Marriott Support Services
(A Company Limited by Guarantee)

ACN 094 426 061

Financial Report for the Year Ended 30 June 2021

Marriott Support Services

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Directors' Report

The Directors present their report on Marriott Support Services ("the Company") for the financial year ended 30 June 2021.

Directors

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

Stephen Creese (Chair)
Mark Bennetts (Deputy Chair)
Ken Latchford (Treasurer)
Graham Ashworth
Linda Bennett
Catherine McGovern
Nicholas Woodlock (Resigned 20 October 2020)
Nichola Lefroy (Co-opted 18 December 2020)
Shane Armstong (Co-opted 18 December 2020)

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 Marriott Support Services during the financial year was the provision of activities and employment programs to people with disabilities. The programs included personal support, vocational training, and indoors / outdoors income earning employment opportunities, as appropriate to the needs and capabilities of individuals. The company is supported in this work by NDIS funded client's payments, grants from government agencies and other donors.

Marriott Support Services' short-term objectives are to:

- Offer services for the whole of adult life for those living with an intellectual disability in the south-east region of Melbourne.
- Ensure the organisation is well managed and financially viable.
- Become renowned for the work we do.
- Implement supports funded through the National Disability Insurance Scheme (NDIS) with services that are flexible, varied, creative, and innovative.

Marriott Support Services' long-term objectives are to:

- Offer people living with disabilities choices and opportunities for the whole of their adult life, through the areas of employment, work skills and life skills.
- Expand on both our service offering and business streams.
- Become a leading organisation in the provision of services for people living with an intellectual disability.

Marriott Support Services has adopted the following strategies to achieve these objectives:

- Provide pathways for people living with an intellectual disability through the provision of services to develop their skills and job opportunities.
- Ensure our businesses are financially viable through pricing for profit, management of costs, maintaining quality of work, safety, and responsiveness to our customers.
- Develop the skills of our workforce through empowerment and training.
- Develop our reputation via networking, social media, and public speaking.
- Working in partnership with government, councils, and the corporate sector.

Marriott Support Services' key performance indicators include:

- The number of supported employees within Marriott's business enterprises:
- 2021: 190 (89 staff & 101 supported employees) 2020: 205 (107 staff & 98 supported employees)

The number of participants undertaking programs within Community Services:

- 2021: 28-45% average daily attendance due to COVID restrictions and lockdowns. Pre COVID 114 participants

The performance (financial and non-financial) of Marriott's business enterprises:

- A number of new contracts were secured by Enviro Management Services, Fresh Start and Marriott Industries.

Ensuring ongoing compliance against NDIS standards, AS/NZS 4801 Occupational Health & Safety Management Systems (OH&S), and state and federal government service agreements or deeds:

- Marriott has maintained compliance during 2021 against the abovementioned matters.

Information on Directors

The qualifications, experience, and special responsibilities of each person who has been a director during the financial year ended 30 June 2021 are listed below.

Stephen Creese	**Chair**
Appointed	23 November 2017
Qualifications	BA, LLB (Hons) Melbourne, Solicitor
Experience	Former inaugural independent Chair National Employment Services Association General Counsel, Company Secretary and executive roles in the resources sector and member of Australian Takeovers Panel. Former member of advisory board to the Office of Development Effectiveness in the Department of Foreign Affairs and Trade. Chair Archives Advisory Board Melbourne University Former Senior Fellow Melbourne University and lecturer in International Mineral Law.
Special Responsibilities	Member of the following Board Sub-Committees: - Audit, Risk and Quality Committee - Nominations, Remuneration and Succession Committee - Strategy Committee Deputy Chair from 16 February 2018, Chair from 1 December 2018
Mark Bennetts	**Deputy Chair**
Appointed	23 November 2017
Qualifications	Bachelor of Engineering (Hons), Mechanical, University of Melbourne Graduate, Australian Institute of Company Directors.
Experience	35 years of management experience in a wide variety of industries and disciplines including retail, wholesale, distribution, business systems, property development, risk and governance, corporate services, membership, hospitality, and tourism. Currently CEO, Mt Buller, and Mt Stirling Resort Management Board Currently Director Tourism North East Former member of Policy Committee, Victorian Tourism Former Director, and later Chairman of International Specialised Skills Institute Former Chairman, Cockatoo Montessori Schools
Special Responsibilities	Member of the following Board Sub-Committees: - Audit, Risk and Quality Committee - Strategy Committee Deputy Chair from 14 December 2018
Ken Latchford	**Treasurer**
Appointed	1 July 2016
Qualifications	Bachelor of Commerce and MBA, University of Melbourne
Experience	Finance and Management professional with specialist skills in treasury, accounting, risk management, corporate governance, and strategy. Industry experience in retail, wholesale and distribution, rail and logistics, labour services and the NFP sector.

