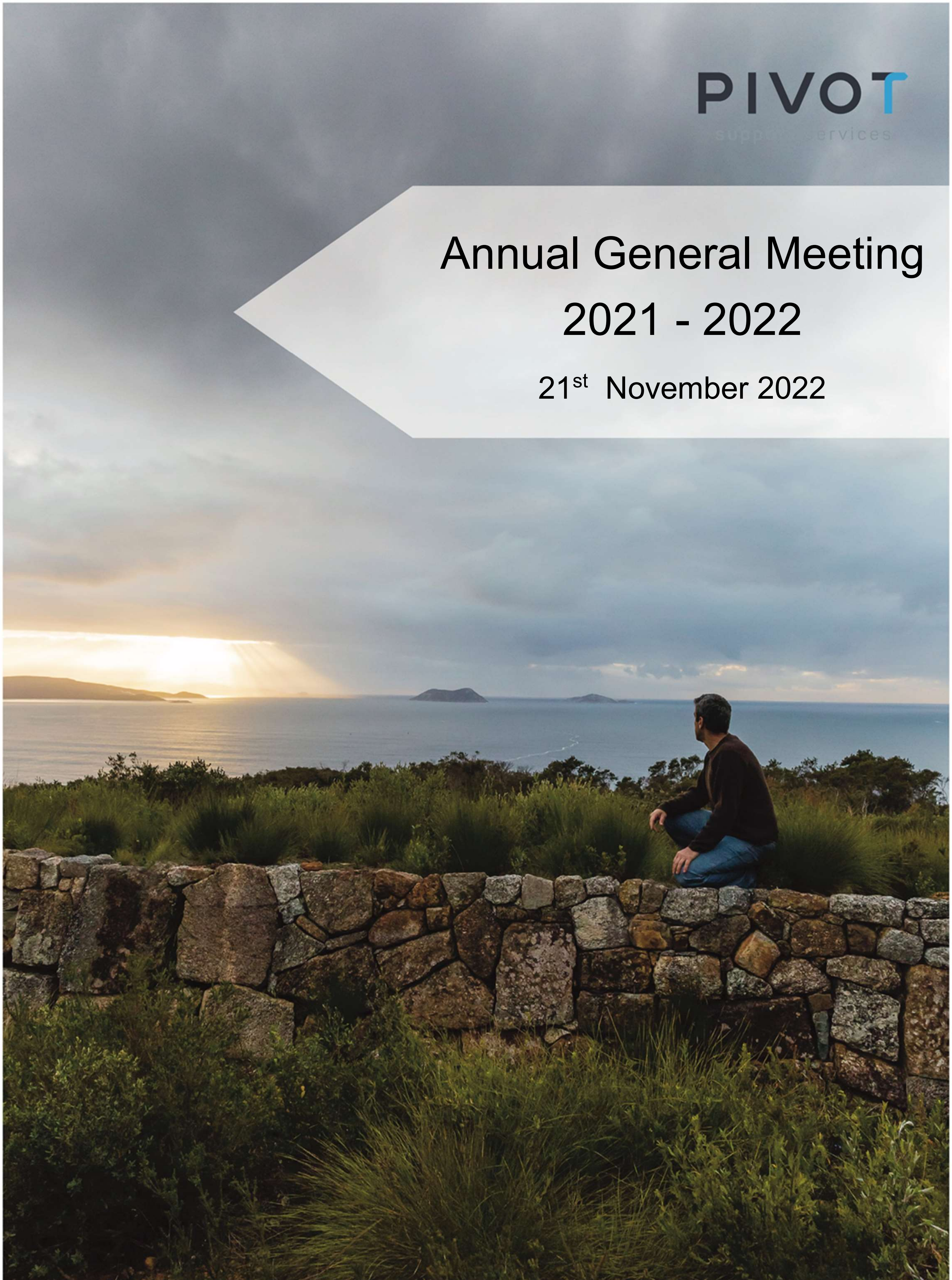
PIVOT
support services

# Annual General Meeting
# 2021 - 2022

21st November 2022



We care. **You matter.**

Building better communities.

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PIVOT
support services

# ANNUAL GENERAL MEETING

## held on 21st November 2022, at Due South at 4:30pm

## AGENDA

1. **Welcome**

*We would like to acknowledge the traditional custodians of the land we work on – the Noongar people, and pay our respect to their Elders, past present and emerging*

2. **Apologies**

3. **Consideration of membership nominations**

- Shani Macaulay
- Adrian Hardy

4. **Confirmation of Minutes of AGM held 15 November 2021**

5. **Presentation of reports**

- Chairperson
- Chief Executive Officer
- Finance

6. **Election of Management Committee**

| | |
|---|---|
| • Chairperson | - one year term |
| • Vice Chairperson | - two year term |
| • Treasurer | - two year term |
| • Secretary | - one year term |
| • Committee Members | - one or two year term |

7. **Meeting Close**

**The Management Committee, comprised of skilled and dedicated members from the Albany business and professional community.**

**Management Committee Members** (all are Volunteers)

| | |
|---|---|
| Chairperson: | Robert Field |
| Vice Chairperson: | Marcelle Canon |
| Treasurer: | Daniel Till |
| Secretary: | Aaron Olszewski |
| Members: | Matthew Lilly |
| | Violet Coyne |
| | Donna Coyne |
| Retired members: | Kevin Fry |

