Multiple Sclerosis Queensland Ltd

ACN 666 828 593

Consolidated General Purpose Financial Report

For the year ended 30 June 2024

Contents

Directors' Report

The Directors present their report together with the financial statements of Multiple Sclerosis Queensland Ltd (the Company) and its controlled entities (the Group) for the financial year ended 30 June 2024 and the auditor's report thereon.

1. Directors

The Directors of the Company at any time during or since the end of the financial year are:

Shaun Treacy – Chair
Chair of the Board since November 2022
Chair of the Governance, Audit, Risk & Investments Committee since November 2022
Board Member since March 2021
Shaun has over 30 years' experience in corporate finance and investment banking with roles in the United States, United Kingdom, Hong Kong and Australia. He has previously been a senior investment banker with JPMorgan, Lehman Brothers, Nomura and UBS. Shaun is currently on the board of a number of public and private companies in Australia and the United Kingdom and is a Senior Advisor to a broad range of companies in the corporate advisory, private equity and corporate sectors. Shaun has a Bachelor of Commerce from the University of Queensland, is an Associate of the Institute of Chartered Accountants in Australia, a Fellow of the Financial Services Institute of Australasia and a member of the Australian Institute of Company Directors.

Alison Ewens – Director
Board Member since October 2022
Member of the Customers, Services, People & Research Committee since October 2022
Alison is an executive leader with 20 years' experience in local government, healthcare and social care industries across Australia, United Kingdom and United Arab Emirates. She is currently the Executive General Manager at Gold Coast Hospital and Health Services. Alison holds a Master of Science, Bachelor of Social work and Postgraduate Diplomas in Disaster management and Healthcare management.

Rebecca Freath – Director (retired 30 August 2024)
Board Member from October 2022 to August 2024
Member of the Governance, Audit, Risk & Investments Committee from November 2022 to August 2024
Chair of the Fundraising & Supporter Committee from March 2024 to August 2024
Rebecca is a solicitor and experienced Company Secretary and Director with a background in health, disability and community services, aged care, technology and the energy/resources sector. Rebecca's experience includes government organisations, for purpose enterprises and global commercial operations.

Dr. Fiona Hawthorne – Director
Board Member since March 2024
Member of the Fundraising & Supporter Committee since March 2024
Chair of the Customers, Services, People & Research Committee since May 2024
Fiona started her career as a Registered Nurse, working through various clinical specialties before moving into nursing and medical education. Since then, she has worked in Healthcare Ethics, Patient Safety, and Clinical Governance. She was the founding General Manager for Queensland's only Children's Hospice: Hummingbird House. Currently, she is the Head of College/ CEO for The University of Queensland Union College. Awarded a Churchill Fellowship in 2007, Fiona is an Australian Institute of Company Directors graduate and an Adjunct Professor with the Faculty of Health and Behavioural Sciences at the University of Queensland. Fiona holds a Bachelor of Nursing, a Graduate Diploma of Adult and Vocational Education, a Master of Science – Genetic Counselling, and a PhD.

Directors' Report

Alarna Lane-Mullins – Director (retired 19 March 2024)
Board Member from January 2022 to March 2024
Chair of the Customers, Services, People & Research Committee from November 2022 to March 2024
Member of the Customers, Services, People & Research Committee from January 2022 to November 2022
Chief HR Officer at Queensland Health. 20+ years of experience providing organisations with advice on people, performance, diversity, inclusion, and safety matters. Member of numerous Queensland Government Committees and Boards. Graduate of the Australian Institute of Company Directors. Executive Masters in Public Administration. Bachelor of Law. Bachelor of Business in Human Resource Management.

Liam Murphy – Director
Board Member since April 2023
Member of the Governance, Audit, Risk & Investments Committee since April 2023
Liam is the Managing Partner and Audit Partner of PKF Brisbane with over 35 years financial services experiences. His industry focus includes Health, Not-For-Profit, Financial Services and Property. Liam holds a Bachelor of Commerce from the University of Queensland, is a Fellow of the Institute of Chartered Accounts Australia & New Zealand (CAANZ), a Member of AICD, a registered Company Auditor and an Approved SMSF Auditor.

Michael Stott – Director
Board Member since October 2021
Member of the Customers, Services, People & Research Committee since November 2022
Michael brings personal and critical insights into the challenges and support needs of people living with MS and other neurological conditions, leveraging his lived experience in his Board role. With over 25 years of extensive expertise in shaping global cityscapes and commercial real estate, Michael is the Australian Head of Cities and Places and the Brisbane Studio Lead for DBI, an internationally acclaimed architecture, urban design, placemaking, landscape architecture, and interior design practice. Michael is a highly sought-after international speaker and holds influential advocacy and advisory positions for a number of government and private sector organisations. He has extensive Board-level experience in the property, not-for-profit, and community housing sectors. He possesses a Diploma in Studio Art, a Bachelor's Degree in Sustainable Community Development, a Master's Degree in Strategic Planning and Urban Design, and Graduate Certificates in Design Thinking and Strategic Management.

2. Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

The Company monitors compliance with environmental regulations. The Company is not aware of any significant breaches during the period covered by its report.

Directors' Report

3. Objectives of Multiple Sclerosis Queensland Ltd

The objectives of the Company are:

i. To provide direct assistance to people who have been diagnosed with multiple sclerosis ('MS') and/or other neurological conditions, including

- The provision of services to those people, their families and carers; and
- The removal of barriers preventing their participation in the community;

ii. To promote and provide education amongst those people and the general public about the conditions and their effects;

iii. To encourage and support scientific research into the cause, diagnosis, treatment and cure of the conditions; and

iv. To do all such other lawful things as are incidental or conducive to the attainment of the objects of the Company.

4. Principal activities

Multiple Sclerosis Queensland Ltd is the largest provider of services for Queenslanders living with neurological conditions, and the peak body for MS in Queensland.

The Company's vision is to ensure that every Queenslander living with a neurological condition can connect to a better life. It exists to drive neuro-wellness in Queensland, particularly for MS, through enhanced connection to support, services and community.

The Company's promise is to put customers' wellbeing at the centre of everything it does. The Company achieves this by being:

- accessible – there when and how the Group is needed,
- flexible – understanding that situations change,
- authentic – approachable and real and
- connecting – giving customers the support they need.

Services offered by the Company include:

- Independent Living Supports – assisted daily living, community access and in-home care
- Specialist Disability Accommodation (SDA)
- NDIS access and pre-planning support
- NeuroAssist InfoLine
- NDIS Support Coordination
- Allied Health Services (including Physiotherapy, Exercise Physiology, Occupational Therapy and Social Work)
- Disability Employment Services
- Community Support Groups
- Education workshops and webinars

5. Results of the operations

The profit of the Group after income tax is $4,153,391 (2023: loss of $910,709), with a loss from operations excluding other income, gains and losses of $ 1,120,311 (2023: loss of $701,616). The non-operating gain of $5.7m in the 2024 financial year principally arose from the sale of two properties at Springfield and Toowoomba. The Directors are satisfied with the performance and operations of the Group during the financial year.

6. Board of Directors meetings

	Board of Directors		Governance, Audit, Risk & Investments Committee*		Customers, Services, People & Research Committee **		Fundraising & Supporter Committee ***	
	Attended	Held	Attended	Held	Attended	Held	Attended	Held
Shaun Treacy	7	7	7	7	n/a	n/a	n/a	n/a
Alison Ewens	5	7	n/a	n/a	5	5	n/a	n/a
Dr. Fiona Hawthorne	2	3	n/a	n/a	1	1	1	1
Liam Murphy	7	7	7	7	n/a	n/a	n/a	n/a
Michael Stott	6	7	n/a	n/a	4	5	2	2
Rebecca Freath	7	7	7	7	2(a)	n/a	2	2
Alarna Lane-Mullins	5	5	n/a	n/a	3	4	n/a	n/a

* The Governance, Audit, Risk & Investments (GARI) Committee was referred to as the Governance, Audit, Risk, Investments & Fundraising (GARIF) Committee until 29 November 2023.
** The Customers, Services, People & Research (CSPR) Committee was referred to as the Customers, Services, Supporters, People & Research (CSSPR) Committee until 29 November 2023.
*** The Fundraising & Supporter (FunS) Committee was established on 29 November 2023.
(a) Attended as a guest.

7. Members' guarantee

Multiple Sclerosis Queensland Ltd is a company limited by guarantee and the liability of its members is limited. Each member must contribute to the Company's property if the company is wound up while they are a member or within one year after their membership ceases. The contribution is for:

- Payment of the Company's debts and liabilities contracted before their membership ceased;
- The cost of winding up;

and the guarantee amount is not to exceed $10.00.

No other member must contribute to the Company's property if the company is wound up.

8. Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

9. Events subsequent to reporting date

The following matters and circumstance have arisen since 30 June 2024 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years:

i. The sale of the Group's Southport accommodation property was completed on 11 September 2024; and
ii. Parts of the Lutwyche accommodation property have gone under contract.

Directors' Report

10. Indemnification and insurance of officers

Indemnifications

The Group has indemnified the directors and executives for costs incurred in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Insurance premiums

During the year the Group has paid premiums in respect of Directors and officers liability and legal expenses insurance contracts for the financial year ended 30 June 2024. Such insurance contracts insure against certain liability (subject to specific exclusions) for persons who are or have been Directors or executive officers of the Group.

11. Proceedings on behalf of the Company

There are no current proceedings on behalf of the Company.

12. Auditor's independence declaration

The auditor's independence declaration is set out on page 8 and forms part of the Directors report for the financial year ended 30 June 2024.

This report is made out in accordance with a resolution of the Directors:

Shaun Treacy
Chair

Dated at Milton this 25 day of September 2024.

Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the directors of Multiple Sclerosis Queensland Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

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

KPMG

KPMG

B E Lovell
Partner

Brisbane
25 September 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	Note	2024 $	2023 $
Revenue	4	28,182,160	28,715,348
Employee benefit expenses	6	(20,021,439)	(19,417,114)
Fundraising and lotteries		(2,661,836)	(2,918,912)
Contributions to MS Research		(328,356)	(354,186)
Contributions to MS Australia		(205,998)	(407,573)
Depreciation and amortisation expense	7	(1,231,939)	(1,671,274)
Impairment expense		(43,497)	(40,264)
Other expenses	8	(4,809,406)	(4,607,641)
LOSS FROM OPERATIONS EXCLUDING OTHER INCOME, GAINS AND LOSSES		**(1,120,311)**	**(701,616)**
Finance income	9	126,330	127,769
Finance cost	9	(548,541)	(507,669)
NET FINANCE COST		**(422,211)**	**(379,900)**
Other income, gains and losses	5	5,695,913	170,807
PROFIT/(LOSS) BEFORE INCOME TAX		**4,153,391**	**(910,709)**
Income tax		-	-
PROFIT/(LOSS) FOR THE YEAR		**4,153,391**	**(910,709)**
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME		**4,153,391**	**(910,709)**

Consolidated Statement of Financial Position

As at 30 June 2024

	Note	2024 $	2023 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	15,104,961	2,508,078
Trade and other receivables	11	1,291,003	1,125,604
Prepayments	12	223,796	150,217
Assets held for sale	13	2,958,398	1,620,312
Financial assets at fair value through profit or loss	14	-	3,645,545
TOTAL CURRENT ASSETS		**19,578,158**	**9,049,756**
NON-CURRENT ASSETS			
Property, plant and equipment	15	3,965,248	21,625,173
Right-of-use assets	16	2,107,338	291,885
Intangible assets	17	48,078	125,768
Financial assets at fair value through profit or loss	14	2,479,011	-
Other non-current assets		223,203	83,814
TOTAL NON-CURRENT ASSETS		**8,822,878**	**22,126,640**
TOTAL ASSETS		**28,401,036**	**31,176,396**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	18	2,627,295	2,045,062
Lease liabilities	16	363,182	269,387
Borrowings	19	-	8,900,000
Contract liabilities	20	179,455	715,186
Employee benefits	21	1,281,975	1,129,956
TOTAL CURRENT LIABILITIES		**4,451,907**	**13,059,591**
NON-CURRENT LIABILITIES			
Lease liabilities	16	1,765,511	59,725
Employee benefits	21	82,689	109,542
TOTAL NON-CURRENT LIABILITIES		**1,848,200**	**169,267**
TOTAL LIABILITIES		**6,300,107**	**13,228,858**
NET ASSETS		**22,100,929**	**17,947,538**
EQUITY			
Retained surpluses		22,100,929	17,947,538
TOTAL EQUITY		**22,100,929**	**17,947,538**

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Retained surpluses	Total equity
	$	$
BALANCE AT 1 JULY 2022	**18,858,247**	**18,858,247**
COMPREHENSIVE INCOME		
Loss for the year	(910,709)	(910,709)
TOTAL COMPREHENSIVE INCOME	**(910,709)**	**(910,709)**
BALANCE AT 30 JUNE 2023	**17,947,538**	**17,947,538**
COMPREHENSIVE INCOME		
Profit for the year	4,153,391	4,153,391
TOTAL COMPREHENSIVE INCOME	**4,153,391**	**4,153,391**
BALANCE AT 30 JUNE 2024	**22,100,929**	**22,100,929**

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,640,936	1,959,644
Receipts from government		20,074,705	19,204,496
Proceeds from fundraising		6,499,377	7,692,609
Payments for fundraising		(2,928,020)	(2,918,912)
Payments to suppliers and employees		(25,357,862)	(25,013,398)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		**(70,864)**	**924,439**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(353,246)	(268,275)
Proceeds from disposal of property, plant and equipment		21,497,976	691,832
Proceeds from/(Payments for) investments		1,212,057	(118,511)
Interest received		85,628	127,770
NET CASH FROM INVESTING ACTIVITIES		**22,442,415**	**432,816**
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest and other finance costs paid		(516,452)	(479,737)
Repayment of borrowings		(8,900,000)	(1,600,000)
Repayment of lease liability		(358,216)	(553,263)
NET CASH USED IN FINANCING ACTIVITIES		**(9,774,668)**	**(2,633,000)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**12,596,883**	**(1,275,745)**
Cash and cash equivalents at the beginning of the financial year		2,508,078	3,783,823
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	10	**15,104,961**	**2,508,078**

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 1 Reporting entity

Multiple Sclerosis Queensland Ltd (MS Queensland or the 'Company') is a Company limited by Guarantee, incorporated and domiciled in Australia. The Company's registered office is at 33 Park Road, Ground Floor, Milton, QLD, 4064.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group').

