

Tasmanian Chamber of Commerce and Industry

2023

ANNUAL REPORT

ABN 77 009 475 987

Industry House

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Chair and CEO Update

The Tasmanian Chamber of Commerce and Industry (TCCI) has once again concluded an excellent year. Commencing the year we had budgeted a financial loss designed to strategically support the allocation of resources for investment in enhancing our service delivery. We are pleased to announce that we have successfully closed the fiscal year with a surplus whilst continuing to improve the TCCI service offering.

Notably, our programs and service offerings have exhibited strong performance over the past 12 months. Membership levels have remained strong as a result of relevant and valued services. Strong demand for products and services continues to shape our updated strategic plan, which prioritises the expansion of our existing services to ensure the long-term relevance to the business community and financial well-being for the organisation.

The TCCI continues to implement new technology to allow us to focus our efforts on service delivery and to provide services across the range of mediums that businesses require. We also continue to review our events and service offering based on member feedback in order to meet the changing needs of business. TCCI communications continue to be an important focus of the organisation to keep members up to date on relevant issues.

Proudly, the TCCI finalised the purchase of a new headquarters for the organisation, culminating a decade of strong performance and fiscal management to achieve this goal. The New Town property is currently leased until our planned relocation in the coming year. We look forward to welcoming members to the new premises in due course.

This year also witnessed the establishment of a new committee, Clean Energy Tasmania, which serves as a coalition representing major renewable energy businesses within the state. Simultaneously, our new Policy Committee and Membership Committee have continued to enhance and focus our efforts.

We are pleased to share that our advocacy continues to benefit the Tasmanian business community with efforts including driving solutions to address the state's energy crisis such as funding for Project Marinus.

We extend our sincere thanks to our members for their ongoing support and engagement with the organisation. The dedicated and highly skilled TCCI team and Board strive to ensure that our organisation remains focused on delivering on your needs and the needs of the Tasmanian business community.

Note from the Chair

On a personal note, I have decided that it is the right time to retire as Chair at the conclusion of this year's Annual General Meeting. It has been a privilege to serve as Chair for the past 4 years working with a dedicated and capable Board and Management Team. During my tenure we have made strong inroads in building our organisational capacity to enhance our advocacy and service offering for our members. We are a trusted and respected voice for business in Tasmania and this was very evident during the challenging years of the global pandemic when we were able to influence government policy in responding to the needs of the business community. In closing, I would express my appreciation to our CEO, Michael and his team who work tirelessly and with passion for our members and the best interests of the business community.



Michael Bailey
CEO



Paul Ranson
CHAIR

Financial Statements

The directors present their report, together with the financial statements, on the Tasmanian Chamber of Commerce and Industry Limited (referred to as the 'Company' or 'Chamber') for the year ended 30 June 2023.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Paul Ranson (Chair)
Wayne Davy (Deputy Chair)
Tommy Wong
John de Bruyn
Daniel Hanna
Lesley French
Katherine Dean
Leigh Stalker (appointed on 11 July 2022)
Ian Jones (appointed on 28 November 2022)
Jay Summers (resigned on 28 November 2022)

Objectives and strategy for achieving the objectives

The Company, the peak employer body in Tasmania, is a non-government member funded organisation that develops programmes and services to support business to thrive.

The Company does this by providing:

- human resources and workplace relations services;
- skills and training;
- networking and events;
- workplace health and safety services;
- advocacy and lobbying; and
- building a better community to live, work and invest.

Members

Members are the Company's first priority with products and services that align with member needs. The Company aims to provide a high value membership proposition that makes it easier for members to do business.

Key strategy/measures

- Promoting the strength of the Company through advocacy and events;
- Building on the success of new member attraction and retention achievements;
- More strategically and proactively promoting the benefits of financial membership; and
- Continuing the program of regional chamber engagement through the Tasmanian Chamber Alliance.

Policy and advocacy

Lead Tasmania to a more vibrant and prosperous future through advocacy and programs.

Key strategy/measures

- Developing and strongly advocating strategic policy positions on relevant issues;
- Supporting, engaging and strengthening the chamber movement across the state through the Tasmanian Chamber Alliance; and
- Advocating for relevant programs and services to support Tasmanian businesses, including delivering these programs where appropriate.

Principal activities

The principal activities of the Company during the financial year were to provide advice and services to members and to represent Tasmanian business in state and federal forums.

Significant events

The Company purchased a property during the financial year. The property is currently leased. Upon expiry of the lease, the Company will relocate to this premises.