**Pivot Support Services Staff (Current) as at 30th June 2021**

| | |
|---|---|
| Ian Neil | Chief Executive Officer |
| Siobhain Scanlon | Manager Reintegration |
| Robina Jones | Manager Community |
| Fiona Pengel | Manager Business |
| Tom Bryan | Case Manager |
| Gabrielle Gerard | Case Manager |
| Kyrra Turner | Case Manager |
| Amanda Thompson | Case Manager |
| Priscilla Roberts | Case Manager |
| Bianca Blake | Case Manager |
| Danica Van de Wege | Community Hub Support Worker |
| Sheriann Bylund | NDIS Occupational Therapist |
| Ashley McPhail | NDIS Specialist Support Coordinator |
| Melissa Andreini | NDIS Support Coordinator |
| Meredith Lea | NDIS Support Coordinator |
| Nicole Deegan | NDIS Administration Officer |
| Aileen Candy | Finance Officer |
| Rebecca Denny | Administration Officer |
| Sarah McDouall | Family Support Visits Centre |
| Marion Lloyd | Family Support Visits Centre |
| Lyndon Evans | Family Support Visits Centre |

**MINUTES OF ANNUAL GENERAL MEETING**
**HELD ON MONDAY 15th NOVEMBER 2021**
(HELD AT DUE SOUTH, ALBANY)

MEETING COMMENCED AT 4.34 p.m.

1. **Welcome and acknowledgement to country.**

2. **Present:**
   R. Field (Chair), T. Bryan, A. Candy, M. Cannon, D. Coyne, R. Denny, M. Misson, I. Neil, S. Scanlon, A. Thompson, D. Till, K. Turner, A. Olszewski, P. Roberts, G. Gerard, M. Lea, A. MacDonald

3. **Apologies:**
   S. McDouall, D. Van de Wege, S. Bylund, B. Blake

4. **Consideration of membership nominations:**

   That nominations for membership from;
   Matthew Lilly;
   Bianca Blake;
   Victoria Harvey;
   Meredith Lea;
   Aaron MacDonald;
   Fiona Pengel, and;
   Priscilla Roberts, be accepted.

   MOVED: M. Misson SECONDED: M. Cannon

5. **Confirmation of minutes – AGM, 15 November 2020:**
   The Minutes for the AGM held on 15th November, 2020 were accepted as a true record of proceedings.

   MOVED: A. Candy SECONDED: M. Misson

6. **Presentation of reports:**

   a. **CHAIRPERSON'S REPORT:**
   That the report be accepted
   MOVED: S. Scanlon SECONDED: A. Candy

   b. **CHIEF EXECUTIVE OFFICERS REPORT:**
   That the report be accepted
   MOVED: K. Turner SECONDED: A. Thompson

   c. **MANAGER REINTEGRATION REPORT:**
   That the report be accepted
   MOVED: M. Misson SECONDED: F. Pengel

   d. **MANAGER COMMUNITY REPORT**
   That the report be accepted
   MOVED: M. Cannon SECONDED: R. Denny

   e. **FINANCE REPORT:**
   That the report be accepted
   MOVED: A. MacDonald SECONDED: A. Candy

7. **<u>Election of Office Bearers for 2021 - 2022:</u>**

**Chairperson**:
R. Field Moved: S. Scanlon Seconded: A. Candy
**Elected unopposed**

**Vice Chairperson:**
M. Cannon Moved: D. Till Seconded: M. Misson
**Elected unopposed**

**Treasurer:**
D. Till Moved: K Turner Seconded: F Pengel
**Elected unopposed**

**Secretary:**
A. Olszewski Moved: M. Cannon Seconded: A. Candy
**Elected unopposed**

**Committee Members:**
M. Lilly Moved: F. Pengel Seconded: A. Olszewski
**Elected unopposed**

D. Coyne Moved: M. Cannon Seconded: K. Turner
**Elected unopposed**

K. Fry Moved: M. Cannon Seconded: A. Olszewski
**Elected unopposed**

8. **<u>CLOSURE</u>**
Meeting was declared closed at 4.54 pm.

# 5. Presentation of Reports

## Chairpersons' Report

Welcome to all of you to this Annual General Meeting.

This is my fifth year as Chairperson and I would like to thank the members of the Committee of Management and the staff at Pivot for continuing my job so much easier.

During the year Kevin Fry left the committee to embark on his travels. Kevin was a passionate member of the committee, having been involved with Pivot for many years and remains a great advocate for Pivot. Kevin brought with him valuable lived-experience that helped shape our services.

We welcomed Violet Coyne to the committee   Violet is a well-respected Noongar woman who has many years of committee experience in the community.

Ian and his team consistently demonstrate passion and enthusiasm for the work they do and the culture of the organisation reflects that. Staff turnover is low and morale is high.

I was particularly impressed with the seamless way we split into teams over the Covid lockdown. This demonstrated to me the ability of staff to work together in difficult circumstances.

The establishment of the New Leaf business was an impressive achievement. Pivot recognised a need and when the opportunity arose we were able to seize the moment and develop an employment pathway for disadvantaged in the community.

The registration for NDIS will give us the opportunity to develop an independent income stream which will fund our Community Hub operations, this area of the business will expand rapidly over the next few years and will make us a significant provider of services in the region.