The Company is a not-for-profit entity. The principal activities of the Group during the financial year were providing information, education, treatment, care and support for MS and other neurological conditions across Queensland. The Group's vision is a world free from Multiple Sclerosis (MS) and its devastating impact. It exists to help people living with MS and other neurological conditions to get the best out of life; to advocate for change and to search for a cure. MS Queensland ensures that no one faces MS and other neurological conditions alone.

Note 2 Basis of preparation

a) Statement of compliance

These consolidated financial statements are general purpose financial statements and have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), and the *Australian Charities and Not-for-profits Commission Act 2012* as appropriate for not-for profit oriented entities.

These consolidated financial statements were authorised for issue by the Board of Directors as of the date of the Directors' Declaration.

b) Basis of measurement

The consolidated financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

c) Functional and presentation currency and rounding

These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

d) Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

i. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- lease term: whether the Group is reasonably certain to exercise extension options;
- revenue recognition: whether NDIS revenue/fee for services, sale of lottery tickets, donations and bequests, fundraising events, membership revenue, interest, other revenue and volunteer services is recognised over time or at a point in time.

Note 2 Basis of preparation (continued)

d) Use of judgements and estimates (continued)

ii. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30 June 2024 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- measurement of Expected Credit Loss (ECL) allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate;
- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Note 3 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise. Changes in material accounting policies are described below:

Material accounting policy information

The Group adopted *Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards (Amendments to AASB 1049, 1054 and 1060)* from 1 July 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’, rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in ‘Material Accounting Policies’ (2023: Significant accounting policies) in certain instances in line with the amendments.

A number of other new accounting standards are also effective from 1 July 2023 but they do not have a material effect on the Group’s financial statements.

Note 3 Material accounting policies (continued)

a) Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration are subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

NDIS revenue/fee for services

Invoices for services provided under the National Disability Insurance Scheme (NDIS) are issued weekly and are payable by the National Disability Insurance Agency or the relevant participant on receipt of the invoice or claim. Invoices for services rendered to residents in accommodation are issued monthly at a minimum and are payable on receipt.

Revenue from services rendered is recognised in the Statement of Income and Retained Earnings and is measured at the fair value of the consideration received or receivable. Revenue is recognised at the time the service is delivered to the customer.

Sale of lottery tickets

Revenue from the sale of lottery tickets is recognised at the point in time when the lottery is drawn.

Donations and bequests

Income from donations and bequests is recognised upon receipt. When the service performance obligation is not met, the tied donations are included in unearned revenue.

Grant revenue

AASB 1058 Income of Not-for-Profit Entities requires that in cases where there is an enforceable contract with a customer with sufficiently specific performance obligations, the transaction should be accounted for under AASB 15 Revenue from Contracts with Customers where income is recognised when (or as) the performance obligations are satisfied, as opposed to immediate income recognition under AASB 1058.

The Company has conducted an analysis of the grant contracts and analysed the terms of each contract to determine whether the arrangement meets the enforceability and the sufficiently specific criteria under AASB 15. For those grant contracts that are not enforceable, or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058. When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Fundraising events

Revenue from fundraising events is recognised at the point in time when the event is held.

Note 3 Material accounting policies (continued)

a) Revenue recognition (continued)

Membership revenue

Revenue from memberships is recognised over time based on the membership period.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The Group has elected not to recognise volunteer services as either income or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

b) Income tax

As all entities in the Group are charitable institutions in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, they are exempt from paying income tax.

c) Financial instruments

i. Financial assets

Recognition and initial measurement

On initial recognition, a financial asset is classified as
- measured at amortised cost or
- fair value through profit or loss (FVTPL).

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets in the "at amortised cost" category particularly include trade accounts receivable (not including factoring), cash and cash equivalents and other receivables. Cash equivalents are short-term, extremely liquid financial investments that can be converted to cash at any time and that are only subject to insignificant risks of changes in value.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Note 3 Material accounting policies (continued)

c) Financial instruments (continued)

i. Financial assets (continued)

Financial assets at FVTPL

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

ii. Financial liabilities

Recognition and initial measurement

Financial liabilities are classified as measured at

- amortised cost or
- FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading. Financial liabilities in the category "at amortised cost" are mainly liabilities (borrowings) to banks and trade accounts payables.