There were no other significant changes in the state of affairs of the Company during the financial year.

Performance measures

The Company's performance is constantly measured against the following key performance indicators and drivers:

Key performance indicators

- Having a strong and engaged membership base;
- Providing services and events that are relevant, utilised and valued by the Tasmanian business community;
- Having communication channels that are attractive and engaging for all members; and
- Ensuring the Chamber and its brand, are highly regarded, clear, and proactive on priority issues.

Key internal drivers

- Ensuring the organisational structure and responsibilities are effective and strategically developed to meet member needs;
- Having a team that is knowledgeable, innovative and highly skilled to deliver a full range of services to members; and
- Providing the team with opportunities to undertake a range of appropriate professional development programs to build the capability of the organisation.

Key external drivers

- Being active in Tasmanian government direction, policies and decision making;
- Building an enduring and positive relationship with key external partners, Business NSW and Australian Chamber of Commerce and Industry; and
- Acting on the cumulative effect of global market conditions and emerging government influence on state based industry and issues.

Information on directors

Name:	Paul Ranson
Title:	Chair
Qualifications:	BBus, MBA, FAICD
Experience and expertise:	Paul joined Bank of Us as Chief Executive Officer in 2005. Prior to that Paul had 25 years' experience in local government including 18 years' combined experience as a General Manager at the Meander Valley and West Tamar Councils. Paul is a past President of the Launceston Chamber of Commerce and Local Government Managers Australia (Tasmania Division). He is a life member of Local Government Managers Australia and also a Director of the Tasmanian Development Board.
Special responsibilities:	Chair of the Board, Member of the Finance Governance and Audit Committee and Member of the Policy Committee.

Name:	Wayne Davy
Title:	Deputy Chair
Qualifications:	MBA (Melb), B.Com/LL.B, Dip FP and Cert Acc
Experience and expertise:	Wayne commenced his career as a Barrister and Solicitor working both in Tasmania and London. He also worked for an employer association and was responsible for advice on legislation and industrial relations. Wayne has now had over 25 years' experience as a senior executive in financial services industry. Wayne was the Chief Executive Officer of Quadrant Superannuation from 1997 until 2015 and then Tasplan Super from 2015 to 2021 responsible for the overall operation and management of a superannuation fund and financial advice business. His expertise includes the creation of value in a highly regulated industry through driving a high performance culture that delivers continuous improvement and transformational change to ensure ongoing success in a rapid changing business environment. Wayne is currently a consultant in the financial services industry providing advice on strategic and operational matters.
Special responsibilities:	Chair of the Finance, Governance and Audit Committee and Chair of the Freight and Logistics Committee

Name: Tommy Wong
Title: Director
Qualifications: PhD; MBA; FAIM
Experience and expertise: Dr Tommy Wong is an international high impact business coach and educator, an experienced small business owner-operator and ex-senior executive of two of Australia's largest retail organisations. With over two decades of experience empowering leaders, business owners and students across Australia and the Asia Pacific region, he has established himself as a trusted partner in high-impact coaching and education. His services are highly regarded by individuals who seek to elevate their personal and professional impact and achieve excellence in performance. Tommy was an exceptional MBA Director of a leading Australian university. His evidence-based insights and transformational workshops have empowered over ten thousand university students to create positive impacts in their lives and communities. By combining practical advice with a focus on personal growth, Tommy has helped countless students develop the skills necessary for success in both their professional and academic lives
Special responsibilities: Chair of the Membership Committee

Name: John de Bruyn
Title: Director
Qualifications: GAICD, Trade qualification: Diesel Fitter
Experience and expertise: John worked full-time in De Bruyn's Transport, a privately owned family business, for over 40 years and nearly 30 years as the General Manager and owner. He has Mechanical qualifications (diesel fitter) and has experience in every part of the business operation. Since taking over the business, it has grown from 40 staff, 20 trucks and one transport terminal in 1995 to 330 staff, 180 trucks, four transport terminals in Tasmania and one in Melbourne.
Special responsibilities: Member of the Membership Committee