During the year we continued to provide emergency relief through the Lotterywest Covid funding. This fund has literally saved people and families from becoming homeless by providing financial assistance to keep people in their current accommodation. Unfortunately, the funding ceased in February and we are advocating the establishment of a similar fund in the future.

A planning day held in October was very successful the outcome of that day has resulted in a business plan that will guide the organisation to a sustainable future. The commitment to all involved in the process was pleasing and is indicative of the quality of Board members and key staff we have in the organisation.

We have reviewed our governance framework including a major review of policy and the restructuring of the Committee structure through the introduction of sub committees. I am confident that we have implemented governance best practice into the organisation.

Well done to all involved and I look forward to working with you over the next year.

We lost one of our own this year, Helen Coyne passed away after a long illness and will be missed

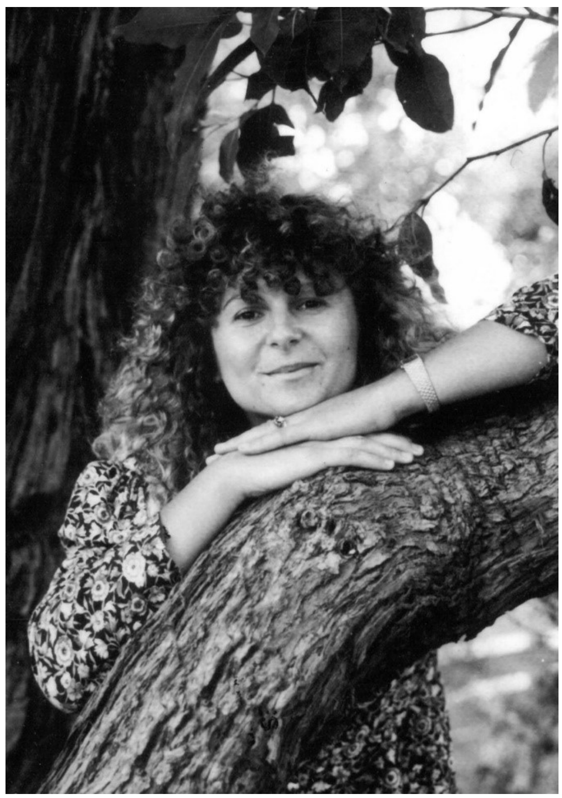
Robert (Blue) Field

Chairperson

# In memory of Helen Coyne.

In 2007, Helen was part of a group of volunteers that established the Visits Centre at Albany Regional Prison, for the subsequent 15 years Helen coordinated the service. Under her watch it has developed into to the caring and welcoming environment that exists today and remains a benchmark for service provision.

Helen lost her battle with illness in April 2022 and she will always be remembered for her passion in helping the friends and family of prisoners, but also for her smile and positivity which she brought to all our lives.



# Chief Executive Officers' Report

Pivot is a very busy organisation, we continue to see more clients and those clients have increasingly complex needs. Dealing with people in crisis and with complex needs means a day in our office can be exhausting, confronting, emotional and unique.

Within this kaleidoscope at the sharp end of service provision are the most wonderful team committed to the Purpose of Pivot and providing care and support to many people that have no where else to go.

We place the client at the centre of everything we do, but these wonderful staff are the engine room of every thing we do.  I am extremely proud of the people that work for Pivot, our principle of finding good people and offering them training and support is paying off.

During the year we have responded to the growth of the organisation by reviewing the governance of the organisation and introducing technology to allow staff to work remotely, integrate our data and provide better reporting.

This report covers the three main areas of the organisation Corporate, Reintegration and Community/NDIS, and each section has been prepared by the relevant Manager.  I would like to thank these Managers for the support they have given me and the work ethic they demonstrate.

## Corporate

In October the Board and key staff spent a day developing working on a business plan to steer the organisation to a level of self sufficiency through the growth of its NDIS function. The major outcome of the planning day was a series of KPI's that must be met over the next four years to achieve our goals

In July 2021 we implemented the CareMaster customer relationship database to manage our NDIS function. The system has worked well and we are preparing to move the Community and Reintegration functions to this platform.

We are also preparing to move from our current MYOB accounting software to Xero. Xero is complimentary to CareMaster and also offers a client interface which will allow staff to input relevant payroll requests into the system.

Further, we have introduced an integrated files system through the Microsoft SharePoint program. This is a cloud-based system of data storage which allows users to access work files from any computer, anywhere. This will improve the security of files and allow staff to work from home seamlessly.

In February we were subject to an NDIS audit which is a requirement of NDIS registration.  We successfully met the requirements of the audit and in addition to our current services we are now accredited to provide Positive Behaviour Supports.  This is an area in we hope to provide services next year. The audit result was pleasing.

We conducted an extensive review of our policy suite, introduced new policies and have an ongoing review framework to ensure policies remain current and relevant.

COVID community transmission reached Albany in late February. As a result, we split the staff into two teams with one team working from home. There was no physical interaction between the teams to ensure any virus transmission did not affect the whole staff. This worked extremely well due to our forward planning, cloud-based systems and understanding of staff.

In December we commenced negotiations with the owners of the Dog Rock shopping centre with a view to leasing 540sqm of office space in the centre. These negotiations continue and the additional space is required to achieve our NDIS growth targets.

In April the Board adopted a new structure which saw the introduction of two sub committees;

- Safety and Improvement, and
- Governance and Performance.