	Former Director and Treasurer, Kids Under Cover and former Director Harness Racing Victoria. Fellow of CPA Australia.
Special Responsibilities	Member of the following Board Sub-Committees: - Audit, Risk and Quality Committee (Chair) - Strategy Committee Treasurer from 12 December 2018
Graham Ashworth	**Board Member**
Appointed	22 November 2013
Qualifications	Bachelor of Laws (Hons.). Monash University Master of Business Administration, Mt Eliza Business School Grad. Dip. Company Secretarial Practice, Chartered Secretaries Australia
Experience	Barrister and Solicitor of the Supreme Court of Victoria
Special responsibilities	Member of the following Board Sub-Committees: - Audit, Risk and Quality Committee - Governance Committee (Chair from 14 December 2018)
Linda Bennett	**Board Member**
Appointed	16 November 2016
Qualifications	Diploma of Business Management
Experience	Former Deputy State Manager, Medicare Australia, and National Manager in the provision of customer service to health providers at the Department of Human Services. 35 years' experience in Commonwealth Government administration. RMIT Senior Invigilator
Special Responsibilities	Member of the following Board Sub-Committees: - Governance Committee - Nominations & Remuneration Committee (Chair)
Catherine McGovern	**Board Member**
Appointed	12 November 2018
Qualifications	Bachelor of Economics (Hons.), Monash University Bachelor of Theology – University of Divinity Graduate, Australian Institute of Company Directors
Experience	Over twenty years' experience in the health sector specialising in government relations, policy, and communications. Currently Principal and co-founder of Evaluate, an economics consultancy focused on health and social policy and services. Previous board experience: Melbourne City Mission; and Victoria Legal Aid Other previous experience: Member, Community and Carers Advisory Committee, Eating Disorders Victoria
Special Responsibilities	Member of the following Board Sub-Committees: Strategy Committee Nominations & Remuneration Committee
Nicholas Woodlock	**Board Member**
Appointed	14 June 2019. Resigned 20 October 2020.
Qualifications	Bachelor of Arts (Sociology), La Trobe University Master of Public Administration, Queensland University
Experience	Forty years' experience in the public policy, health and community service governance, leadership, and management. Nick worked in health, aged care, and disabilities programs at a national and international levels. Former CEO of Care Connect Currently a consultant in psychosocial health service and system redesign.
Special Responsibilities	Member of the following Board Sub-Committees: - Audit, Risk and Quality Committee - Nominations, Remuneration and Succession Committee - Strategy Committee

Nichola Lefroy **Board Member**
Appointed 18 December 2020 (casual vacancy)
Qualifications Bachelor of Science (Hons) University of Melbourne
Post Graduate Diploma Health Promotion, Company Directors Course 2017
Experience Deputy Chair, Trinity Grammar School. Director, HoopNow.
Executive Director, The JTM Foundation,
Executive Director, Serp Hills Foundation. Chair, Development Committee, Genetic Health Research Division, Murdoch Children's Research Institute.
15 years' experience in development (fundraising); extensive experience in managing IT projects; public speaking and advocacy.
Special Responsibilities Governance Committee
Strategy Committee

Shane Armstrong **Board Member**
Appointed 18 December 2020 (casual vacancy)
Qualifications Bachelor Education, Federation University
Graduate Diploma Education, Melbourne University
Graduate Diploma Business Administration, Melbourne University
Experience 10 years executive management roles international education; 12 years executive management roles in publishing. Experienced in strategic growth, change management, mergers and acquisitions, organisational redesigns, and brand building.
Special Responsibilities Acting Chair Strategy Committee
Audit, Risk and Quality Committee

The following table sets out the number of directors' meetings held during the financial year ended 30 June 2021 and the number of meetings attended by each director (while they were a director).

	Board Meetings		**Audit Risk & Quality Committee**		**Governance Committee** *'established April 2019'*		**Nominations, Remuneration and Succession Committee (NRS Committee)**	
	Eligible	**Attended**	**Eligible**	**Attended**	**Eligible**	**Attended**	**Eligible**	**Attended**
Stephen Creese	9	9	6	6	2	2	7	7
Ken Latchford	9	8	6	6	-	-	-	-
Mark Bennetts	9	6	6	5	-	-	-	-
Graham Ashworth	9	9	6	6	2	2	-	-
Linda Bennett	9	9	-	-	2	2	5	5
Catherine McGovern	9	7	-	-	2	2	4	4
Nichola Lefroy	3	2	-	-	1	1	-	-
Shane Armstrong	3	3	3	2	-	-	-	-
Nicholas Woodlock*	3	2	-	-	-	-	4	4

* Resigned 20 October 2020

Operating results

Marriott Support Services recorded a total comprehensive surplus for the year ended 30 June 2021 of $1,439,954 (2020: $532,469). In 2021, the Company recorded total comprehensive income of $2,389,954 (2020: $892,551). The total comprehensive income of $2,389,954 includes a $950,000 gain on the revaluation of land and buildings (2020: $360,082).

Surpluses are reinvested in furthering Marriott Support Services' work in providing services to people with a disability. The constitution prohibits the distribution of surpluses to the members and requires any surpluses remaining on winding up to be distributed to entities that have a similar purpose as the company and whose constitution has a similar restriction on the distribution of surpluses.

Marriott Support Services

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Directors' Report

Events subsequent to the end of the reporting period

There are no events of a material nature to report subsequent to the end of the reporting period other than the impact of COVID-19 as described below in the Director's report.

