Income tax

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

#### (c) 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.

#### Land and building

##### Current Year

Land and buildings are measured using the revaluation model as at 30 June 2024 and are subsequently stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and impairment losses. Revaluations were performed at 30 June 2024 by an external accredited valuer Preston Rowe Paterson.

Any revaluation increase arising on the revaluation of the asset is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same class of asset previously recognised in an expense. In which case the revaluation increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation is charged as an expense to the extent that it exceeds the balance, if any, held in the revaluation reserve associated with a previous revaluation of the same class of asset.

When revalued assets are sold, the amounts included in the revaluation reserve are transferred directly to retained earnings.

##### Prior Year

Land and buildings were measured using the cost model.

## Gateways Support Services Inc

ABN 98 140 810 929

# Notes to the Financial Statements

For the Year Ended 30 June 2024

### 3 Summary of Material Accounting Policies

#### (c) Property, plant and equipment

##### Plant and equipment

Plant and equipment are measured using the cost model and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount, and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3 (f) for details of impairment).

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

##### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

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

<b>Fixed asset class</b>	<b>Depreciation rate</b>
Capital Works in Progress	Nil
Buildings	2.5%
Equipment, Furniture and Fittings	20%
Motor Vehicles	25%
Leasehold improvements	2.5% or term of lease

Items of property, plant and equipment are recorded as capital work in progress until such a time that the asset is ready for use. Once the asset is deemed ready for use, the capital work in progress will be transferred to property, plant and equipment and depreciation will commence at that time.

#### (d) Investment property

Investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the statement of profit or loss and other comprehensive income as other income/expenses.

##### Reclassification from Property, Plant & Equipment

During 2024, the Association identified that the Albert street property is currently in excess of its current operational requirements. The Association reclassified this property to investment properties and the property is currently under an operating lease arrangement with a third party. The property has been under operating lease in prior years and thus this application is retrospective with prior period values disclosed at cost.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2024**

#### **3 Summary of Material Accounting Policies**

##### **(d) Investment property**

###### **Revaluation of Investment properties**

The Association carries investment properties at fair value. Properties were revalued on 30 June 2024 by an external valuation company that specialises in property valuations. Investment properties are categorised as level 3 in the fair value hierarchy (2023: level 3) and are considered a single class of asset.

##### **(e) Financial instruments**

###### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity 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 or if the practical expedient was applied as specified in AASB 15 Revenue from Contracts with Customers.

###### **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.



## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2024**

#### **3 Summary of Material Accounting Policies**

##### **(e) Financial instruments**

###### **Financial assets**

###### *Classification*

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

- amortised cost

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

###### *Amortised cost*

The Association's financial assets measured at amortised cost comprise 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.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

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

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

## Gateways Support Services Inc

ABN 98 140 810 929

### Notes to the Financial Statements

For the Year Ended 30 June 2024

#### 3 Summary of Material Accounting Policies

##### (e) Financial instruments

###### Financial assets

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

###### *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 Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

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

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

###### *Other financial assets measured at amortised cost*

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

##### (f) Impairment of assets

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

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Association would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the Association estimates the recoverable amount of the cash generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. Refer to note 12 for impairment details.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2024**

### **3 Summary of Material Accounting Policies**

#### **(g) Cash and cash equivalents**

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

#### **(h) Leases**

At inception of a contract, the Association assesses whether a lease exists.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### *Exceptions to lease accounting*

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **(i) Employee benefits**

##### **Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2024**

#### **3 Summary of Material Accounting Policies**

##### **(i) Employee benefits**

###### **Other long-term employee benefits**

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

###### **Defined contribution superannuation expense**

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

###### **Portable long service leave**

From 1 January 2020 the Association has registered for the Victorian Portable Long Service Benefit Scheme (the Scheme). The Scheme enables eligible workers to accumulate paid long service leave entitlements for long service within a sector (including community services), irrespective of their employer. For eligible employees the Association will submit a quarterly return and pay the required levy. On the effective date of the Scheme's commencement, the accumulated entitlements owing to all eligible employees have continued to accrue as they would prior to joining the Scheme as legal obligations to employees are not delegated. The benefits will remain an obligation of the Association until the employee reaches eligibility, then reduce as the entitlement is consumed or employee departs. From the date of commencement into the Scheme, a corresponding receivable for reimbursement from the Scheme will be accrued by the Association for eligible employees, as the future entitlements will now be funded through the Scheme.