Classification and subsequent measurement

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Note 3 Material accounting policies (continued)

c) Financial instruments (continued)

iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

d) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised net in profit or loss.

ii. Subsequent expenditure

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

The useful life for the current and comparative years are as follows:

-Buildings	40 years
-Freehold improvements	25-40 years
-Fixtures & fittings	3-10years
-Plant and equipment	3-7 years
-Motor vehicles	7-8 years

Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

Note 3 Material accounting policies (continued)

e) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

f) Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

g) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

h) Lease

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

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 3 Material accounting policies (continued)

h) Lease (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised insubstance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use asset and lease liabilities in the consolidated financial statement.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

i) Finance income and finance cost

The Group's finance income and finance costs include:

- interest income
- interest expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit- impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Note 3 Material accounting policies (continued)

j) Employee benefits

i. Employee benefits

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

ii. Other long-term employee benefits

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

k) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

l) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

m) Impairment

i. Financial assets

Financial instruments

The Group recognises loss allowances for Estimated credit loss (ECL) on financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Note 3 Material accounting policies (continued)

m) Impairment (continued)

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

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

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

ii. Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

n) Asset held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets or deferred tax assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any interest in associate is no longer equity accounted.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 3 Material accounting policies (continued)

o) Reclassification of comparative information

During 2024, donations income has been reclassified from other income to revenue. The change in classification affected financial statement line for prior periods.

Consolidated statement of profit and loss and other comprehensive income:

		Impact of reclassification	
	As previously reported	**Adjustments**	**As restated**
Revenue	25,521,433	3,193,915	28,715,348
Other income, gains and losses	3,364,722	(3,193,915)	170,807

Note 4 Revenue

	2024	**2023**
	$	**$**
NDIS revenue	19,612,740	18,461,388
Fundraising revenue	3,010,645	3,432,103
Fee for Service revenue	823,459	1,077,091
Rental revenue	762,105	711,921
Grant income	511,389	968,895
Donations income	3,040,848	3,193,915
Other revenue	420,974	870,035
	28,182,160	**28,715,348**

Note 5 Other income

	2024	**2023**
	$	**$**
Net gain on disposal of property, plant and equipment	5,517,390	20,937
Net fair value gain on financial assets at fair value through profit or loss	178,523	149,870
TOTAL OTHER INCOME	**5,695,913**	**170,807**

After receiving advice from the National Disability Insurance Agency (NDIA) that the dual role as the property owner/SDA provider and onsite NDIS services provider creates conflicts of interest and will not be supported in the future, the Group sold its two accommodation properties in Toowoomba and Springfield. This resulted in a gain on disposal of property, plant and equipment in FY24. MS Queensland retains its role as the onsite NDIS service provider at these two properties with a long-term lease and collaboration agreement with the new SDA provider in place.

Note 6 Employee benefit expenses

	2024	**2023**
	$	**$**
Salaries & wages	18,172,628	17,670,866
Superannuation	1,848,811	1,746,248
TOTAL EMPLOYEE BENEFIT EXPENSES	**20,021,439**	**19,417,114**

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 7 Depreciation & amortisation

	2024 $	2023 $
Property, plant and equipment	843,994	1,070,308
Right-of-use assets	310,255	471,185
Software and Intangibles	77,690	129,781
TOTAL DEPRECIATION AND AMORTISATION EXPENSE	**1,231,939**	**1,671,274**

Note 8 Other expenses

	2024 $	2023 $
Facilities repair & maintenance	1,056,129	1,190,912
Consultants and legal fees	1,317,270	946,310
Computer maintenance/software	914,472	891,084
Administrative expenses	779,098	811,425
Consumables	169,339	220,761
Employment Services (EAF)	227,664	198,028
Temporary staff	70,485	92,437
Low value leases	4,806	26,288
Short term leases	14,787	11,012
Other expenses	255,356	219,384
TOTAL OTHER EXPENSES	**4,809,406**	**4,607,641**

Note 9 Net finance costs

	2024 $	2023 $
FINANCE INCOME		
Interest revenue	126,330	127,769
TOTAL FINANCE INCOME	**126,330**	**127,769**
FINANCE COST		
Interest expense	548,541	507,669
TOTAL FINANCE COST	**548,541**	**507,669**
TOTAL NET FINANCE COST	**(422,211)**	**(379,900)**

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 10 Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position and in the statement of consolidated cash flows comprises of below:

	2024	2023
	$	$
Cash and cash equivalents	3,404,961	2,508,078
Term deposits	11,700,000	-
TOTAL CASH AND CASH EQUIVALENTS	**15,104,961**	**2,508,078**

The Group sold two accommodation properties in Toowoomba and Springfield in June 2024. Proceeds were invested as term deposits at 30 June 2024 and subsequent to year-end moved into the professionally managed investment portfolio to secure the long-term sustainability of the Group.