Environmental regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or by a State or Territory.

Indemnification and insurance of Directors and officers

It is the policy of Marriott Support Services to enter into directors' deeds with each of its directors giving these people right of access to specific documents in the event of legal actions relating to their respective periods of service with the company. The deeds also indemnify the directors in respect of the costs of such actions (except where it would be unlawful to do so). No payments of this kind were made, nor liabilities incurred during the year (2020 - $NIL).

For the financial year, Marriott Support Services, its directors and officers were insured by the Victorian Managed Insurance Authority for liabilities incurred (other than liabilities specifically excluded by law) in the performance of their duties as Directors or officers of the company.

Members guarantee

Marriott Support Services is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. The Company is registered with the Australian Securities and Investments Commission as well as the Australian Charities and Not-for-profits Commission, and is a company limited by guarantee. If the Company is wound up, the constitution states that members are required to contribute a maximum $20 each towards meeting any outstanding obligations of the Company. As at 30 June 2021 the number of members was 31. The total amount to be contributed would therefore be $620 (30 June 2020: 32 members with a total contribution of $640).

Impact of COVID-19

During the year Marriott's operations and activities were significantly impacted by the ongoing COVID-19 pandemic. The Communities division has been operating at reduced capacity within COVID-safe requirements, while the Enviro, Fresh Start and Industries divisions continued to operate throughout but at reduced levels, with COVID-safe guidelines strongly implemented to protect employees and customers. Marriott received strong support from the government, particularly Job Keeper which provided a net benefit of $1.8m (Job Keeper subsidiary employee wages of $1.6m), which allowed the company to keep most staff gainfully employed and underpinned our essential services in disability support and social enterprises.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 7 of the financial report.

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

Director: Stephen Creese
Stephen Ernest Nigel Creese

Director: K. A. Latchford
Ken Latchford

Dated this day **29th of September 2021**

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

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 Marriott Support Services Limited. As the lead audit partner for the audit of the financial report of Marriott Support Services Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor's independence requirements as set out in the *Corporations Act 2001* and 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:	E. F. McPhail and Partners
Name of Partner:	Wayne C. Durdin
Date:	29 September 2021
Address:	Suite 12, 602 Whitehorse Road, Mitcham, VIC 3132

Marriott Support Services
ABN 36 094 426 061
Statement of Profit or Loss and Other Comprehensive Income
For The Year Ended 30 June 2021

	Note	2021 $	2020 $
OPERATING REVENUE			
Government Grants & NDIS Income	1 (a)	6,846,845	5,222,775
Enviro Management Services		3,472,522	3,371,402
Marriott Industries		1,307,407	1,240,234
Participant Fees and Charges		13,050	182,622
Interest on Investments and Fixed Interest Securities		4,976	8,187
TOTAL OPERATING REVENUE		**11,644,800**	**10,025,220**
EXPENDITURE			
Employee Benefits Expense	3	7,888,952	7,305,853
Depreciation and Amortisation Expense	3	509,327	505,838
Interest Expense		30,297	41,046
Repair & Replacement of Plant And Equipment		245,996	284,224
Utilities & Occupancy Expenses		260,579	249,928
Motor Vehicle Expenses		311,840	289,640
Audit, Legal & Consultancy		269,137	198,714
Production Expenses		657,776	431,133
Marketing & Communication Expenses		316,594	223,821
Program & Client Support Services Expenses		-	57,901
Administration Expenses		136,296	113,744
TOTAL EXPENSES		**10,626,794**	**9,701,842**
TOTAL OPERATING SURPLUS		**1,018,006**	**323,378**
NON-OPERATING INCOME			
Gain on Disposal of Property, Plant and Equipment		151,736	8,978
Donations and Other Fundraising Income		102,324	29,492
Other Income		167,888	170,621
TOTAL NON-OPERATING INCOME		**421,948**	**209,091**
CURRENT YEAR SURPLUS BEFORE INCOME TAX		**1,439,954**	**532,469**
Income Tax expense		**-**	**-**
NET SURPLUS FOR THE YEAR		**1,439,954**	**532,469**
ITEMS NOT RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
Net Gain on Revaluation of Freehold Land and Buildings		950,000	360,082
OTHER COMPREHENSIVE INCOME FOR THE YEAR		**950,000**	**360,082**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**2,389,954**	**892,551**

The accompanying notes form part of these financial statements.