Name: Daniel Hanna
Title: Director
Qualifications: B.Arts(Hons), PhD
Experience and expertise: Daniel is the Executive General Manager – Corporate and Regulatory Affairs at Federal Group, a position he has held since 2011. Federal Group employs nearly 2,000 people in Tasmania and has operated in the state for over six decades in the hospitality, tourism, retail, gaming, technology and sensitive freight. Prior to this Daniel was Chief Executive Officer at Tourism Industry Council Tasmania and General Manager at the Tasmanian Hospitality Association; and has held numerous senior roles within the Australian Government in Canberra – including in the Department of Finance and the Department of Employment and Workplace Relations. Daniel is a director of Football Tasmania and held the position of Senior Vice President on the Tasmanian Division Council of Property Council of Australia from 2011 to 2019. Daniel holds a Bachelor of Arts with Honours from the Australian National University and a PhD in politics and public policy from the University of Tasmania.
Special responsibilities: Chair of the Policy Committee

Name:	Lesley French
Title:	Director
Qualifications:	B.Ed, M.Science, GradCertUniversityTeaching, PhD, GAICD
Experience and expertise:	<p>Lesley is the Chair of Whisky Tasmania Ltd, home of the Hellyers Road Distillery single malt whisky. The Hellyers Road brand was established in 1997 and has the largest collection of aged single malt whisky (18 years and over) in Australia. It is a strong presence in domestic and international markets and operates a leading Tasmanian whisky tourism experience at its Burnie distillery. Hellyers Road's single malt has won numerous national and international awards, including Australia's best single malt on three occasions.</p> <p>In her roles as Chair and acting CEO, Lesley has led significant strategic changes including increased production of quality whisky and whisky cream, furthering the company's brand recognition and extending its market reach.</p> <p>As well as guiding a growing spirit brand, Lesley has direct experience of the dairy manufacturing industry as a non-executive director of Betta Milk for 13 years until the sale of the milk business to TasFoods in 2019. Lesley has also held numerous senior roles with the Tasmanian Government across a range of policy areas including skills, education, economic development, tourism and health. Lesley is a graduate of the Australian Institute of Company Directors and has lectured at the University of Tasmania.</p>
Special responsibilities:	Member of the Policy Committee and Member of the Finance Governance and Audit Committee
Name:	Katherine Dean
Title:	Director
Qualifications:	GAICD Graduate Diploma Public Relations, Bachelor of Arts
Experience and expertise:	<p>Katherine is an experienced group executive who is highly adept at balancing achievement of business imperatives (growth, profitability and sustainability) with ensuring a strong customer-centric approach to all elements of the business. She is a highly collaborative individual who actively seeks to nurture and develop internal relationships and build systems and processes that actively empower staff at all levels to ensure every customer contact 'counts' whilst cultivating and maintaining a strong risk culture aligned with the relevant industry sector. Katherine is a talented communicator who seeks to ignite high levels of engagement through mindful leadership designed to optimise business performance at multiple levels (individual, team and organisational).</p>
Special responsibilities:	Member of the Membership Committee and Member of the Policy Committee
Name:	Leigh Stalker
Title:	Director
Qualifications:	FAII CIP MAICD Grad Dip Insurance MBA
Experience and expertise:	<p>Leigh draws on over 35 years of experience in the financial services sector in key distribution, leadership and executive roles throughout Tasmania, New South Wales and Queensland. Leigh's current role is as General Manager/Director with Capital Innovation Insurance Group – insurance brokers. Leigh is current Vice Chair for National Insurance Brokers Association, (NIBA) – VIC/TAS Division, current Board Director for Cancer Council Tasmania, current Chair of the Finance and Audit Committee for Cancer Council Tasmania and previously served as a Board Director for St Rita's College Brisbane. He is also an active participant in the community on various committees and sporting clubs.</p>
Special responsibilities:	Member of the Finance Governance and Audit Committee, Member of the Membership Committee and Member of the Work Health and Safety Committee

Name: Ian Jones
Title: Director
Qualifications: None
Experience and expertise: Ian's background is in small business across office equipment, POS systems, real estate, insurance and hospitality in Australia and China. He also has over 30 years of corporate experience in Sydney and across Asia working in Asia Pacific General Manager roles for Fortune 500 companies in the IT industry dealing with pan Pacific retailers. Additionally, Ian owned and operated small businesses in real estate, insurance and hospitality over his 10 years living in Shenzhen, China before retiring back to his home town of Burnie in 2012. In his five years as President of Business Northwest Ian has transformed the organisation into a leading advocacy body in NW Tasmania.
Special responsibilities: Member of the Policy Committee

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Full Board Attended	Held
Paul Ranson	10	10
Wayne Davy	9	10
Tommy Wong	10	10
John de Bruyn	7	10
Daniel Hanna	8	10
Lesley French	9	10
Katherine Dean	8	10
Leigh Stalker	10	10
Ian Jones	6	6
Jay Summers	2	4

Held: represents the number of meetings held during the time the director held office.