The Board now meets every two months with the sub committees alternating in the months the Board does not meet. This new structure protects committee member's liability under the new Workplace Health and Safety Act and reduces workload.

We have a number of staff undertaking adult traineeships. This has worked extremely well with most of the training being done on site. This program has allowed us to hire people that reflect the values of the organisation and assist them to gain relevant qualifications.

## Reintegration

### Re-entry

Re-entry provides support to offenders in the Albany Regional Prison (ARP), Pardelup Prison Farm and Walpole Prison Camp.  It provides a Case Management approach for the effective transition of prisoners back into the community.

We commence services with a client 6 months prior to release and a prisoner is eligible for Pivot contracted post-release services during the twelve months after their release if they reside in our Great Southern region or have been referred by another Re-Entry service provider from another region.

The delivery of the program was heavily impacted by Covid-19 at the beginning of the year until May, during which time Skype and phone appointments were made available to clients. We have since returned to full face to face service delivery.

Programs resumed in the prison following a pause during Covid-19 shutdowns and Lifeskills and Substance Use were delivered at both ARP and Pardelup. The Parenting Program was not delivered during this period due to lack of interest from the prison population.

Job Club continued to be run at ARP, which is a collaborative program delivered by Pivot, Worklink and the prison's Employment Coordinator, with a focus on preparing participants for employment on release. This program is run for two days every two months and all feedback received has been positive.

The Visitor's Centre provides a safe non-judgmental environment where people visiting inmates at ARP can relax, have a 'cuppa' and a chat with our friendly staff.  There are also lockers, bathroom facilities and a children's corner to occupy the smaller visitors, while waiting for entry into the prison.

Whilst the Visitor's Centre re-opened this financial year, following the Covid-19 pandemic, it has done so with heightened restrictions, with skype visits being the preferred method for social visits promoted within the prison. This has had a significant impact on the number of people accessing this service.

The Department of Justice for the contract has been extended to December 2023.

I am confident going forward that we will continue to consolidate our great work in Re-entry.

| Re-entry Statistics | 2021/22 |
| --- | --- |
| **Number of Clients supported** | 211 |
| **Australian - Non-Aboriginal** | 105 |
| **Australian - Aboriginal** | 98 |
| **Culturally and Linguistically Diverse (and other)** | 8 |
| **Average Number of Individual Sessions per Client** | 6.77 |

## Time to Work Employment Service (TWES)

Pivot has continued to deliver the Time to Work Employment Service to Aboriginal and Torres Strait Islander prisoners within ARP and Pardelup Prison Farm. The TWES program allows Pivot case workers to assist eligible clients to be linked in with Job Active or Disability Employment Service (DES) providers prior to their release. During this program we help clients identify both their vocational and non-vocational barriers to employment and assist them in developing a transition plan, which is then made available to their prospective job provider on release. In addition to this we are given access to prisoner medical records so consideration can be given to any conditions impacting their employment on release.

Prisoners who complete the TWES program are not only benefited by the support they receive in linking with a Job Active/DES provider prior to release, but also through additional funding that is allocated to them through the job provider network to be spent on employment/education and training needs.

The Transitional Managers at the prisons recognise the importance of TWES and work closely with Pivot to ensure all eligible clients are given the opportunity to participate in the program. As a consequence, we have the highest uptake of participants in the country with almost all eligible prisoners engaging in the program, compared to the national average of 22%.

The completion rate for the program is 30%. This is a result of clients not getting parole and returning back to general prison population or clients being transferred to another prison prior to release.

Anecdotally clients are finding employment through the program, however the Department has not released any statistics in this regard.

| Time to Work Statistics | 2021/2022 |
| --- | --- |
| **Number of Clients referred** | 106 |
| **Number of clients completed** | 32 |

## Housing

Unfortunately Pivot lost its two transitional properties in the 2021/2022 financial year after Advance Housing handed the properties back to the Department of Communities. The decision to hand back the properties has meant prisoners now being released to the community, without their own housing, are now released to primary homelessness. Pivot continues to lobby for better housing options for prisoners.

Campbell Road has been used this financial year to house a long-term tenant who spent more than 30yrs in prison. No issues have been reported in the Campbell Road property during this tenancy.

## New Leaf

New Leaf commercial gardening and external maintenance service was established in September 2021, with the aim of providing employment opportunities to released prisoners and those in disadvantage. New Leaf commenced operations with 12 commercial gardening and cleaning contracts, this has now expanded and continues to grow. Feedback from the community towards the initiative has been positive and well received. New Leaf services would like to see its business continue to develop, with car washing being explored as another potential avenue for growth. 7 released prisoners have been employed within New Leaf on a casual basis since business commenced.

## Community/NDIS

During 2021/22, the Community Hub/NDIS team has delivered services across three areas:

### Community Hub

The Community Hub is self-funded by Pivot, relying on grants and community incentives to accommodate the ongoing provision of services. The Community Hub provides a range of supports including emergency relief, pathways to appropriate services and referrals to alternative mainstream supports. Other supports include advocacy and navigation assistance whilst working alongside various organisations that may be better equipped to meet client's various needs.

This year has seen an increased presentation of complex and/or homeless clients. The Covid pandemic and the lack of public housing and increasing waitlists are heavily impacting on the needs of clients who are presenting to the Community Hub. Pivot's relationship with Department of Communities to better understand the logistics of housing issues and work towards long-term solutions is ongoing.