Marriott Support Services
ABN 36 094 426 061
Statement of Financial Position as at 30 June 2021

	Note	2021 $	2020 $
CURRENT ASSETS			
Cash & Cash Equivalents	**4**	2,535,621	1,758,790
Accounts Receivable and Other Debtors	**5**	918,304	884,329
Prepayments		91,731	82,659
TOTAL CURRENT ASSETS		3,545,656	2,725,778
NON-CURRENT ASSETS			
Property, Plant & Equipment	**6**	11,446,581	10,296,540
Right-of-Use Assets	**7**	296,251	92,035
TOTAL NON-CURRENT ASSETS		11,742,832	10,388,575
TOTAL ASSETS		15,288,488	13,114,353
CURRENT LIABILITIES			
Accounts Payable & Other Payables	**8**	451,391	526,248
Contract Liability	**8**	23,226	54,928
Employee Provision	**9**	528,317	557,252
Current Borrowings	**10**	186,366	383,861
Lease Liabilities	**7**	110,136	77,572
TOTAL CURRENT LIABILITIES		1,299,436	1,599,861
NON-CURRENT LIABILITIES			
Employee Provisions	**9**	233,363	382,821
Non-Current Borrowings	**10**	576,492	514,453
Lease Liabilities	**7**	187,577	15,552
TOTAL NON-CURRENT LIABILITIES		997,432	912,826
TOTAL LIABILITIES		2,296,868	2,512,687
NET ASSETS		**12,991,620**	**10,601,666**
EQUITY			
Retained Earnings		7,618,290	6,178,335
Revaluation Reserve	**14**	5,373,330	4,423,331
TOTAL EQUITY		**12,991,620**	**10,601,666**

The accompanying notes form part of these financial statements.

Marriott Support Services
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Statement of Changes In Equity For The Year Ended 30 June 2021

	Retained Earnings $	Revaluation Reserve $	Total $
Balance at 1 July 2019	5,645,866	4,063,249	9,709,115
Net Surplus for the year	532,469	-	532,469
Increase in fair value of land and buildings	-	360,082	360,082
Balance at 30 June 2020	6,178,335	4,423,331	10,601,666
Balance at 1 July 2020	6,178,335	4,423,331	10,601,666
Net Surplus for the year	1,439,954	-	1,439,954
Increase in fair value of land and buildings	-	950,000	950,000
Balance at 30 June 2021	7,618,289	5,373,331	12,991,620

For a description of the Revaluation Reserve, refer to Note 14.

Marriott Support Services
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Statement of Cashflow For The Year Ended 30 June 2021

	Note	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Government Grants, Client Fees and other Receipts		11,866,810	10,122,875
Payments to Suppliers and Employees		(10,355,414)	(9,176,826)
Interest Received		4,976	8,187
Interest Paid		(30,297)	(41,045)
Net Cash Generated From Operating Activities		**1,486,075**	**913,191**
Cash Flows From Investing Activities			
Proceeds from Sale of Property, Plant and Equipment		-	8,978
Purchase of Property, Plant and Equipment		(463,016)	(50,741)
Net Cash Used In Investing Activities		**(463,016)**	**(41,763)**
Cash Flows From Financing Activities			
Repayment of Lease Liabilities		(110,773)	(275,266)
Repayment of Borrowings and HP Leases		(135,455)	-
Net Cash Used In Financing Activities		**(246,228)**	**(275,266)**
Net Increase In Cash Held		776,831	596,162
Cash and Cash Equivalents at the Beginning of Financial Year		1,758,790	1,162,628
Cash and Cash Equivalents at the End of Financial Year	**4**	**2,535,621**	**1,758,790**

The accompanying notes form part of these financial statements.

The financial statements cover Marriott Support Services as an individual Company, incorporated and domiciled in Australia. Marriott Support Services is a Company limited by guarantee.

Note 1 Summary of significant accounting policies

Basis of preparation

The directors have elected under s.334(5) of the *Corporations Act 2001* to apply the following Accounting Standards prior to their mandatory effective date (annual reporting periods beginning on or after 1 July 2021).
- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*
- AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.*

As a result of the early application of these standards, these financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001*.

On transition to Australian Accounting Standards – Simplified Disclosures, the Company has applied the recognition and measurement requirements of AASB 1 *First-Time Application of Australian Accounting Standards* which provides exemption from full retrospective restatement of all Australian Accounting Standards on transition. As such the comparative information has not been restated.

The date of transition at which AASB 1 has been applied is 29 June 2020. In applying these requirements, the Company has made the adjustments outlined below.

Additional disclosures this year:
-Remuneration of auditors
- Maturity analysis of future lease payments

Disclosures no longer required and not shown includes:
-Revenue from contracts with customers disclosed separately from other revenue.
-Information about performance obligations and methods used to recognise revenue over time as well as significant judgements made or practical expedients adopted in applying AASB 15.

The transition to Australian Accounting Standards - Simplified Disclosures has not had any impact on the presentation of the financial statements from the prior year. The modifications as described above relate to amendments to the notes to the financials.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events, and conditions. Material accounting policies adopted in the preparation of the 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 accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities. The presentation currency used in these financial statements is Australian dollars ($), unless otherwise stated. Amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 23th of September 2021 by the Directors of the company.

Accounting Policies

(a) Revenue

Revenue from contracts with customers
The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

Note 1 Summary of significant accounting policies (cont'd)

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

Generally, the timing of the payment for 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.

The grant revenue expected to be recognised in the future related to the performance obligations that are unsatisfied (partially unsatisfied) at the reporting date are:

	2021	2020
Contract Liability	$	$
Revenue from Government Grants	23,226	54,928
Revenue by timing		
Transferred at a point in time	12,002,166	10,124,728
Transferred over time	36,281	109,584
Total	**12,038,447**	**10,234,312**

Information about revenue sources
The Company recognises revenue from the following major sources:

Operating Grants, Donations and Bequests
When the Company receives operating grant revenue, 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 Company:

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

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

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

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

Capital Grant
When the Company 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 recognised under other Australian Accounting Standards. The Company recognises income in profit or loss when or as the Company satisfies its obligations under terms of the grant.