Company secretary

Colleen Reardon (GAICD) was appointed Company Secretary on 28 November 2022. Colleen joined the Company in 2010. Colleen has strong business experience and has held the position of Chief Operating Officer for over 10 years.

Contributions on winding up

In the event of the Company being wound up, voting members or within one year after they ceased to be a voting member, are required to contribute a maximum of \$1 each. Non-voting members are not required to contribute.

Auditor's independence declaration


A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Paul Ranson
Chair



Wayne Davy
Deputy Chair

19 September 2023
Hobart



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Australia

DECLARATION OF INDEPENDENCE BY STEPHEN MAY TO THE DIRECTORS OF TASMANIAN CHAMBER OF COMMERCE AND INDUSTRY LIMITED

As lead auditor of Tasmanian Chamber of Commerce and Industry Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

BDO Audit Pty Ltd

Stephen May
Director

Sydney, 19 September 2023

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General information

The financial statements cover Tasmanian Chamber of Commerce and Industry Limited as an individual entity. The financial statements are presented in Australian dollars, which is Tasmanian Chamber of Commerce and Industry Limited's functional and presentation currency.

Tasmanian Chamber of Commerce and Industry Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Industry House
309 Liverpool Street
Hobart TAS 7000

A description of the nature of the Company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

Further information is available on the Company's website:
www.tcci.com.au

The financial statements were authorised for issue, in accordance with a resolution of directors, on 19 September 2023. The directors have the power to amend and reissue the financial statements.

Tasmanian Chamber of Commerce and Industry Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023



	Note	2023 \$	2022 \$
Revenue from contracts with customers	3	1,980,468	2,276,618
Interest revenue calculated using the effective interest method		5,534	2,163
Expenses			
Advertising and marketing expense		(30,238)	(30,333)
Consultants, governance, legal and professional expenses		(81,764)	(159,994)
Employee benefits expense		(1,311,654)	(1,363,154)
Events and training		(78,780)	(109,649)
Depreciation and amortisation expense	4	(119,447)	(106,534)
Finance services and investment costs		(50,653)	(21,280)
Reversal of credit loss allowance	6	10,373	-
Information technology expense		(40,312)	(243,461)
Motor vehicle expense		(2,007)	(5,005)
Rent, building and occupancy costs		(33,716)	(27,409)
Telecommunication expense		(28,611)	(28,819)
Travel and entertaining expense		(37,224)	(12,044)
Other expenses		(154,468)	(153,209)
Finance costs	4	(8,287)	(6,622)
Surplus before income tax expense		19,214	11,268
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Tasmanian Chamber of Commerce and Industry Limited		19,214	11,268
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Tasmanian Chamber of Commerce and Industry Limited		<u>19,214</u>	<u>11,268</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	5	183,928	1,572,983
Trade and other receivables	6	365,015	315,566
Contract assets	7	89,483	89,483
Other assets	8	-	4,278
Total current assets		<u>638,426</u>	<u>1,982,310</u>
Non-current assets			
Investment properties	9	1,723,804	-
Property, plant and equipment	10	2,622	4,914
Right-of-use assets	11	109,212	174,816
Total non-current assets		<u>1,835,638</u>	<u>179,730</u>
Total assets		<u>2,474,064</u>	<u>2,162,040</u>
Liabilities			
Current liabilities			
Trade and other payables	12	205,365	185,167
Contract liabilities	13	480,083	480,743
Lease liabilities	15	69,773	108,143
Employee benefits		21,269	137,606
Total current liabilities		<u>776,490</u>	<u>911,659</u>
Non-current liabilities			
Borrowings	14	327,571	-
Lease liabilities	15	48,466	73,352
Employee benefits		197,319	72,025
Total non-current liabilities		<u>573,356</u>	<u>145,377</u>
Total liabilities		<u>1,349,846</u>	<u>1,057,036</u>
Net assets		<u>1,124,218</u>	<u>1,105,004</u>
Equity			
Retained surpluses		<u>1,124,218</u>	<u>1,105,004</u>
Total equity		<u>1,124,218</u>	<u>1,105,004</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Tasmanian Chamber of Commerce and Industry Limited
Statement of changes in equity
For the year ended 30 June 2023