**Community data**

| Output data – July 21 to Jun 22 | |
|---|---|
| **Presentations** | |
| **Total Number of Clients** | 577 |
| **Demographics** | |
| **Aboriginal Clients** | 162 |
| **Non-Aboriginal Clients** | 397 |
| **CALD Clients** | 18 |
| **Males** | 263 |
| **Females** | 314 |
| **Homeless** | 214 |
| **Referrals** | |
| **Referred by other services** | 123 |
| **Referred to other services** | 361 |

## Covid-19 Emergency Relief

This service, funded by a Lotterywest grant, commenced in August 2020 and ceased in February 2022. The service included accommodation and tenancy support and assisted clients who became disadvantaged through the impacts of the Pandemic. This was a very successful program and stopped many households from becoming homeless.

## NDIS (National Disability Insurance Scheme) – support coordination and therapeutic support

Pivot underwent a successful NDIS audit in early 2022. To be registered for NDIS, Pivot is required to demonstrate that they meet NDIS Practice Standards in the provision of supports and services. Pivot's registration for BSS (Behaviour Support Services) has resulted in further work around provision of BSS and it is anticipated that this will commence in the very near future.

Included in the NDIS services is Support coordination - a fee for service item included in some participant's NDIS plans. Support coordination helps a participant connect to service providers to meet their disability needs, and assists clients to understand and use their plan. Pivot provides both Level 2 support coordination and Level 3 specialist support coordination for more complex clients.

Part of the Pivot NDIS services is therapeutic support, an Allied Health service delivering therapeutic supports to participant's who have this included in their plan. Therapeutic supports cover generic and major therapy services involving all therapy that can improve a person's daily living skills. Therapies include but are not limited to; speech, occupational, art and dance therapy. We currently provide Occupational Therapy

A further benefit of NDIS has been the collaboration between the Re-entry and NDIS teams resulting in pre and post prison release clients being supported to access the NDIS or have their disability supports through their NDIS plans in place prior to release. Albany Regional Prison has facilitated access for our Occupational Therapist to conduct Functional Capacity Assessments in the prison, resulting in clients having more sustainable plans in place for their release into the community. However, there is still a significant amount of work still required to enhance prisoner access to the NDIS

| Summary NDIS Hours provided | Hours |
|---|---|
| **Support Coordination Level 2** | 256 |
| **Support Coordination Level 3** | 279 |
| **Occupational Therapist** | 145 |

The previous forecast that the NDIS function would provide a sustainable funding stream to enable the continuation of Community Hub is becoming a reality. With a steady growth in clients and an increase of team members, earnings have increased considerably during the year.

# Finance Report

The Organisation remains in a good financial position.

At the end of the financial year we had realised a deficit of $550,000. We have current assets of close to $1.3 Million. These figures are in line with the business plan adopted in October which estimated current assets at $1.2 Million.

We have provided for all staff entitlements and there are no major debts owed by the organisation. In the next financial year, we will incur abnormal expenditure in our proposed move to new offices, however the income derived from the NDIS will increase significantly.

We continue to manage our property at Campbell Road and a fleet of four cars these assets are fully owned by Pivot.

The dependence on the income stream from the Department of Justice has always been viewed as a threat to our sustainability.

We have registered for the NDIS and this is now providing an increasing income stream which will grow to be able to fund Hub operations in the future. We are also vigilant in identifying and pursuing other funding which fit with the Purpose of the organisation.

If you accumulate the end of year result for the last three years, namely

| | |
|---|---|
| 2022 | $553,767 deficit |
| 2021 | $114,077 deficit |
| 2020 | $257,992 surplus |

This results in a three-year loss of $409,852, at an average of $136,617 per year. This average reflects the annual contribution to the Hub ($137,760).

This is a large deficit and continued deficits of this magnitude are not sustainable. However, the result is in line with the current business plan for the growth of the NDIS.

I move that the financial report be accepted

Daniel Till
Treasurer

# PIVOT SUPPORT SERVICES INC

**ABN: 73 266 272 565**

**Financial Report For The Year Ended 30 June 2022**

# Pivot Support Services Inc

**ABN: 73 266 272 565**

# Financial Report For The Year Ended 30 June 2022

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**PIVOT SUPPORT SERVICES INC**
**ABN: 73 266 272 565**
# DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2022.

**Directors**

The names of each person who has been a director during the year and to the date of this report are:

Robert (Blue) Field
Helen Van Gessel
Daniel Till
Donna Coyne
Kevin Fry
Marcelle Cannon
Aaron Olszewski

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

**Principal Activities**

The principal activity of the entity during the financial year was:

The principal activities of the association during the financial year were, Building better communities by supporting released prisoners and those in disadvantage in the Great Southern.

**Operating Results**

The operating results for the year was a deficit of $ 553,767 (2021 deficit of $ 114,077).

