

Financial Report

Gateways has been challenged to continue to find alternative solutions to COVID safe service provision within the rules of lockdown and associated restrictions with a resultant underlying operating deficit of \$1.64m for the year. The impact on the flow of income from services has this year been substantial. Gateways has been deliberate through this pandemic to not displace our workforce. The essential support required for many of our participants does not change as a result of the pandemic although our cost of operating these services increased due to PPE, COVID training requirements and workforce mobility management rules and Gateways chose a highly risk conservative approach to new service offerings to ensure the principle of COVID prevention was maintained.

Those services considered discretionary under Government policy instructions (such as community based capacity building and all nonessential services) have not been able to be substituted in full through alternative services. The impact of COVID on wider community decision making has been felt intensely on our goals for our PLACE strategy with limited scope for the intended income generation activities.

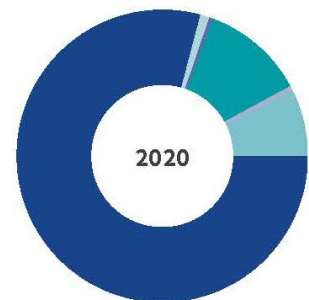
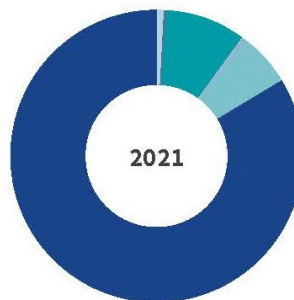
However, the impact of COVID confirms that our strategic directions generally are robust. We remain committed to rebalancing the mix of our client cohort to be able to offer online and non- face to face services and developing a more diverse income and service base.

Acknowledging that these disruptions are likely to continue means the financial sustainability workplan delayed due to the need for the need for the restructure completed in the financial year will take priority in the new financial year.

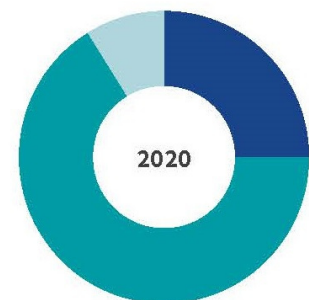
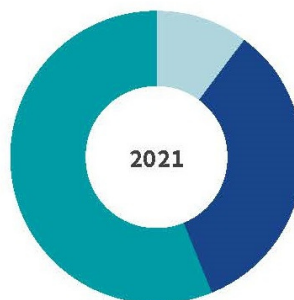
Gateways cash operating position continues to be strong noting that the final balance only reduced by \$0.67m in the financial year as a result of a continuous focus on cash management.

Income and Operating Expenditure for 2021

INCOME



OPERATING EXPENDITURE



Financial Statements

MEETINGS OF DIRECTORS

During the financial year, 11 meetings of directors were held. Attendances by each director were as follows:

Board Member	Eligible	Attended
Dr Bernie Jenner	11	11
Karl Morris	11	11
James Arnott	11	11
Keith Baillie	11	11
Jessica Eagles	9	9
Rob Birch (<i>Resigned May 2021</i>)	8	8
Dr Robert Ward	11	11
Jacquie Malloch	3	3
Greg Hughes	3	1
Cassandra Gravenall	11	6

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
Income		
Revenue	64,136,358	48,804,203
Total Income	64,136,358	48,804,203
Expenditure		
Employee benefits expense	(36,341,895)	(28,212,853)
Depreciation expenses	(2,087,035)	(1,112,452)
Other expenses	(26,620,575)	(15,426,737)
Total Expenditure	65,049,505	30,321,932
(Loss) Surplus from operations	(931,147)	4,052,161
Non-operating		
Finance Expenses	(725,632)	(248,861)
(Loss) Surplus before income tax	(1,638,779)	3,803,300
Income tax	-	-
(Loss) Surplus after income tax	(1,638,779)	3,803,300
Other comprehensive income for the year	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(1,638,779)	3,803,300

Financial Statements

Gateways Support Services Inc

ABN: 98 140 810 929

Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	13,634,836	14,301,095
Trade and other receivables	7	404,954	377,496
Other assets	8	3,302,214	3,125,694
TOTAL CURRENT ASSETS		17,342,004	17,804,285
NON-CURRENT ASSETS			
Property, plant and equipment	10	6,819,779	6,896,104
Right-of-use assets	9	12,593,105	13,340,203
Other assets	8	612,115	575,867
TOTAL NON-CURRENT ASSETS		20,024,999	20,812,174
TOTAL ASSETS		37,367,003	38,616,459
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	3,671,401	2,319,634
Lease liabilities	9	669,793	289,256
Provisions	13	3,189,769	2,575,620
Other financial liabilities	12	2,038,199	3,709,363
TOTAL CURRENT LIABILITIES		9,569,162	8,893,873
NON-CURRENT LIABILITIES			
Lease liabilities	9	13,534,698	13,455,925
Provisions	13	432,821	797,560
TOTAL NON-CURRENT LIABILITIES		13,967,519	14,253,485
TOTAL LIABILITIES		23,536,681	23,147,358
NET ASSETS		13,830,322	15,469,101
EQUITY			
Reserves		1,012,000	1,012,000
Retained earnings		12,818,322	14,457,101
TOTAL EQUITY		13,830,322	15,469,101

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Statement of Changes in Equity

For the Year Ended 30 June 2021

	Retained Earnings \$	Reserves \$	Total \$
2021			
Balance at 1 July 2020	14,457,101	1,012,000	15,469,101
Loss for the year attributable to the entity	<u>(1,638,779)</u>	-	<u>(1,638,779)</u>
Balance at 30 June 2021	<u>12,818,322</u>	<u>1,012,000</u>	<u>13,830,322</u>
2020			
Balance at 1 July 2019	10,653,801	1,012,000	11,665,801
Surplus for the year attributable to the entity	<u>3,803,300</u>	-	<u>3,803,300</u>
Balance at 30 June 2020	<u>14,457,101</u>	<u>1,012,000</u>	<u>15,469,101</u>

Financial Statements

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Statement of Cash Flows

For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from government and clients	62,174,386	50,332,256
Payments to suppliers and employees	(61,381,996)	(43,413,248)
Interest received	70,662	133,014
Interest paid on lease liabilities	(722,672)	(248,874)
Net cash provided by/(used in) operating activities	16 <u>140,380</u>	<u>6,803,148</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	94,659
Purchase of property, plant and equipment	(503,187)	(1,481,049)
Net cash provided by/(used in) investing activities	<u>(503,187)</u>	<u>(1,386,390)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(303,452)	(192,733)
Net cash provided by/(used in) financing activities	<u>(303,452)</u>	<u>(192,733)</u>
Net increase/(decrease) in cash and cash equivalents held	(666,259)	5,224,025
Cash and cash equivalents at beginning of year	14,301,095	9,077,070
Cash and cash equivalents at end of financial year	6 <u>13,634,836</u>	<u>14,301,095</u>