	Retained surpluses \$	Total equity \$
Balance at 1 July 2021	1,093,736	1,093,736
Surplus after income tax expense for the year	11,268	11,268
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	11,268	11,268
Balance at 30 June 2022	<u>1,105,004</u>	<u>1,105,004</u>
	Retained surpluses \$	Total equity \$
Balance at 1 July 2022	1,105,004	1,105,004
Surplus after income tax expense for the year	19,214	19,214
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	19,214	19,214
Balance at 30 June 2023	<u>1,124,218</u>	<u>1,124,218</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Tasmanian Chamber of Commerce and Industry Limited
Statement of cash flows
For the year ended 30 June 2023



	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,082,296	2,410,770
Payments to suppliers and employees (inclusive of GST)		(2,003,668)	(2,437,974)
		78,628	(27,204)
Interest received		5,534	2,163
Rents received from investment property		46,110	-
Interest and other finance costs paid		(8,287)	(6,622)
Net cash from/(used in) operating activities	21	121,985	(31,663)
Cash flows from investing activities			
Payment for Investment property		(1,732,138)	-
Proceeds from release of security deposits		-	2,500
Net cash (used in)/from investing activities		(1,732,138)	2,500
Cash flows from financing activities			
Repayment of lease liabilities		(106,473)	(103,728)
Proceeds from long term loan		1,072,500	-
Repayment of long term loan		(744,929)	-
Net cash from/(used in) financing activities		221,098	(103,728)
Net decrease in cash and cash equivalents		(1,389,055)	(132,891)
Cash and cash equivalents at the beginning of the financial year		1,572,983	1,705,874
Cash and cash equivalents at the end of the financial year	5	183,928	1,572,983

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards ('AASB') and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

These financial statements are prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: 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 is 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.

Fee for services and other related income

Fee for services is recognised over time, on delivery of the service in accordance with engagement letters or other relevant contracts or agreements.

Membership fees

Membership fees comprise annual subscriptions and are recognised over time as revenue on a monthly basis over the period of membership.

Events

Events revenue is recognised at a point in time, when the event has occurred.

Rent

Rent revenue from investment properties is recognised on a straight-line basis over the lease term.

Note 1. Significant accounting policies (continued)

Other revenue

Other revenue is recognised at the point in time when it is received or when the right to receive payment is established.

Investment income

Interest income from managed investments 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.

Government grants

Grant revenue is recognised in profit or loss when the Company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Volunteer services

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

Income tax

As the Company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the Company has transferred goods or services to the customer but where the Company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Note 1. Significant accounting policies (continued)

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

The loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the Company. Investment properties are initially recognised at cost, including transaction costs, less accumulated depreciation and impairment.

Depreciation is calculated on a straight-line basis to write off the net cost of the investment property over its expected useful life of 33 years.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner-occupation. The existing carrying amount of the property does not change when it is transferred from investment property to property, plant and equipment when the cost model is used.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	2-10 years
Furniture, fixtures and equipment	2-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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, except where included in the cost of inventories, 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 Company 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.

Note 1. Significant accounting policies (continued)

The Company 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.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities

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

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.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for employee benefits leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Note 1. Significant accounting policies (continued)

Long-term employee benefits

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

Defined contribution superannuation expense

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

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

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.

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.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2023. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

Amending accounting standards issued but not mandatory are not considered to have a significant impact on the financial statements of the Company as they provide either clarification of existing accounting treatment or editorial amendments.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants

AASB 2020-1 was issued in March 2020 and is applicable to annual periods beginning on or after 1 January 2024, as extended by AASB 2020-6. Early adoption is permitted. AASB 2022-6 was issued in December 2022 and is applicable to annual periods beginning on or after 1 January 2023. Early adoption is permitted where AASB 2020-1 is also early adopted.

Note 1. Significant accounting policies (continued)

These standards amend AASB 101 'Presentation of Financial Statements' to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. If the deferral right is subject to the entity complying with covenants in the loan arrangement based on information up to and including reporting date, the deferral right will exist where the entity is able to comply with the covenant on or before the end of the reporting date even if compliance is assessed after the reporting date. The deferral right will be deemed to exist at reporting date if the entity is required to comply with the covenant only after the reporting date based on post-reporting date information. Additional disclosure is required about loan arrangements classified as non-current liabilities in such circumstances which enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period. Classification of a liability as non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least 12 months after the reporting date or even if the entity settles the liability prior to issue of the financial statements. The meaning of settlement of a liability is also clarified. The amendments are not expected to have any significant impact on the Company's financial performance or financial position.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make certain judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 3. Revenue from contracts with customers