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 2 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director

*Robert (Blue) Field*

Dated this 11 day of NOVEMBER 2022

Lincolns
BEYOND NUMB3RS

**PIVOT SUPPORT SERVICES INC**
**ABN: 73 266 272 565**
**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF PIVOT SUPPORT SERVICES INC**

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of Pivot Support Services Inc. As the lead audit partner for the audit of the financial report of Pivot Support Services Inc for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

(i) the auditor independence requirements of the Australian Charities and Not for Profits Commission Act 2012 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Name of Firm Lincolns Beyond Numbers

Audit Principal Russell Harrison

Date 19/07/2022

Address 70-74 Frederick Street, Albany WA 6330





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# PIVOT SUPPORT SERVICES INC
## ABN: 73 266 272 565
## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

| | Note | 2022<br>$ | 2021<br>$ |
|---|---|---|---|
| Revenue | 2 | 1,106,678 | 990,090 |
| Other income | 2 | 247,045 | 413,853 |
| Depreciation and amortisation expense | | (34,625) | (38,965) |
| Wages (employee benefit expense) | | (1,269,704) | (947,784) |
| Administration expenses | | (132,172) | (135,561) |
| Operational costs | | (173,230) | (99,084) |
| Occupancy expenses | | (72,394) | (92,977) |
| Repairs and maintenance | | (10,262) | (30,107) |
| Travel and accomodation | | (5,071) | (4,907) |
| Loss on sale of assets | | - | - |
| Wages on Cost | | (162,654) | (168,635) |
| Insurance expenses | | (47,378) | - |
| **Net current year surplus** | | (553,767) | (114,077) |
| | | | |
| **Other comprehensive income** | | | |
| **Total comprehensive income for the year** | | (553,767) | (114,077) |

The accompanying notes form part of these financial statements.

**PIVOT SUPPORT SERVICES INC**
**ABN: 73 266 272 565**
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022**

| | Note | 2022 $ | 2021 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 3 | 188,577 | 1,720,837 |
| Accounts receivable and other debtors | 4 | 72,653 | 17,566 |
| Financial assets | 6 | 1,000,000 | - |
| Other current assets | 5 | 37,734 | 46,535 |
| **TOTAL CURRENT ASSETS** | | 1,298,964 | 1,784,938 |
| | | | |
| **NON-CURRENT ASSETS** | | | |
| Financial assets | 6 | - | - |
| Property, plant and equipment | 7 | 269,695 | 291,857 |
| **TOTAL NON-CURRENT ASSETS** | | 269,695 | 291,857 |
| **TOTAL ASSETS** | | 1,568,659 | 2,076,795 |
| | | | |
| **LIABILITIES** | | | |
| **CURRENT LIABILITIES** | | | |
| Accounts payable and other payables | 8 | 74,503 | 73,899 |
| Contract liabiltity | 9 | 14,725 | - |
| Employee provisions | 10 | 90,183 | 82,303 |
| **TOTAL CURRENT LIABILITIES** | | 179,411 | 156,202 |
| | | | |
| **NON-CURRENT LIABILITIES** | | | |
| Employee provisions | 10 | 62,641 | 40,219 |
| **TOTAL NON-CURRENT LIABILITIES** | | 62,641 | 40,219 |
| **TOTAL LIABILITIES** | | 242,052 | 196,421 |
| **NET ASSETS** | | 1,326,607 | 1,880,374 |
| | | | |
| **EQUITY** | | | |
| Retained surplus | | 1,326,607 | 1,880,374 |
| **TOTAL EQUITY** | | 1,326,607 | 1,880,374 |

The accompanying notes form part of these financial statements.

# PIVOT SUPPORT SERVICES INC
## ABN: 73 266 272 565
## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

| | Note | Retained Surplus | Total |
|---|---|---|---|
| | | $ | $ |
| **Balance at 1 July 2020** | | 1,994,450 | 1,994,450 |
| **Comprehensive Income** | | | |
| Surplus for the year attributable to owners of the entity | | (114,077) | (114,077) |
| Other comprehensive income for the year | | | |
| **Balance at 30 June 2021** | | 1,880,374 | 1,880,374 |
| **Balance at 1 July 2021** | | 1,880,374 | 1,880,374 |
| **Comprehensive Income** | | | |
| Surplus for the year attributable to owners of the entity | | (553,767) | (553,767) |
| Other comprehensive income for the year | | | |
| **Balance at 30 June 2022** | | 1,326,607 | 1,326,607 |

The accompanying notes form part of these financial statements.

**PIVOT SUPPORT SERVICES INC**
**ABN: 73 266 272 565**
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022**

| | Note | 2022<br>$ | 2021<br>$ |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Commonwealth, state and local government grants | | 1,033,110 | 990,090 |
| Payments to suppliers and employees | | (1,818,433) | (1,505,582) |
| Interest received | | 4,540 | 11,711 |
| Other receipts | | 258,034 | 368,323 |
| Rent received | | 2,952 | 3,682 |
| Net cash generated from operating activities | 14 | (519,797) | (131,776) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Proceeds from sale of property, plant and equipment | | - | 106,364 |
| Payment for property, plant and equipment | | (12,463) | (126,841) |
| Net cash used in investing activities | | (12,463) | (20,477) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Net cash used in financing activities | | - | - |
| Net increase in cash held | | (532,260) | (152,253) |
| Cash on hand at beginning of the financial year | | 1,720,837 | 1,873,090 |
| Cash on hand at end of the financial year | 3 , 6 | 1,188,577 | 1,720,837 |

The accompanying notes form part of these financial statements.

# PIVOT SUPPORT SERVICES INC
## ABN: 73 266 272 565
## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation**

These special purpose financial statements have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual 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.

**Accounting Policies**

**(a) Revenue and Other Income**

**Revenue recognition**

The Entity receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116, AASB 1058 and AASB 138).