Interest Income

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Note 1 Summary of significant accounting policies (cont'd)

Government Grants and Subsidies

Government Subsidies were received during the year, mainly in relation to JobKeeper. Government subsidies are recognised at fair value where there is reasonable assurance that the grant will be received, and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. The expense of JobKeeper wage top ups is included in wages. The breakup of government grants and subsidies are:

	2021	2020
	$	$
Grants Income	36,281	109,584
NDIS Income	3,323,814	3,652,117
JobKeeper Wage Subsidy	3,486,750	1,389,000
	6,846,845	5,150,701

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

(b) 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 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 carrying amounts 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 asset shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the profit or loss.

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

(c) 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 the estimated recoverable amount, the carrying amount is written down immediately to the 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(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.

(d) 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 Company commencing from the time the asset is held ready for use. Land is not depreciated. 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:

Fixed asset class	2021 Depreciation rates	Method
Buildings	2.5%	Straight Line
Furniture and fittings	10% - 20%	Straight Line
Office Equipment	2.5% - 50%	Straight Line
Plant and Equipment	5% - 50%	Straight Line
Motor Vehicles	20% - 25%	Straight Line

Note 1 Summary of significant accounting policies (cont'd)

There has been no change in the application of the depreciation rates specified above for the 2021 financial year as compared to the 2020 financial year. 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 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 earnings.

(e) Leases

The Company as lessee

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company 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 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 Company's incremental borrowing rate is used.

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

- fixed lease payments less any lease incentives.
- 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

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 Company's assessment of lease term. Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or the remeasurement 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 Company 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 Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the company commits itself to either purchase or sell the asset (i.e., trade date accounting is adopted). Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Financial instruments 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 recognised immediately as expenses in profit or loss. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Note 1 Summary of significant accounting policies (cont'd)

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*.

Classification and subsequent measurement
Financial instruments are subsequently measured at fair value (refer to Note 1(q)) through profit or loss or, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated 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 over 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.

Financial liabilities
Financial liabilities are subsequently measured at amortised cost or fair value through profit or loss. A financial liability is measured at fair value through profit or loss if the financial liability is 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. 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 based on two primary criteria - the contractual cash flow characteristics of the financial asset, and the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:
- 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.

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.

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

Derecognition of financial liabilities
A liability is derecognised when it is extinguished (i.e., when the obligation in the contract is discharged, cancelled, or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

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.

Note 1 Summary of significant accounting policies (cont'd)

All the following criteria need to be satisfied for the derecognition of a 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 Company no longer controls the asset (i.e., has no practical ability to make 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.

Impairment
The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income. Loss allowance is not recognised for financial assets measured at fair value through profit or loss. The entity uses the simplified approach to impairment, as applicable under AASB 9.

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.

Recognition of expected credit losses in financial statements
At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income. The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

(g) Impairment of assets
At the end of each reporting period, the Company 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 it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(h) Employee benefits

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

Other long-term employee benefits
Provision is made for employees' 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.

Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

Note 1 Summary of significant accounting policies (cont'd)

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

(i) Cash and cash equivalents

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

(j) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts receivable from customers for goods or services sold in the ordinary course of business. 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.

Accounts receivable are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

The Directors have recognised a loss allowance for trade receivables of $17,770 (2020: $24,148).

(k) 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 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 supplies.

(l) Income tax

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

(m) Provisions

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

(n) Comparative figures

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

(o) Accounts Payable and Other Payables

Accounts Payable and Other Payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Note 1 Summary of significant accounting policies (cont'd)

(p) Critical Accounting Estimates and Judgements

The Directors 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 company.

Key judgements

(i) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service.

As the Company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows (despite an informal internal policy that requires annual leave to be used within 18 months), the Directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

(ii) 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.

(iii) Lease term and Option to Extend under AASB 16

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

Key estimates

Valuation of freehold land and buildings

The freehold land and buildings were independently valued at 30 June 2021 by CBRE Valuations Pty Limited. The valuation was based on the fair value less costs of disposal. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current demand for land and buildings in the area and recent sales data for similar properties. The valuation resulted in a revaluation increment of $950,000 being recognised for the year ended 30 June 2021.

(q) Fair value of Assets and Liabilities

The company measures it's land and buildings 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 company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e., unforced) transaction between independent, knowledgeable, and willing market participants at the measurement date.

Note 1 Summary of significant accounting policies (cont'd)

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.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e., the market with the greatest volume and level of activity for the asset or liability).

(r) Economic dependence

Marriott Support Services is dependent on revenue received via the National Disability Insurance Scheme (NDIS), which is administered by the National Disability Insurance Agency (NDIA). At the date of this report the Board of Directors has no reason to believe the NDIA will not continue to support Marriott Support Services.