	2023 \$	2022 \$
<i>Revenue from contracts with customers</i>		
Fee for service and other related income	1,319,577	1,701,702
Membership fees	534,295	479,933
Events	80,486	94,983
	<u>1,934,358</u>	<u>2,276,618</u>
<i>Other revenue</i>		
Rents received from investment property	46,110	-
Revenue from contracts with customers	<u>1,980,468</u>	<u>2,276,618</u>

Note 3. Revenue from contracts with customers (continued)

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2023 \$	2022 \$
<i>Geographical regions</i>		
Australia	<u>1,934,358</u>	<u>2,276,618</u>
<i>Timing of revenue recognition</i>		
Services transferred at a point in time	80,486	94,983
Services transferred over time	<u>1,853,872</u>	<u>2,181,635</u>
	<u>1,934,358</u>	<u>2,276,618</u>

Note 4. Expenses

	2023 \$	2022 \$
Surplus before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Investment property	8,334	-
Furniture, fixtures and equipment	2,292	2,313
Leasehold improvements right-of-use assets	88,151	82,351
Motor vehicles right-of-use assets	<u>20,670</u>	<u>21,870</u>
Total depreciation	<u>119,447</u>	<u>106,534</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	<u>8,287</u>	<u>6,622</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>100,381</u>	<u>107,004</u>
<i>Expenses on investment properties</i>		
Direct operating expenses for property that generated rental income	<u>469</u>	<u>-</u>

Note 5. Current assets - cash and cash equivalents

	2023 \$	2022 \$
Cash at bank	183,928	574,993
Deposits at call	<u>-</u>	<u>997,990</u>
	<u>183,928</u>	<u>1,572,983</u>

Note 6. Current assets - trade and other receivables

	2023 \$	2022 \$
Trade receivables	368,950	329,874
Less: Allowance for expected credit losses	(5,117)	(15,490)
	<u>363,833</u>	<u>314,384</u>
Other receivables	<u>1,182</u>	<u>1,182</u>
	<u><u>365,015</u></u>	<u><u>315,566</u></u>

Allowance for expected credit losses

The Company has reduced the expected credit loss allowance as no impairment of receivables have been incurred in the current or previous financial year.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2023	2022	2023	2022	2023	2022
	%	%	\$	\$	\$	\$
Not overdue	0.8%	0.8%	292,622	283,095	2,341	2,265
30 - 90 days	0.9%	0.9%	39,738	31,633	358	285
90 days and over	6.4%	79.3%	37,772	16,328	2,418	12,940
			<u>370,132</u>	<u>331,056</u>	<u>5,117</u>	<u>15,490</u>

Movements in the allowance for expected credit losses are as follows:

	2023 \$	2022 \$
Opening balance	15,490	15,490
Reversal of credit loss allowance	(10,373)	-
Closing balance	<u><u>5,117</u></u>	<u><u>15,490</u></u>

Note 7. Current assets - contract assets

	2023 \$	2022 \$
Contract assets	<u><u>89,483</u></u>	<u><u>89,483</u></u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	89,483	1,983
Additions	350,000	87,500
Transfer to trade receivables	(350,000)	-
Closing balance	<u><u>89,483</u></u>	<u><u>89,483</u></u>

Note 8. Current assets - other assets

	2023 \$	2022 \$
Prepayments	-	4,278

Note 9. Non-current assets - investment properties

	2023 \$	2022 \$
Investment property - at cost	1,732,138	-
Less: Accumulated depreciation	(8,334)	-
	<u>1,723,804</u>	<u>-</u>

Valuation of investment property

The investment property was purchased during the year. Being the first year of ownership management consider that the cost of acquisition approximates the fair value of the property at year end.

Lessor commitments

	2023 \$	2022 \$
Minimum lease commitments receivable but not recognised in the financial statements: 1 year or less	<u>72,100</u>	<u>-</u>

Note 10. Non-current assets - property, plant and equipment

	2023 \$	2022 \$
Leasehold improvements - at cost	12,953	12,953
Less: Accumulated depreciation	(12,953)	(12,953)
	<u>-</u>	<u>-</u>
Furniture, fixtures and equipment - at cost	34,997	34,997
Less: Accumulated depreciation	(32,375)	(30,083)
	<u>2,622</u>	<u>4,914</u>
	<u>2,622</u>	<u>4,914</u>