##### **(j) Going concern**

Notwithstanding the Association's recurring trading deficits of \$184,820 in 2024 and \$1,418,614 in 2023, the financial report has been prepared on the going concern basis. This has been adopted as the Association continues to implement strategic changes to ensure a return to surplus and future sustainability. Committee Members note the \$9,222,787 held in cash and financial assets along with cash generated from operating cashflows of \$748,094 provide the Association the ability to implement strategic initiatives which include securing additional revenue streams, change in leased premises arrangements and diligent cost control.

##### **(k) Economic dependence**

The Association derives the majority of its revenue used to operate the business from funding provided through the National Disability Insurance Scheme (NDIS) which is dependent on participants in the NDIS exercising choice and control and continuing to direct their funds to the Association. The Association must continue to be registered as a provider with the National Disability Insurance Agency (NDIA) and meet the obligations including business rules and quality standards as set by the NDIA and the NDIS Quality and Safeguards Commission. At the date of this report, the Committee Members have no reason to believe the customers/funding will not continue to support the Association and believe the Association will continue to meet its obligations; however, the Committee Members recognise the demand driven nature of NDIS funding and the associated risks and opportunities.

## Gateways Support Services Inc

ABN 98 140 810 929

# Notes to the Financial Statements

For the Year Ended 30 June 2024

#### 4 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

##### **Key estimates - impairment of property, plant and equipment**

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

At 30 June 2024, revaluations are performed by an external valuation company that specialises in property valuations and resulted in \$724,163 increase in land and buildings. Refer to note 12 for details.

As a result of ongoing lease negotiations leading to a reduction in occupied space, Committee Members identified previously capitalised works that would no longer provide future economic benefit beyond 30 June 2024. As a result an impairment of \$1,891,479 was incurred. Refer to note 11, note 12 and note 22 for further details.

##### **Key estimates - provisions**

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

##### **Key estimates - employee benefits provision**

As described in the accounting policies, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been considered, see note 16 for further details.

Similarly, funds receivable from the Victorian Portable Long Service Leave Scheme are based on estimated recoupment and obligations forgone in relation to employees eligible for the Scheme as future entitlement is expected to be directly funded by the Scheme, not the Association.

##### **Key estimates - leases**

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 entity will make. The entity 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 Association.

Please refer to note 22 which reflects ongoing lease negotiations.

## Gateways Support Services Inc

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### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 5 Revenue and Other Income

##### Revenue from continuing operations

	Note	2024 \$	2023 \$
Operating Activities			
- Client fees		870,260	634,790
- Operating grants		35,383,641	32,931,034
- Donations		90,317	162,568
- Contracted services		17,085,060	13,891,814
- Sundry income		1,727,807	1,474,428
		<u>55,157,085</u>	<u>49,094,634</u>
Non-operating Activities			
- Interest received		202,243	132,801
- Capital funding		128,618	38,758
- Profit on disposal of assets		318,681	31,055
- Revaluation gain on investment properties	13	2,835,101	-
		<u>3,484,643</u>	<u>202,614</u>
<b>Total Revenue and Other Income</b>		<u><u>58,641,728</u></u>	<u><u>49,297,248</u></u>

# Gateways Support Services Inc

ABN 98 140 810 929

## Notes to the Financial Statements For the Year Ended 30 June 2024

### 6 Result for the Year

The result for the year includes the following specific expenses:

		2024	2023
	Note	\$	\$
Employee benefit expenses		44,459,020	39,802,984
Superannuation contribution		4,408,589	3,930,082
<b>Total employee benefits expense</b>		<b>48,867,609</b>	<b>43,733,066</b>
Depreciation expense	12	559,703	583,939
Amortisation expense	11	1,650,192	1,660,912
<b>Total depreciation and amortisation expense</b>		<b>2,209,895</b>	<b>2,244,851</b>
<b>Other expenses</b>			
Contracts/consultants		63,883	104,581
Utilities		394,874	504,758
External services		1,026,019	469,150
Repairs and maintenance		637,135	501,703
Insurance		83,281	84,321
Subscriptions		309,827	209,971
IT expenses		680,093	486,201
Consumables and other program costs		826,807	841,481
Bad debts and provision for expected credit losses		324,431	54,240
Advertising/promotion		146,076	43,201
Motor vehicle expenses		311,705	258,245
Recruitment expenses		85,002	104,877
Occupancy expenses		116,916	152,494
Others		243,337	249,357
<b>Total other expenses</b>		<b>5,249,386</b>	<b>4,064,580</b>

### 7 Cash and Cash Equivalents

		2024	2023
		\$	\$
Cash on hand		16,297	17,684
Bank balances		3,960,270	5,695,323
<b>Total cash and cash equivalents</b>		<b>3,976,567</b>	<b>5,713,007</b>

## Gateways Support Services Inc

ABN 98 140 810 929

### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 8 Trade and Other Receivables

	2024	2023
Note	\$	\$
CURRENT		
Trade receivables	1,893,434	574,067
Provision for expected credit losses	<u>(234,926)</u>	<u>(189,887)</u>
	1,658,508	384,180
Accrued revenue	619,338	1,305,741
Portable long service leave receivables	(a) 340,339	217,642
<b>Total trade and other receivables</b>	<u><u>2,618,185</u></u>	<u><u>1,907,563</u></u>
NON-CURRENT		
Portable long service leave receivables	(a) 459,806	304,076
<b>Total non-current trade and other receivables</b>	<u><u>459,806</u></u>	<u><u>304,076</u></u>

(a) Long Service leave liability entitlements for employees eligible for the Long Service Leave Portable Scheme are carried at 100% with an offsetting asset carried to reflect the entitlement recoverable from the Scheme and as such not the responsibility of the Association in 2024. Refer to note 3 (i) and 15 for additional information.

#### 9 Financial Assets

	2024	2023
Note	\$	\$
CURRENT		
Term deposits	5,246,220	5,123,918
<b>Total Financial Assets</b>	<u><u>5,246,220</u></u>	<u><u>5,123,918</u></u>

#### 10 Other Assets

	2024	2023
	\$	\$
CURRENT		
Prepayments	766,989	675,483
<b>Total current other assets</b>	<u><u>766,989</u></u>	<u><u>675,483</u></u>
NON-CURRENT		
Security deposits	564,875	566,811
<b>Total non-current other assets</b>	<u><u>564,875</u></u>	<u><u>566,811</u></u>



## Gateways Support Services Inc

ABN 98 140 810 929

### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 11 Leases

##### Association as a lessee

The Association has leases in place for buildings, motor vehicles and equipment.

Leases are carried in accordance with binding contracts in place as at 30 June 2024, please refer to note 21 subsequent events for detail regarding lease negotiations post year end.

##### Right-of-use assets

	Buildings \$	Equipment \$	Motor Vehicles \$	Total \$
<b>Year ended 30 June 2024</b>				
Balance at beginning of year	9,679,788	73,134	58,891	9,811,813
Additions/Adjustments to right-of-use assets	3,398	137,716	155,734	296,848
Amortisation charge	(1,523,689)	(43,600)	(82,903)	(1,650,192)
<b>Balance at end of year</b>	<b>8,159,497</b>	<b>167,250</b>	<b>131,722</b>	<b>8,458,469</b>