On initial recognition of an asset, the Entity recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Entity recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

*Operating grants, donations and bequests*

When the Entity receives operating grants, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity:

- 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 Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg 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, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

*Capital grants*

When the Entity receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Entity recognises income in profit or loss when or as the Entity satisfies its obligations under the terms of the grant.

*Interest income*

Interest income is recognised on a cash basis when interest is received.

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

**(b) Fair Value of Assets and Liabilities**

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

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

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

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

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

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

**(c) Property, Plant and Equipment**

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

**Freehold Property**

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation and subsequent impairment for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings 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.

**Plant and Equipment**

Plant and equipment are measured on the cost basis 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 1(g) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are 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 available 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.

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

| Class of Fixed Asset | Depreciation Rate |
|---|---|
| Buildings | 2.50% |
| Motor Vehicles | 18.75% |
| Plant and Equipment | 15 - 50% |

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

**(d) Leases**

**The Entity as lessee**

At inception of a contract, the Entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Entity where the Entity is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.
Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

*Concessionary Leases*

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the Entity has adopted the temporary relief under AASB 16 and measures the right-of-use assets at cost on initial recognition.

**(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 equivalent to 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 15.63.

**Classification and Subsequent Measurement**

*Financial liabilities*

A financial liability is measured at fair value through profit and loss if the financial liability is

- amortised cost; or
- fair value through profit and loss.

Financial liabilities are subsequently measured at:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

**Financial assets**

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

**Derecognition**

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

*Derecognition of financial assets*

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (i.e. the entity has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

**Impairment**

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach
- the simplified approach
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

*General approach*

Under the general approach, at each reporting period, the entity assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the entity measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the entity measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

*Simplified approach*

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of customer base, appropriate groupings of historical loss experience, etc.).

*Purchased or originated credit-impaired approach*

For a financial asset that is considered credit-impaired (not on acquisition or origination), the entity measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- a lender granting to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- high probability that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

*Low credit risk operational simplification approach*

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumes that the credit risk has not increased significantly since initial recognition and accordingly it can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the entity applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term;
- adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

**(f) Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying amounts 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

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

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

Where an impairment loss on a revalued individual asset is identified, this is recognised 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 class of asset.

**(g) Employee Provisions**

**Short-term employee provisions**

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

**Other long-term employee provisions**

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees.

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

**(h) Cash and cash equivalents**

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

**(i) Accounts receivable and other debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

**(j) Goods and Services Tax (GST)**

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

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

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

**(k) Income Tax**

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

**(l) Provisions**

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

**(m) Comparative Figures**

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

When the entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

**(n) Critical Accounting Estimates and Judgements**

The management committee evaluate estimates and judgements incorporated into the financial statements are 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 entity.

**Key Estimates**

*(i) Useful lives of property, plant and equipment*

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

**Key Judgements**

*(i) Performance obligations under AASB 15*

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

**(o) Economic Dependence**

Pivot Support Services Inc is dependent on Federal and State government departments for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the departments will not continue to support Pivot Support Services Inc.

**(p) New and Amended Accounting Policies Adopted by the Entity**

There are no new or amended accounting standards which had an impact on the Entity during this reporting period.

**(s) New and Amended Accounting Policies Not Yet Adopted by the Entity**

**AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current**

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The Entity plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

**AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments**

AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments is an omnibus standard that amends AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The Entity plans on adopting the amendment for the reporting period ending 30 June 2023. The impact of the initial application is not yet known.

**AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates**

The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The Entity plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

## Note 2 Revenue and Other Income

| | 2022 $ | 2021 $ |
|---|---|---|
| **Revenue** | | |
| Revenue from grants: | | |
| — Commonwealth government grants – operating | 73,568 | 990,090 |
| — State government grants - operating | 1,033,110 | - |
| — Local government grants - operating | - | - |
| **Total revenue** | 1,106,678 | 990,090 |
| **Other Income** | | |
| — Interest received on investments in government and fixed interest securities | 4,540 | 11,711 |
| — Gain on disposal of property, plant and equipment | - | 12,722 |
| — Rental income from operating leases | 2,952 | 3,682 |
| — Other revenue from operating activities | 53,098 | 302,361 |
| — NDIS Income | 186,455 | 83,377 |
| **Total other income** | 247,045 | 413,853 |
| **Total revenue and other income** | 1,353,723 | 1,403,943 |

## Note 3 Cash and Cash Equivalents

| | 2022 $ | 2021 $ |
|---|---|---|
| CURRENT | | |
| Cash at bank – unrestricted | 188,577 | 1,720,837 |
| | 188,577 | 1,720,837 |

## Note 4 Accounts Receivable and Other Debtors

| | 2022 $ | 2021 $ |
|---|---|---|
| CURRENT | | |
| Accounts receivable | 72,653 | 17,565 |
| Total current accounts receivable and other debtors | 72,653 | 17,565 |

## Note 5 Other Current Assets

| | 2022 $ | 2021 $ |
|---|---|---|
| Prepayments | 37,734 | 46,535 |
| | 37,734 | 46,535 |

## Note 6 Financial Assets

| | 2022 $ | 2021 $ |
|---|---|---|
| CURRENT | | |
| Government and fixed interest securities | 1,000,000 | - |
| Total current assets | 1,000,000 | - |
| NON-CURRENT | | |
| Total non-current assets | - | - |