Note 10. Non-current assets - property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Furniture, fixtures and equipment \$
Balance at 1 July 2021	7,227
Depreciation expense	(2,313)
Balance at 30 June 2022	4,914
Depreciation expense	(2,292)
Balance at 30 June 2023	<u>2,622</u>

Note 11. Non-current assets - right-of-use assets

	2023 \$	2022 \$
Land and buildings - right-of-use	402,502	359,285
Less: Accumulated depreciation	(314,122)	(225,971)
	<u>88,380</u>	<u>133,314</u>
Motor vehicles - right-of-use	69,492	69,492
Less: Accumulated depreciation	(48,660)	(27,990)
	<u>20,832</u>	<u>41,502</u>
	<u>109,212</u>	<u>174,816</u>

The Company leases land and buildings for its offices under agreements of between one to two years with, in some cases, options to extend. The leases have various escalation clauses. The Company also leases motor vehicles under agreements of between one to four years. On renewal, the terms of the leases are negotiable.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Leasehold improvements \$	Motor vehicles \$	Total \$
Balance at 1 July 2021	72,861	28,297	101,158
Additions	142,804	35,075	177,879
Depreciation expense	(82,351)	(21,870)	(104,221)
Balance at 30 June 2022	133,314	41,502	174,816
Additions	43,217	-	43,217
Depreciation expense	(88,151)	(20,670)	(108,821)
Balance at 30 June 2023	<u>88,380</u>	<u>20,832</u>	<u>109,212</u>

Note 11. Non-current assets - right-of-use assets (continued)

For other lease-related disclosures refer to the following:

- note 4 for details of interest on lease liabilities and other lease expenses;
- statement of financial position for lease liabilities at the end of the reporting period;
- note 15 for the maturity analysis of lease liabilities; and
- statement of cash flows for repayment of lease liabilities.

Note 12. Current liabilities - trade and other payables

	2023 \$	2022 \$
Trade payables	723	-
Other payables	204,642	185,167
	<u>205,365</u>	<u>185,167</u>

Refer to note 15 for further information on financial instruments.

Note 13. Current liabilities - contract liabilities

	2023 \$	2022 \$
Deferred revenue	44,000	40,000
Membership fee and subscription fee received in advance	436,083	440,743
	<u>480,083</u>	<u>480,743</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	480,743	476,421
Payments received in advance	543,409	486,981
Transfer to revenue - other balances	(544,069)	(482,659)
Closing balance	<u>480,083</u>	<u>480,743</u>

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$480,083 as at 30 June 2023 (\$480,743 as at 30 June 2022) and is expected to be recognised as revenue in future periods as follows:

	2023 \$	2022 \$
Within 6 months	240,041	260,371
6 to 12 months	240,042	220,372
	<u>480,083</u>	<u>480,743</u>

Note 14. Non-current liabilities - borrowings

	2023 \$	2022 \$
Long term loan	327,571	-

Refer to note 15 for further information on financial instruments.

Assets pledged as security

The long term loan is secured by a first mortgage over the Company's investment property.

Note 15. Financial instruments

Financial risk management objectives

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include regular review of trade receivables and ageing analysis for credit risk.

Risk management is carried out by the Chief Executive Officer ('CEO') and overseen, under policies approved, by the Board of Directors. The Executive team identify and evaluate financial risks.

Market risk

Foreign currency risk

The Company does not have any assets or liabilities denominated in foreign currency.

Price risk

The Company is not exposed to price risk.

Interest rate risk

The Company's interest bearing assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

As at the reporting date, the Company had the following variable rate borrowings outstanding:

	2023		2022	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Long term loan	5.00%	327,571	-	-
Net exposure to cash flow interest rate risk		327,571		-

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

The Company's long term loan outstanding, totalling \$327,571 (2022: \$nil), is a principal and interest payment loan. Monthly cash outlays of approximately \$6,925 (2022: \$nil) are required to service the interest payments. An official increase/decrease in interest rates of 100 (2022: 100) basis points would have an adverse/favourable effect on profit before tax of \$3,276 (2022: \$nil) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts.