(s) New and revised standards that are effective for these financial statements

In the current year Marriott Support Services has adopted all the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period.

NOTE 2: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing, and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel (KMP). The number of KMP in the 2020 financial year has remained at 2.

The total remuneration paid to key management personnel (KMP) of the Company during the year are as follows:

	2021 $	2020 $
Key Management Personnel Compensation		
- short term employee benefits	328,506	194,648
- post-employment benefits	-	-
- other long-term benefits	-	-
	328,506	194,648

Marriott Support Services
ABN 36 094 426 061
Notes to the financial statements for the year ended 30 June 2021

	Note	2021 $	2020 $
NOTE 3: EXPENSES			
The following significant expense items are relevant in explaining the financial performance:			
Salaries			
Wages		5,262,172	5,760,162
JobKeeper top-up wages		1,638,021	222,110
Super		499,927	458,641
Workcover & Allowances		78,199	164,888
Total Other Staff Costs		410,633	700,052
		7,888,952	**7,305,853**
Depreciation and Amortisation			
Depreciation Expense - Buildings		39,446	36,694
Depreciation Expense - Furniture/Fittings		26,971	28,767
Depreciation Expense - IT/Communications		30,784	23,968
Depreciation Expense - Motor Vehicles		103,807	113,191
Depreciation Expense - Plant and Equipment		198,808	199,506
Depreciation Expense - Computer Software		2,230	-
Depreciation Expense - ROU Asset		107,281	103,713
		509,327	**505,839**

NOTE 4: CASH AND CASH EQUIVALENTS

Cash at Bank – Unrestricted		2,407,699	1,630,900
Cash Float		-	1,800
Cash on Deposit		127,922	126,090
Cash and Cash Equivalents	**17**	**2,535,621**	**1,758,790**

The effective interest rate on short-term bank deposits was 0.40% (2020: 1.18%); these deposits have an average maturity of 365 days.

NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS

CURRENT			
Accounts Receivable		774,525	432,851
Provision for Doubtful Debts		(17,770)	(24,148)
		756,755	408,703
Other Debtors		161,549	475,626
Total Accounts Receivable and Other Debtors		**918,304**	**884,329**

Provision for doubtful debts

Trade receivables are generally on 30-day terms. When the company is satisfied that no recovery of the amount owing is possible, the amount is written off against the provision directly.

Provision for doubtful debts opening balance		24,148	27,837
Charge for year		14,999	-
Written off		(21,377)	(3,689)
Provision for doubtful debts closing balance		**17,770**	**24,148**

Financial assets classified at amortised cost

Accounts Receivable and Other Debtors:		918,304	884,329
– Total Current	**17**	**918,304**	**884,329**

Credit Risk

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all accounts receivable.

To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2021 is based on all amounts over 120 days.

The Company has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties. The Company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Company writes off an accounts receivable amount when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

Collateral held as security
No collateral is held as security for any of the accounts receivable or other debtor balances.

NOTE 6: PROPERTY, PLANT EQUIPMENT	**2021 $**	**2020 $**
Freehold Land		
Land at Fair Value	8,721,941	7,732,258
Total Land	8,721,941	7,732,258
Buildings		
Buildings at Cost	1,577,824	1,577,824
Accumulated Depreciation - Buildings	(149,765)	(110,082)
Total Buildings	1,428,059	1,467,742
Total Land and Buildings	10,150,000	9,200,000
Plant and Equipment		
Plant and Equipment	1,506,457	1,707,621
Accumulated Depreciation - Plant and Equipment	(1,145,216)	(1,112,998)
	361,241	594,623
Motor Vehicles		
Motor Vehicles at cost	1,602,102	984,858
Accumulated Depreciation - Motor Vehicles	(1,057,601)	(843,338)
	544,501	141,520
Computer Software		
Computer Software	45,822	-
Accumulated Depreciation - Computer Software	(2,230)	-
	43,592	-
Office Furniture, Fittings and Equipment		
Office Furniture, Fittings and Equipment	1,215,183	1,078,146
Accumulated Depreciation - Office Furniture, Fittings and Equipment	(867,936)	(810,131)
Property Improvements – Work in Progress	-	92,382
	347,247	360,397
Total Property, Plant and Equipment	**11,446,581**	**10,296,540**

Asset revaluations

The freehold land and building at 15A, 56 Keys Road, Cheltenham, VIC, 3192, and the freehold land at 92 – 100 Wheatley Road, McKinnon, VIC, 3204 were independently valued at 30 June 2021 by CBRE Valuation Pty Ltd.

The 2021 valuation was based on AASB 13 'Fair value' which takes into consideration a property's highest and best use, and AASB 136 'Impairment of Assets' which takes into consideration a property's depreciated replacement cost.