## Note 7 Property, Plant and Equipment

| | 2022 $ | 2021 $ |
|---|---|---|
| **Land and Buildings** | | |
| Land and Buildings | 200,830 | 200,830 |
| (Accumulated depreciation) | (37,114) | (32,748) |
| | 163,716 | 168,082 |
| **Motor Vehicles at Cost** | | |
| Motor Vehicles at Cost | 116,391 | 222,918 |
| (Accumulated depreciation) | (34,381) | (121,983) |
| | 82,010 | 100,935 |
| **Equipment at Cost** | | |
| Equipment at Cost | 69,124 | 56,662 |
| (Accumulated depreciation) | (45,156) | (33,822) |
| | 23,968 | 22,840 |
| Total plant and equipment | 269,695 | 291,857 |
| Total property, plant and equipment | 269,695 | 291,857 |

## Note 8 Accounts Payable and Other Payables

| | Note | 2022 $ | 2021 $ |
|---|---|---|---|
| CURRENT | | | |
| Accounts payable | | 74,503 | 73,899 |
| Contract liability | 9 | | - |
| | | 74,503 | 73,899 |
| NON-CURRENT | | | |
| | | - | - |

## Note 9 Contract Liability

| | 2022 $ | 2021 $ |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Additions: | | |
| Grants for which performance obligations will only be satisfied in subsequent years. | 14,725 | - |
| | | - |
| Closing balance at the end of the year | 14,725 | - |

If 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.

## Note 10 Employee Provisions

| | 2022 | 2021 |
|---|---|---|
| | $ | $ |
| CURRENT | | |
| Employee Entitlements | 90,183 | 82,303 |
| | 90,183 | 82,303 |
| NON-CURRENT | | |
| Employee Entitlements | 62,641 | 40,219 |
| | 62,641 | 40,219 |
| | 152,824 | 122,522 |

**Provision for employee benefits**

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 entity does not expect the full amount of annual leave or 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 entity 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 for 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 upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

## Note 11 Contingent Liabilities and Contingent Assets

| | 2022 | 2021 |
|---|---|---|
| | $ | $ |
| Estimates of the potential financial effect of contingent liabilities that may become payable: | | |

## Note 12 Events After the Reporting Period

Other than the following, the directors are not aware of any significant events since the end of the reporting period.

## Note 13 Related Party Transactions

### a. Key Management Personnel

The totals of remuneration paid to KMP of the entity during the year are as follows:

| | 2022 | 2021 |
|---|---|---|
| | $ | $ |
| Board of Directors Compensation | 600 | - |
| KMP compensation: | | |
| — short-term employee benefits | 454,549 | 333,257 |
| | 455,149 | 333,257 |

## Note 14 Cash Flow Information

| | 2022 | 2021 |
|---|---|---|
| | $ | $ |
| **a. Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus** | | |
| Net current year surplus | (553,767) | (114,077) |
| Adjustment for: | | |
| Depreciation and amortisation expense | 34,625 | 38,965 |
| Gain on disposal of property, plant and equipment | - | (12,722) |
| Movement in working capital changes: | | |
| (Increase)/decrease in accounts receivable and other debtors | (55,087) | (17,415) |
| Increase/(decrease) in accounts payable and other payables | 15,329 | (30,658) |
| (Increase)/decrease in other current assets | 8,801 | (34,851) |
| Increase/(decrease) in employee provisions | 30,302 | 38,982 |
| | (519,797) | (131,776) |

**Note 15 Entity Details**

The registered office of the entity is:

Pivot Support Services Inc
121 Aberdeen Street
Albany WA 6330

The principal place of business is:

Pivot Support Services Inc
121 Aberdeen Street
Albany WA 6330

**PIVOT SUPPORT SERVICES INC**
**ABN: 73 266 272 565**
**DIRECTORS' DECLARATION**

In accordance with a resolution of the Directors of Pivot Support Services Inc, the directors of the Registered Entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 3 to 18, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:

   (a) comply with Australian Accounting Standards; and

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

2. In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director ______________________________

*Robert (Blue) Field*

Dated this 11 day of November 2022

Lincolns
BEYOND NUMB3RS

## INDEPENDENT AUDITOR'S REPORT
## TO THE MEMBERS OF PIVOT SUPPORT SERVICES INC.

### Report on the Audit of the Financial Report

**Opinion**

We have audited the financial report of Pivot Support Services Inc., which comprises the Statement of Financial Position as at 30 June 2022, the Statement of Comprehensive Income for the year then ended, the Statement of Cash Flows, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of Pivot Support Services Inc. (the association) is prepared, in all material respects, in accordance with the requirements of the Australian Accounting Standards, the Associations Incorporations Act 2015 and the Australian Charities and Not-for-Profits Commission Act 2012.

**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 ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other 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.

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 Statement of Accounting Policies, which describes the basis of accounting. The financial report has been prepared to assist the association to comply with their financial reporting requirements to funding agencies and membership. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the association and their funding agencies and should not be distributed to or used by other parties.

**Responsibilities of the Committee for the Financial Report**

The committee is responsible for the preparation of the financial report in accordance with the requirements of the ACNC Act 2012 and for such internal control as the committee determines 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 is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

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**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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by committee.
- Conclude on the appropriateness of committee'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 association'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 association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Russell Harrison**
**Registered Company Auditor Number 14152**
**Lincolns**

Dated at Albany, Western Australia, this 11th day of November 2022