Note 15. Financial instruments (continued)

	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax (\$)	Effect on equity (\$)	Basis points change	Effect on profit before tax (\$)	Effect on equity (\$)
2023						
Cash	100	<u>1,839</u>	<u>1,839</u>	100	<u>(1,839)</u>	<u>(1,839)</u>
	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax (\$)	Effect on equity (\$)	Basis points change	Effect on profit before tax (\$)	Effect on equity (\$)
2022						
Cash	100	5,750	5,750	100	(5,750)	(5,750)
Investments in cash managed trusts	100	<u>9,980</u>	<u>9,980</u>	100	<u>(9,980)</u>	<u>(9,980)</u>
		<u>15,730</u>	<u>15,730</u>		<u>(15,730)</u>	<u>(15,730)</u>

Credit risk

Credit risk arises from exposure to counterparties that may not meet their contractual obligations with the Company. The Company's exposure to credit risk primarily arises from its trade receivables.

The maximum exposure to credit risk at reporting date to recognised financial assets is the carrying amount of those assets, net of any expected credit losses, as disclosed in the statement of financial position and notes to the financial statements.

The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Company.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (where available).

	2023 \$	2022 \$
Credit quality of financial assets held at the reporting date, net of impairment:		
A rated cash and cash equivalents	183,928	1,572,983
Trade receivables counterparties without credit rating	<u>370,132</u>	<u>331,056</u>
	<u>554,060</u>	<u>1,904,039</u>

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of financial assets mentioned above.

Liquidity risk

The Company's liquidity risk arises from the risk that it will encounter difficulty in meeting its obligations associated with financial liabilities. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching profiles of financial assets and liabilities.

Note 15. Financial instruments (continued)

Remaining contractual maturities

The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities and lease liabilities.

2023	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	723	-	-	-	723
Other payables	-	204,642	-	-	-	204,642
<i>Interest-bearing - variable</i>						
Other loans	-	66,873	66,874	193,824	-	327,571
Lease liability	6.04%	69,773	21,566	26,900	-	118,239
Total non-derivatives		342,011	88,440	220,724	-	651,175
2022	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Other payables	-	185,167	-	-	-	185,167
<i>Interest-bearing - variable</i>						
Lease liability	5.96%	108,143	25,247	48,105	-	181,495
Total non-derivatives		293,310	25,247	48,105	-	366,662

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 16. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2023 \$	2022 \$
Short-term employee benefits	474,171	572,208
Post-employment benefits	49,268	49,112
	<u>523,439</u>	<u>621,320</u>

Note 17. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Note 17. Related party transactions (continued)

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Company:

	2023 \$	2022 \$
<i>Audit services - BDO Audit Pty Ltd</i>		
Audit of the financial statements	10,500	10,000

Note 19. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Note 20. Commitments

The Company had no commitments as at 30 June 2023 and 30 June 2022.

Note 21. Reconciliation of surplus after income tax to net cash from/(used in) operating activities

	2023 \$	2022 \$
Surplus after income tax expense for the year	19,214	11,268
Adjustments for:		
Depreciation and amortisation	119,447	106,534
Change in operating assets and liabilities:		
Increase in trade and other receivables	(49,449)	(14,019)
Increase in contract assets	-	(87,500)
Decrease/(increase) in prepayments	4,278	(1,400)
Increase/(decrease) in trade and other payables	20,198	(52,550)
(Decrease)/increase in contract liabilities	(660)	4,322
Increase in employee benefits	8,957	1,682
Net cash from/(used in) operating activities	121,985	(31,663)

Note 22. Changes in liabilities arising from financing activities

	Lease liabilities \$	Long term loan \$
Balance at 1 July 2021	107,344	-
Net cash used in financing activities	(103,728)	-
Acquisition of leases	177,879	-
	<hr/>	<hr/>
Balance at 30 June 2022	181,495	-
Net cash used in financing activities	(35,473)	(744,929)
Acquisition of plant and equipment by means of leases	43,217	-
Loan on acquisition of investment property	-	1,072,500
	<hr/>	<hr/>
Balance at 30 June 2023	<u>189,239</u>	<u>327,571</u>

Note 23. Non-cash investing and financing activities

	2023 \$	2022 \$
Acquisition of plant and equipment by means of leases	<u>43,217</u>	<u>177,879</u>

Note 24. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- 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 directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Paul Ranson
Chair



Wayne Davy
Deputy Chair

19 September 2023
Hobart



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INDEPENDENT AUDITOR'S REPORT

To the members of Tasmanian Chamber of Commerce and Industry Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Tasmanian Chamber of Commerce and Industry Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Tasmanian Chamber of Commerce and Industry Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Company's annual report, 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 on the other information obtained prior to the date of this auditor's report, 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 and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the 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.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'S May', is written over a faint, light blue BDO logo.

Stephen May
Director

Sydney, 19 September 2023

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