Note 11 Trade and other receivables

	2024	2023
	$	$
Trade receivables	816,143	495,466
Less: Allowance for expected credit losses	(27,332)	(33,580)
Income receivable	287,077	391,015
Other receivables	215,115	88,990
GST receivable	-	183,713
TOTAL TRADE AND OTHER RECEIVABLES	**1,291,003**	**1,125,604**

Note 12 Prepayments

	2024	2023
	$	$
Prepayments	223,796	150,217
TOTAL PREPAYMENTS	**223,796**	**150,217**

Note 13 Assets held for sale

	2024	2023
	$	$
Buildings	2,135,661	1,201,168
Furniture & fittings	288,206	280,322
Plant & equipment	167,565	126,856
Land	355,000	-
Building improvements	11,966	11,966
TOTAL ASSETS HELD FOR SALE	**2,958,398**	**1,620,312**

As at 30 June 2024, the accommodation properties owned by the Group at Lutwyche and Southport have been classified as held for sale. Subsequent to year-end

1. the sale of the Southport property was completed on 11 September 2024 with a sale price above carrying value achieved; and
2. parts of the Lutwyche property have gone under contract.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 14 Financial assets at fair value through profit or loss

	2024 $	2023 $
CURRENT		
Managed investment portfolio	-	3,645,545
TOTAL CURRENT	**-**	**3,645,545**
NON-CURRENT		
Managed investment portfolio	2,479,011	-
TOTAL NON-CURRENT	**2,479,011**	**-**

Financial assets shown in the table above relate to a professionally managed investment portfolio. As at 30 June 2023, the Company was contemplating to draw down these funds to repay its borrowings, relating to the construction of the Springfield and Toowoomba accommodation properties. The financial assets were therefore classified as 'current assets'.

As at 30 June 2024, and after repayment of all borrowings during the financial year, these financial assets are held to secure the long-term sustainability of the Company and have therefore been classified as 'non-current assets'.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 15 Property, plant and equipment	Land $	Buildings $	Freehold improvements $	Plant & equipment $	Fixtures & fittings $	Motor vehicles $	Work in progress $	Total $
BALANCE AT 1 JULY 2023								
Gross carrying amount	1,918,050	18,724,144	22,727	3,389,311	2,087,473	354,293	538,700	27,034,698
Accumulated depreciation and impairment	-	(1,679,935)	(2,202)	(2,607,364)	(906,431)	(173,329)	(40,264)	(5,409,525)
NET CARRYING AMOUNT AT 1 JULY 2023	**1,918,050**	**17,044,209**	**20,525**	**781,947**	**1,181,042**	**180,964**	**498,436**	**21,625,173**
Additions	-	-	104,146	97,293	67,394	83,260	1,153	353,246
Depreciation for the year	-	(435,544)	(5,956)	(229,508)	(145,682)	(27,304)	-	(843,994)
Disposal: gross carrying amount	(1,061,486)	(14,699,522)	(5,820)	(2,266,747)	(1,984,597)	(175,874)	-	(20,194,046)
Disposal: depreciation offset	-	1,482,445	2,910	1,908,243	980,878	31,976	-	4,406,452
Impairment expense	-	-	-	(17,394)	(20,031)	(6,072)	-	(43,497)
Reclassification to assets held for sale: gross carrying amount	(355,000)	(1,060,826)	-	(74,482)	(9,585)	-	-	(1,499,893)
Reclassification to assets held for sale: depreciation offset		126,333	-	33,774	1,700	-	-	161,807
NET CARRYING AMOUNT AT 30 JUNE 2024	**501,564**	**2,457,095**	**115,805**	**233,126**	**71,119**	**86,950**	**499,589**	**3,965,248**
BALANCE AT 30 JUNE 2024								
Gross carrying amount	501,564	2,963,796	121,053	1,127,981	140,654	255,607	539,853	5,650,508
Accumulated depreciation and impairment	-	(506,701)	(5,248)	(894,855)	(69,535)	(168,657)	(40,264)	(1,685,260)
NET CARRYING AMOUNT AT 30 JUNE 2024	**501,564**	**2,457,095**	**115,805**	**233,126**	**71,119**	**86,950**	**499,589**	**3,965,248**

Note 15 Property, plant and equipment (continued)

a) Market value of land and buildings

The Group accounts for land and buildings at the lower of historic cost less accumulated depreciation and impairments and fair value. Management regularly undertakes independent external market valuations. Where a market value cannot be established with certainty, the replacement cost methodology is applied. During the year Springfield and Toowoomba properties were sold.

b) Land and buildings pledged as security for borrowings

Freehold land with a carrying amount of $NIL (2023: $1,416,485) and buildings with a carrying amount of $NIL (2023: $14,511,890) relating to Springfield, Southport and Toowoomba Apartments were subject to a first registered charge in 2023.

c) Work in progress

As at 30 June 2024, Sippy Downs Apartments work in progress had a carrying amount of $499,589 (2023: $498,436).

Note 16 Leases

Leases as lessee

a) Right-of-use assets

The Group leases office and allied health space across various locations in South-East Queensland, including Milton, Springfield and Toowoomba. All leases have a term of five years or less.

Information about leases for which the Group is a lessee is presented below.