	Buildings \$	Equipment \$	Motor Vehicles \$	Total \$
<b>Year ended 30 June 2023</b>				
Balance at beginning of year	11,141,993	124,756	117,362	11,384,111
Additions/Adjustments to right-of-use assets	88,614	-	-	88,614
Amortisation charge	(1,550,819)	(51,622)	(58,471)	(1,660,912)
<b>Balance at end of year</b>	<b>9,679,788</b>	<b>73,134</b>	<b>58,891</b>	<b>9,811,813</b>

##### 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 \$
<b>2024</b>					
Lease liabilities	2,136,525	9,115,629	1,690,097	12,942,251	11,175,453
<b>2023</b>					
Lease liabilities	2,193,803	8,594,364	4,018,545	14,806,712	12,499,458

## Gateways Support Services Inc

ABN 98 140 810 929

### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 11 Leases

##### Extension options

A number of the building leases contain extension options which allow the Association to extend the lease term by up to twice the original non-cancellable period of the lease.

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

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

##### 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 Association is a lessee are shown below:

	2024	2023
	\$	\$
Interest expense on lease liabilities	608,179	673,365
Amortisation expense	1,650,192	1,660,912
	<u>2,258,371</u>	<u>2,334,277</u>

#### 12 Property, Plant and Equipment

	2024	2023
	\$	\$
Land		
At fair value (PY cost)	<u>2,044,600</u>	<u>1,106,535</u>
Buildings		
At fair value (PY cost)	1,745,400	2,275,345
Accumulated depreciation	-	(259,120)
Total buildings	<u>1,745,400</u>	<u>2,016,225</u>
Capital works in progress		
At cost	1,520,369	744,384
Impairment	(1,380,549)	-
At cost	<u>139,820</u>	<u>744,384</u>
Furniture, fixtures and fittings		
At cost	271,923	615,934
Accumulated depreciation	(176,643)	(519,889)
Total furniture, fixtures and fittings	<u>95,280</u>	<u>96,045</u>

## Gateways Support Services Inc

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### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 12 Property, Plant and Equipment

	2024	2023
	\$	\$
Motor vehicles		
At cost	1,319,006	1,279,185
Accumulated depreciation	(1,216,439)	(1,175,164)
Total motor vehicles	<u>102,567</u>	<u>104,021</u>
Office equipment		
At cost	105,782	134,044
Accumulated depreciation	(62,608)	(72,943)
Total office equipment	<u>43,174</u>	<u>61,101</u>
Computer equipment		
At cost	824,974	896,853
Accumulated depreciation	(438,656)	(509,313)
Total computer equipment	<u>386,318</u>	<u>387,540</u>
Computer software		
At cost	94,086	339,967
Accumulated depreciation	(56,850)	(281,828)
Total computer software	<u>37,236</u>	<u>58,139</u>
Leasehold Improvements		
At cost	922,582	1,205,863
Accumulated amortisation	(232,888)	(426,230)
Impairment	(510,930)	-
Total leasehold improvements	<u>178,764</u>	<u>779,633</u>
<b>Total property, plant and equipment</b>	<u><u>4,773,159</u></u>	<u><u>5,353,623</u></u>

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 12 Property, Plant and Equipment

##### (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	Land	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Computer Software	Leasehold Improvements	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Year ended 30 June 2024</b>										
Balance at the beginning of year	744,384	1,106,535	2,016,225	96,045	104,021	61,101	387,540	58,139	779,633	5,353,623
Additions	777,804	-	86,226	42,619	96,497	4,399	134,875	-	268,394	1,410,814
Disposals	(1,819)	(200,000)	(145,677)	(1,802)	-	(1,454)	-	-	(259,069)	(350,752)
Transfers	-	-	259,069	-	-	-	-	-	-	-
Depreciation expense	-	-	(56,541)	(41,582)	(97,951)	(20,872)	(136,097)	(20,903)	(99,264)	(473,210)
Revaluation recognised in equity	-	1,138,065	(413,902)	-	-	-	-	-	-	724,163
<b>Impairment loss</b>										
Impairment loss in income	4	(1,380,549)	-	-	-	-	-	-	(510,930)	(1,891,479)
<b>Balance at the end of the year</b>	<b>139,820</b>	<b>2,044,600</b>	<b>1,745,400</b>	<b>95,280</b>	<b>102,567</b>	<b>43,174</b>	<b>386,318</b>	<b>37,236</b>	<b>178,764</b>	<b>4,773,159</b>