	Note	2021 $	2020 $
As at 30 June 2021 the valuations have been adopted (excluding building allowance):			
15A 56 Keys Road Cheltenham, VIC, 3192		4,800,000	4,200,000
92 – 100 Wheatley Road, McKinnon, VIC, 3204		5,350,000	5,000,000

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:

	Land & Building	Motor Vehicles	Plant & Equipment	Office Furniture, Fittings and Equipment	Computer Software	Total
	$	$	$	$	$	$
Balance at 1 July 2020	9,200,000	141,520	594,623	268,014	-	10,204,157
Additions	989,446	506,788	91,214	136,988	45,822	1,770,258
Disposals	-		(125,788)	-	-	(125,788)
Transfers	-	-	-	-	-	-
Depreciation expense	(39,446)	(103,807)	(198,808)	(57,755)	(2,230)	(402,046)
Carrying amount at 30 June 2021	10,150,000	544,501	361,241	347,247	43,592	11,446,581

NOTE 7: LEASES

The Company's lease portfolio includes leased buildings and leased equipment. These leases have an average of 4.1 years as their lease term.

1. Options to extend or terminate

The option to extend or terminate is contained in both the property leases of the Company. There were no extension options for equipment leases. These clauses provide the Company opportunities to manage leases to align with its strategies. All of the extension or termination options are only exercisable by the Company. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

i) AASB 16 related amounts recognised in the balance sheet

Right of Use Assets	Note	2021 $	2020 $
Building Lease		271,509	159,215
Accumulated Depreciation Building Lease		(217,226)	(85,446)
		54,283	73,769
Equipment Leases		262,359	36,533
Accumulated Depreciation Equipment Leases		(20,391)	(18,267)
		241,968	18,266
Total Right of Use Assets		**296,251**	**92,035**

Movements in carrying amounts:	**Leased Buildings**	**Leased Equipment**	**Total**
	$	**$**	**$**
Carrying amount at 1 July 2020	73,769	18,266	92,035
Additions during the year	67,405	244,093	311,498
Depreciation expense for year	(86,891)	(20,391)	(107,282)
Carrying amount at 30 June 2021	54,283	241,968	296,251

	2021	**2020**
Lease liabilities	**$**	**$**
Current Lease Liability	110,136	77,572
Non Current Lease Liability	187,577	15,552
	297,713	93,124

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

	< 1 year $	**1-5 years $**	**Total undiscounted lease liabilities**	**Lease Liabilities per Statement of Financial Position**
2021				
Lease Liabilities	111,596	189,831	301,427	297,713
2020				
Lease Liabilities	87,225	58,251	145,476	93,124

At commencement date and each subsequent reporting date, the Company 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 Company is a lessee are shown below:

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

	2021	**2020**
	$	**$**
Interest Expense on Lease Liabilities	890	220
Depreciation of Right-of-use Asset	107,281	103,713
	108,171	103,933
Statement of Cash Flows		
Total cash outflows for leases	110,773	85,370

	Note	**2021 $**	**2020 $**
NOTE 8: ACCOUNTS PAYABLE AND OTHER PAYABLES			
CURRENT			
Accounts Payable		122,801	179,230
Contract Liability - Grants in Advance		23,226	54,928
Other Current Payables		242,380	240,159
Employee Benefits		86,210	106,859
Financial Liabilities as Accounts Payable and Other Payables		**474,617**	**581,176**
Financial liabilities at amortised cost classified as accounts payable and other payables.			
Accounts Payable and Other Payables:			
– Total Current		474,617	581,176
Less Contract Liability - Grants in Advance		(23,226)	(54,928)
Financial liabilities as accounts payable and other payables	**17**	**451,391**	**526,248**

Collateral pledged

No collateral has been pledged for any of the accounts payable and other payable balances.

The average credit period on accounts payable and other payables is 1 month. No interest is payable on outstanding payables during this period. For payables outstanding longer than 1 months, 0% per annum is payable on the outstanding balance.

NOTE 9: EMPLOYEE PROVISIONS

	Note	2021 $	2020 $
CURRENT			
Annual Leave & Long Service Leave			
Opening Balance at 1 July		557,252	554,616
Additional provisions raised during the year		328,748	-
Amounts used		(357,683)	2,636
Total Current Employee Provisions		**528,317**	**557,252**
NON CURRENT			
Long Service Leave			
Opening Balance at 1 July		382,821	382,067
Additional provisions raised during the year		(149,458)	-
Amounts used		-	754
Total Non Current Employee Provisions		**233,363**	**382,821**

Employee provisions – annual leave entitlements

The provision for employee benefits represents amounts accrued for annual leave.

Based on past experience, the Company expects the full amount of the annual leave balance to be settled within the next 12 months. Further, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

NOTE 10: BORROWINGS

	Note	2021 $	2020 $
CURRENT - SECURED			
Hire Purchase Liability - Current		186,366	231,874
Other loans - NDIA		-	151,987
		186,366	**383,861**
NON CURRENT - SECURED			
Hire Purchase Liability - Non Current		326,492	264,453
Bank Loans		250,000	250,000
		576,492	**514,453**
Total Borrowings	**17**	**762,858**	**898,314**

Hire purchase and lease liabilities are secured against the underlying financed assets. Bank loans are secured against Factory 15A, 56 Keys Road, Cheltenham, VIC 3192.

The business market loan facility limit as at 30 June 2021 is $500,000 and $250,000 remains undrawn at balance date.