Leased office and allied health space	2024 $	2023 $
BALANCE AT 1 JULY	**291,885**	**936,757**
Additions to right-of-use assets	2,125,708	106,843
Depreciation charge for the year	(310,255)	(280,530)
Amortisation expense	-	(471,185)
BALANCE AT 1 JULY	**2,107,338**	**291,885**

b) Amounts recognised in profit or loss	2024 $	2023 $
Expenses relating to short-term leases and leases of low-value assets that are not recognised as right-of-use assets	19,593	37,240

c) Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Note 16 Leases (continued)

d) Lease liabilities	2024 $	2023 $
Current	363,182	269,387
Non-current	1,765,511	59,725
	2,128,693	**329,112**

e) Future lease payments

The total of future lease payments (including those lease payments that are not included in the measurement of the lease liability, e.g. for short-term leases and leases of low-value items) are disclosed for each of the following periods.

	2024 $	2023 $
Less than one year	469,168	265,373
One to five years	1,932,321	60,879
More than five years	-	-
	2,401,489	**326,252**

Note 17 Intangible assets

Software	2024 $	2023 $
BALANCE AT 1 JULY	**125,768**	**248,461**
Transfers	-	7,088
Amortisation expense	(77,690)	(129,781)
BALANCE AT 30 JUNE	**48,078**	**125,768**

Note 18 Trade and other payables

	2024 $	2023 $
Trade payables	919,035	843,096
Accrued expenses	1,590,872	1,201,966
GST payable	117,388	-
TOTAL TRADE AND OTHER PAYABLES	**2,627,295**	**2,045,062**

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 19 Borrowings

	2024 $	2023 $
Bank loans	-	8,900,000
TOTAL BORROWINGS	**-**	**8,900,000**

Bank loans

As at 30 June 2024 the loans were fully repaid.

As at 30 June 2023, the Group maintained two property-financing facilities with a commercial lender. The first facility had a total limit of $6,500,000 with $2,500,000 drawn down at 30 June 2023 and a maturity date of 20 June 2025. The second facility had a total limit of $6,400,000 with $6,400,000 drawn down at 30 June 2023 and a maturity date of 6 May 2025.

Note 20 Contract liabilities

	2024 $	2023 $
Unspent grants	167,500	548,500
Income received in advanced	11,955	166,686
TOTAL CONTRACT LIABILITIES	**179,455**	**715,186**

Note 21 Employee benefits

	2024 $	2023 $
CURRENT		
Annual leave	1,067,429	902,826
Long service leave	214,546	227,130
TOTAL CURRENT	**1,281,975**	**1,129,956**
NON-CURRENT		
Long service leave	82,689	109,542
TOTAL NON-CURRENT	**82,689**	**109,542**

A provision has been recognised for employee entitlements relating to annual and long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

In June 2020, the Queensland Parliament passed legislation to include community service workers in the Portable Long Service Leave scheme (the 'Scheme'). The organisation is required to participate in the Scheme for eligible employees from 1 January 2021. The levy contribution made to the Scheme is recognised as an expense when paid. When an eligible employee takes or receives a payout of long service leave, the organisation is entitled to claim a reimbursement from QLeave in an amount equivalent to the levy contribution made under the Scheme for the eligible employee as at 30 June.

As at 30 June 2024, the recoverable QLeave asset, included in the statement of financial position in other non-current assets, was $90,203 (2023: $83,814).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 22 Controlled entities

The following are controlled entities as at 30 June 2024 by virtue of the fact that MS Queensland is the sole member and all Directors are appointed by MS Queensland:

- Neuro Queensland Ltd (ACN 634 755 892)
- Project Dignity Ltd (ACN 638 867 704)
- MSQ Neuro Ltd (ACN 634 756 246) – currently dormant

The Company has no investment in the above noted controlled entities and the constitutions of the controlled entities preclude payment of any dividends to the Company.

Note 23 Members' guarantee

MS Queensland is a company limited by guarantee and the liability of its Members is limited. Each Member must contribute to MS Queensland's property if the company is wound up while they are a Member or within one year after their membership ceases. The contribution is for:

- Payment of MS Queensland's debts and liabilities contracted before their membership ceased;
- The cost of winding up;

and the guarantee amount is not to exceed $10.00.

No other Member must contribute to MS Queensland's property if the company is wound up.

	2024 $	2023 $
Number of members at period-end	239	190

Note 24 Financial instruments

Accounting classifications

The following table shows the carrying amounts of financial assets and financial liabilities.

	Note	2024 $	2023 $
FINANCIAL ASSETS MEASURED AT AMORTISED COST			
Cash and cash equivalents	10	15,104,961	2,508,078
Trade and other receivables*	11	816,143	495,466
Other non-current assets		223,203	83,814
		16,144,307	**3,087,358**
FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS			
Management investment portfolio	14	2,479,011	3,645,545
		2,479,011	**3,645,545**
FINANCIAL LIABILITIES MEASURED AT AMORTISED COST			
Trade and other payables*	18	2,509,907	2,045,062
Borrowings	19	-	8,900,000
		2,509,907	**10,945,062**

*Other receivables and payables that are not financial instruments (contractual assets & prepayments) are not included.