## Gateways Support Services Inc

ABN 98 140 810 929

### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 13 Investment Properties

	2024 (Fair value) \$	2023 (at cost) \$
<b>Owned Property</b>		
Investment properties	4,720,000	3,260,758
Accumulated depreciation	-	(1,289,366)
<b>Balance at end of the period</b>	<b>4,720,000</b>	<b>1,971,392</b>
		<b>2024</b>
		<b>\$</b>
Opening balance - at cost		1,971,392
Depreciation		(86,493)
Revaluation recognised in income		2,835,101
<b>Closing balance - fair value</b>		<b>4,720,000</b>

During 2024, the Association identified that the Albert street property is currently in excess of its current operational requirements. The Association reclassified this property to investment properties and the property is currently under an operating lease arrangement with a third party. The properties have been under operating lease in prior years and thus this application is retrospective with prior period values disclosed at cost. Properties were revalued on 30 June 2024 by an external valuation company that specialises in property valuations. Investment properties are categorised as level 3 in the fair value hierarchy (2023: level 3) and are considered a single class of asset.

#### 14 Trade and Other Payables

	2024 \$	2023 \$
CURRENT		
Trade and other payables	4,762,901	2,941,043
<b>Total trade and other payables</b>	<b>4,762,901</b>	<b>2,941,043</b>

#### 15 Other Financial Liabilities

	2024 \$	2023 \$
CURRENT		
Revenue in advance	1,104,844	2,059,099
<b>Total other financial liabilities</b>	<b>1,104,844</b>	<b>2,059,099</b>

## Gateways Support Services Inc

ABN 98 140 810 929

### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 16 Employee Benefits

	Note	2024 \$	2023 \$
<b>CURRENT</b>			
Annual leave		2,314,191	2,127,313
Long service leave	(a)	1,308,332	1,590,011
Other employee benefits		16,217	12,098
<b>Total current employee benefits</b>		<b>3,638,740</b>	<b>3,729,422</b>
<b>NON-CURRENT</b>			
Long service leave	(a)	1,083,975	919,652
<b>Total non-current employee benefits</b>		<b>1,083,975</b>	<b>919,652</b>

#### (a) Movement in provisions:

	Annual leave \$	Long service leave \$	Others \$	Total \$
<b>2024</b>				
Opening balance	2,127,313	2,509,663	12,098	4,649,074
Additional provisions	3,413,786	195,799	8,382	3,617,967
Provision used	(3,226,908)	(313,155)	(4,263)	(3,544,326)
<b>Closing balance</b>	<b>2,314,191</b>	<b>2,392,307</b>	<b>16,217</b>	<b>4,722,715</b>

#### 17 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association is \$ 1,529,641 (2023: \$ 1,195,963).

#### 18 Contingencies

Gateways Support Services Inc. is undertaking a comprehensive review of historical wage payments and payroll processes. This was undertaken to proactively ensure payroll compliance practices are sound and provide comfort of material compliance of historical wage payments. Refer to Note 22 for further details. As at date of report the result of the review is unquantifiable.

As a result, any potential provision for under/overpayment is contingent on the completion of this review which is expected in the coming months.

Except for the above, in the opinion of the Committee of Management, the Association did not have any contingencies at 30 June 2024 (2023: None).

# Gateways Support Services Inc

ABN 98 140 810 929

## Notes to the Financial Statements For the Year Ended 30 June 2024

### 19 Related Parties

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

Key management personnel - refer to Note 17.

Committee Members of the Board:  
Dr Bernie Jenner OAM  
Cassandra Gravenall  
Greg Hughes  
James Arnott  
Jessica Eagles  
Jacqueline Malloch  
Keith Baillie  
Karl Morris  
Dr Robert Ward

No Committee Member fees have been paid as the positions are held on a voluntary basis.