NOTE 11: CAPITAL AND LEASING COMMITMENTS

Finance lease commitments

	2021 $	2020 $
Payable – minimum hire purchase payments		
not later than 12 months	186,366	246,701
later than 12 months but not later than 5 years	326,492	273,258
Minimum hire purchase payments	512,858	519,959
Less future finance charges	(28,190)	(23,631)
Present value of minimum hire purchase payments	**484,668**	**496,328**

Finance leases on motor vehicles (included in the above hire purchase commitments) of which there are three that commenced between 1 July 2020 and 30 June 2021 (2020: none) range between four to five years with the title being transferred to the company at the settlement of the last repayment of the lease term. No debt covenants or other such arrangements are in place.

NOTE 12: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Marriott Support Services has a bank guarantee provided by the National Australia Bank totalling $236,583 (2020: $110,494) for the provision of services with the Department of Health and Human Services.

NOTE 13: FAIR VALUE MEASUREMENT

The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis

Valuation techniques

The entity selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the entity is the market approach, which uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the entity gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered

Recurring fair value measurements	**Note**	**2021**	**2020**
Non-financial assets		**$**	**$**
- freehold land (i)	**6**	8,721,941	7,732,258
- buildings (i)	**6**	1,428,059	1,467,742
		10,150,000	**9,200,000**

(i) For freehold land and buildings, the fair values for the 2021 financial year is based on the 30 June 2021 valuations (per Note 6).

NOTE 14: REVALUATION RESERVE

The revaluation reserve records the revaluations of non-current assets. The balance at year end comprises of the following asset classes. There is an adjustment to the 2021 property valuations. The Directors have adopted the 30 June 2021 property valuations as prepared by CBRE as the 30 June 2021 values (per Note 6).

Revaluation Surplus		
Land & Buildings	5,373,330	4,423,331
Total	**5,373,330**	**4,423,331**

NOTE 15: EVENTS AFTER THE REPORTING PERIOD

On 4 August 2021, the Victorian Government enacted Stage 4 restrictions across metropolitan Melbourne. The timing and extent of the impact and recovery from COVID 19 and the resulting lock-downs are unknown. The Company has put in place steps to mitigate the impact of this pandemic to the organisation but more importantly, to ensure the safety of employees and participants.

Whilst in a reduced capacity till restrictions are lifted the Company expects to remain operational throughout this period, and will manage the unavoidable disruptions to the best of its abilities.

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

NOTE 16: RELATED PARTY TRANSACTIONS

Related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

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

During the year ended 30 June 2021 and in the comparative year ended 30 June 2020, Marriott Support Services had no related party transactions.

NOTE 17: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with *AASB 9 Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021 $	2020 $
Financial assets			
Cash and Cash Equivalents	**4**	2,535,621	1,758,790
Accounts Receivable and Other Debtors	**5**	918,304	884,329
Total Financial Assets		**3,453,925**	**2,643,119**
Financial Liabilities			
Accounts Payable and Other Payables	**8**	451,391	526,248
Borrowings	**10**	762,858	898,314
Total Financial Liabilities		**1,214,249**	**1,424,562**

NOTE 18: REMUNERATION OF AUDITORS

Auditing the Financial Statements	16,350	16,000
Other Assurance Services	8,450	-
	24,800	**16,000**

NOTE 19: AUTHORISATION OF THE FINANCIAL

The financial statements were approved by the board of directors and authorised for issue on [Insert Date]

NOTE 20: COMPANY DETAILS

The registered office of the Company is:
Marriott Support Services
Factory 15a / 56 Keys Road
Cheltenham VIC 3192

The principal place of business is:
Marriott Support Services
Factory 15a / 56 Keys Road
Cheltenham VIC 3192

Marriott Support Services

ACN 094 426 061

Directors Declaration

In accordance with a resolution of the Directors of Marriott Support Services, the Directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 26, are in accordance with the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and:

    a. comply with Australian Accounting Standards – Simplified Disclosures; and

    b. give a true and fair view of the financial position of the company as at 30 June 2021 and of its performance for the year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the company 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: Stephen Creese Director: K. A. Latchford

Stephen Ernest Nigel Creese (Chair) Ken Latchford (Treasurer)

Dated this 29th day of September 2021

Marriott Support Services

ACN 094 426 061

Independent Auditor's Report to the Members of

Marriott Support Services Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Marriott Support Services Limited (the Company), which comprises the statement of financial position as at 30 June 2021, 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 significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Marriott Support Services Limited is in accordance with the *Corporations Act 2001*, and with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards – Simplified Disclosures, the *Corporations Regulations 2001* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001*, the ACNC Act, and 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 ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Marriott Support Services Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures, the *Corporations Act 2001*, the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Marriott Support Services

ACN 094 426 061

Independent Auditor's Report to the Members of

Marriott Support Services Limited

Auditor's Responsibilities for the Audit of the Financial Report

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

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

We communicate with the directors 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.

Wayne Durdin

Name of firm:	E. F. McPHAIL AND PARTNERS
Partner:	WAYNE C. DURDIN
Address:	Suite 12, 602 Whitehorse Road, Mitcham, VIC 3132
Dated this	29th day of September 2021