Note 25 Commitments

As at 30 June 2024, there existed no commitments for the Group. (2023: $nil)

Note 26 Related parties

a) Parent and ultimate controlling party

The ultimate controlling party of the Group is MS Queensland.

b) Transactions with key management personnel

i. Key management personnel compensation

Key management personnel compensation comprised short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits and share-based payments.

	2024	2023
	$	$
Total key management personnel compensation	1,362,239	1,298,357

c) Other related party transactions

The Group is party to a joint venture (JV) agreement with Youngcare Limited relating to the development and operation of specialist disability accommodation facilities at Albany Creek. As per the agreement, the Group manages the daily operations and finances of the JV. The Group is also an onsite NDIS services provider at the Albany Creek facility.

On a quarterly basis, the Group determines the JV financial result and Youngcare Limited claims its 50% profit share.

	JV share for the year 30 June		Balance payable as at 30 June	
	2024	2023	2024	2023
Joint venture (JV) - Youngcare	204,664	200,058	(146,048)	(48,085)
	204,664	**200,058**	**(146,048)**	**(48,085)**

Note 27 Contingencies

The organisation is party to a joint venture agreement with Youngcare Limited relating to the development, funding and ongoing operation of accommodation facilities at Albany Creek.

As part of the associated capital funding agreement with the Queensland State Government, the organisation may also be liable to pay its share (50%) of $2.3 million if the property is disposed of to a third party, without prior written approval from the State.

The Group has provided a bank guarantee in the form of a term deposit as at 30 June 2024 of $132,069 (2023: $179,602) to a property landlord. The bank guarantee is issued under a bank facility amounting to $133,000 of which $931 is unused at 30 June 2024 (2023: facility of $190,000 with $10,398 unused).

No other contingent liabilities were known at the date of this report.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note 28 Parent entity disclosures

As at, and throughout, the financial year ended 30 June 2024 the parent entity of the Group was Multiple Sclerosis Queensland Ltd.

	2024	2023
	$	$
Results of parent entity		
Profit/(loss) for the period	1,541,825	(993,977)
	1,541,825	**(993,977)**
Financial position of parent entity at year end		
Current assets	17,849,587	8,915,185
Total assets	25,642,468	22,906,611
Current liabilities	4,309,241	4,794,142
Total liabilities	6,157,441	4,963,409
Total equity of the parent entity comprising of:		
Retained surpluses	19,485,027	17,943,202
TOTAL EQUITY	**19,485,027**	**17,943,202**

Note 29 Auditor's remuneration

	2024	2023
	$	$
AUDIT AND REVIEW SERVICES		
Auditors of the Group - KPMG (2023: Grant Thornton Australia Ltd)		
Audit of the financial statements	48,500	50,100
	48,500	**50,100**
OTHER SERVICES		
Compilation of the financial statements-KPMG	4,000	-
Tax advisory services - KPMG	15,000	-
Preparation of franking credit refunds (Grant Thornton Australia Ltd)	-	2,250
	19,000	**2,250**
	67,500	**52,350**

Note 30 Subsequent events

The following matters and circumstance have arisen since 30 June 2024 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years:

i. The sale of the Group’s Southport accommodation property was completed on 11 September 2024 with a sale price above carrying value achieved; and
ii. Parts of the Lutwyche accommodation property have gone under contract.

Directors' Declaration

In the opinion of the Directors of Multiple Sclerosis Queensland Ltd (the 'Company'):

a) the Company is not publicly accountable;

b) the consolidated financial statements and notes that are set out on pages 9 to 33 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

   i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance, for the financial year ended on that date; and

   ii) complying with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Regulations 2022; and

c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Dated at Milton this 25 day of September 2024.

Shaun Treacy
Chair

KPMG

Independent Auditor's Report

To the members of Multiple Sclerosis Queensland Ltd

Opinion

We have audited the ***Financial Report***, of the Multiple Sclerosis Queensland Ltd (the Company)

In our opinion, the accompanying Financial Report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

i. giving a true and fair view of the Group's financial position as at 30 June 2024, and of its financial performance and its cash flows for the year ended on that date; and

ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR).*

The ***Financial Report*** comprises:

i. Consolidated statement of financial position as at 30 June 2024.

ii. Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended.

iii. Notes, including material accounting policies.

iv. Directors' declaration.

The Group consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Group in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We confirm that the independence declaration required by the ACNC Act 2012, which has been given to the Directors of the Company on 25 September 2024, would be in the same terms if given to the Directors as at the time of this Auditor's Report.

Other information

Other Information is financial and non-financial information in Multiple Sclerosis Queensland Ltd's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report.

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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR.

ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

iii. Assessing the Group's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and

ii. 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. They 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 *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

i. 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.

ii. 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 registered Group's internal control.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

iv. 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 registered Group'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 registered Group to cease to continue as a going concern.

v. 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.

KPMG

KPMG

B E Lovell
Partner

Brisbane
30 September 2024