Other related parties include close family members of Committee Members, key management personnel and entities that are controlled or significantly influenced by those Committee Members, key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

				2024	2023
	Related Party	Relationship	Details of Transaction	\$	\$
Karl Morris	Goop Digital	Managing Director	Website hosting, digital marketing and IT services	13,878	21,109
Jessica Eagles	Coulter Roache	Employee ceased Sep-22	Legal and conveyancing	-	5,222
Rohan Braddy	National Disability Services	Board member	Membership fee	-	23,841
Keith Baillie	Gforce employmnet & recruitment	Board member (resigned 26/2/24)	Salaries contracted Staff	23,885	-

## Gateways Support Services Inc

ABN 98 140 810 929

### Notes to the Financial Statements

For the Year Ended 30 June 2024

#### 20 Cash Flow Information

##### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2024	2023
	\$	\$
Deficit for the year	(184,820)	(1,418,614)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation and amortisation	2,209,895	2,244,851
- profit on sale of property, plant and equipment	(318,681)	(31,055)
- revaluation of property, plant and equipment	(2,835,101)	-
- impairment of property, plant and equipment	1,891,479	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(866,352)	9,784
- (increase)/decrease in other assets	(91,506)	(279,048)
- increase/(decrease) in other financial liabilities	1,821,858	433,948
- increase/(decrease) in trade and other payables	(954,255)	251,419
- increase/(decrease) in employee benefits	73,641	623,813
Cashflows from operations	<u>746,158</u>	<u>1,835,098</u>

#### 21 Auditors' Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor		
- auditing or reviewing the financial statements	38,000	33,500
<b>Total</b>	<u>38,000</u>	<u>33,500</u>

#### 22 Events Occurring After the Reporting Date

During and subsequent to 30 June 2024, the Association continues to renegotiate the Thompson road lease which will reduce the physical space occupied by Gateways Support Services Inc. Lease negotiations continue with a formal lease yet to be executed as at the date of signing the financial statements. This lease renegotiation resulted in an impairment of leasehold improvements, as capital work previously capitalised as at 30 June 2024 does not provide future economic benefits. Refer to note 3(f) and 12 further details.

Gateways Support Services Inc. is undertaking a comprehensive review of historical wage payments and payroll processes. This was undertaken to proactively ensure payroll compliance practices are sound and provide comfort of material compliance of historical wage payments. Refer to note 18 for further details. As at date of report the result of the review is unquantifiable.

Except for above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.



## **Gateways Support Services Inc**

ABN 98 140 810 929

# **Notes to the Financial Statements**

## **For the Year Ended 30 June 2024**

### **23 Statutory Information**

#### **Registered office**

The registered office of the Association is:

Gateways - Head Office

12-14 Thompson Road

North Geelong VIC 3215



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GATEWAYS SUPPORT SERVICES INC

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report of Gateways Support Services Inc (the Association), which comprises the statement of financial position as at 30 June 2024, 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, notes comprising a summary of material accounting policy information and other explanatory notes and the Committee Members' declaration.

In our opinion the financial report of Gateways Support Services Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (The ACNC Act), including:

- a) giving a true and fair view of the Association's financial position as at 30 June 2024 and of their performance for the year then ended on that date; and
- b) complying with Australian Accounting Standards – Simplified Disclosure and the 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 Association in accordance with the auditor independence requirements of the ACNC Act 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.

#### Other Information

The Committee Members are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2024, 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 Committee Members for the Financial Report**

The Committee Members of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Committee Members 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 Committee Members are responsible for assessing the ability of the Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee Members either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so. The Committee Members are responsible for overseeing the Association'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.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

RYAN LEEMON  
Partner – Audit and Assurance  
[Moore Australia Audit \(VIC\)](#)  
Melbourne, Victoria

Moore Australia Audit (VIC)

28 October 2024