

**AWA-AGGA Limited**

**ABN 57 629 335 208**

**Annual Report - 31 December 2023**

**AWA-AGGA Limited**  
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**For the year ended 31 December 2023**

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**AWA-AGGA Limited**  
**Directors' report**  
**For the year ended 31 December 2023**

The directors present their report, together with the financial statements, on the company for the year ended 31 December 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:

Dean Haritos (Chairman)	18/04/2023 (Appointed)
Elizabeth North (Chairman)	04/03/2023 (Deceased)
Peter den Boer (Vice Chairman)	18/04/2023 (Appointed)
Clinton Skeoch (Executive Director and Secretary)	
Tony Paarhammer (Treasurer)	18/04/2023 (Appointed)
Perry Long (Supplier Director)	
Greg Hunt	
Scott Kelly	
Corné Kritzinger	
Deborah Deeth	18/04/2023 (Appointed)
Daniel Gaunt	28/08/2023 (Appointed)
Shane Hawkins	28/08/2023 (Appointed)
Chloe Luhrs	28/08/2023 (Appointed)
Daniel Black	18/04/2023 (Appointed)
	28/08/2023 (Resigned)
Roy Loftus	07/07/2023 (Resigned)

**Principal activities**

The Company is the national industry entity representing window, door, glass and glazing manufacturers and their industry suppliers. The Company provides the members with education and training to promote and advance the awareness of windows, glass and glazing as a major architectural component in building design. The Company provides technical support for members regarding windows and glass. The Company provides a national voice when representing the industry in discussions and negotiations with government, local authorities, business and trade associations and organisations and the private sector.

**Objectives**

*Short term objectives*

The Company's short term objectives are to:

- Provide members with support with training, technical support, accreditation, advocacy and advice.

*Long term objectives*

The Company's long term objectives are to:

- Drive product conformity and compliance
- Provide advice and support to members
- Facilitate technical capability and knowledge
- Develop relevant skill-sets through training
- Influence industry and product sustainability
- Advocate to governments and regulators
- Promote to members, stakeholders, the community and consumers
- Finance the achievement of the mission
- Ensure good governance of the association
- Retain and grow membership

**AWA-AGGA Limited**  
**Directors' report**  
**For the year ended 31 December 2023**

**Strategy for achieving the objectives**

To achieve these objectives, the Company has adopted the following strategies:

- Develop first-in-class technical leadership, advice and capacity for the industry.
- To provide effective education solutions to members and support registered-training organisations in attracting and developing the work force of the future.
- To provide effective mediation, compliance and accreditation services to the glass, glazing and window industry to ensure members are compliant.
- To support, foster and celebrate industry development through effective and valued industry events.
- Provide effective advocacy to ensure the best opportunities for industry growth.

**How principal activities assisted in achieving the objectives**

The principal activities assisted the Company in achieving its objectives by:

- Providing technical advice
- Industry specific training
- Marketing the association
- Advocacy to government and regulators

**Performance measures**

The following measures are used within the Company to monitor performance:

- Member retention and growth
- Training completions (both face to face and online)
- Technical services rendered
- No of technical and advocacy submissions made and outcomes for members.

**Future developments and results**

Future development will be focused on consolidating the program development achieved during 2023 and continuing to provide value to members, both large and small, across our core focus areas.

**Operating results and review of operations for the year**

The surplus of the Company for the financial year after providing for income tax amounted to \$693,479 (2022: \$222,459).

No significant changes in the Company's state of affairs occurred during the financial year.

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 31 December 2023, and the number of meetings attended by each director were:

	Attended	Eligible to attend
Elizabeth North	-	-
Greg Hunt	6	6
Clinton Skeoch	6	6
Dean Haritos	6	6
Perry Long	5	6
Tony Paarhammer	5	6
Scott Kelly	5	6
Corné Kritzinger	5	6
Peter den Boer	6	6
Shane Hawkins	2	3
Roy Loftus	2	2
Deborah Deeth	4	5
Daniel Black	2	2
Chloe Luhrs	4	4
Daniel Gaunt	2	4

**AWA-AGGA Limited**  
**Directors' report**  
**For the year ended 31 December 2023**

**Members' guarantee**

AWA-AGGA Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 for members that are corporations and for all other members, subject to the provisions of the company's constitution.

At 31 December 2023, the collective liability of members was \$9,340 (2022: \$9,140).

**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.

**Indemnification and insurance of officers and auditors**

During the year, the company has paid premiums in respect of an insurance contract to indemnify officers against liabilities that arise from their position as officers of the company. Officers indemnified include the directors and executive officers participating in the management of the company.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor of the Company.

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



\_\_\_\_\_  
Dean Haritos  
Chairman



\_\_\_\_\_  
Clinton Skeoch  
Director

\_\_\_\_\_  
13 March 2024

**Auditors Independence Declaration under Section 307C of the *Corporations Act 2001* to the Directors of AWA-AGGA Limited**

As lead audit director for the audit of the financial statements of AWA-AGGA Limited for the financial year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours sincerely



**Nexia Sydney Audit Pty Ltd**



**Vishal Modi**  
Director

Dated this 13<sup>th</sup> day of March 2024

**AWA-AGGA Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 December 2023**

	<b>Note</b>	<b>2023</b> \$	<b>2022</b> \$
<b>Revenue and other income</b>	4	4,286,945	3,137,232
<b>Expenses</b>			
Employee benefits expense	6	(1,968,482)	(1,788,437)
Depreciation - property, plant and equipment		(8,039)	(15,498)
Amortisation - right-of-use assets		(46,905)	(52,122)
Administration expenses		(196,500)	(212,639)
Accreditation expenses		(127,630)	(140,398)
Marketing, communications and events		(848,472)	(425,523)
Property and rental expenses		(51,726)	(59,203)
Membership and subscriptions		(82,514)	(18,972)
IT and computer expenses		(98,225)	(44,772)
Other expenses	6	(164,973)	(157,209)
<b>Surplus before income tax expense</b>		693,479	222,459
Income tax expense		-	-
<b>Surplus after income tax expense for the year</b>		693,479	222,459
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year</b>		<u>693,479</u>	<u>222,459</u>

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

**AWA-AGGA Limited**  
**Statement of financial position**  
**As at 31 December 2023**

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	4,304,157	3,692,432
Trade and other receivables	8	192,421	200,372
Other assets	10	36,819	18,517
Total current assets		<u>4,533,397</u>	<u>3,911,321</u>
<b>Non-current assets</b>			
Right-of-use assets	9	102,218	43,984
Total non-current assets		<u>102,218</u>	<u>43,984</u>
<b>Total assets</b>		<u>4,635,615</u>	<u>3,955,305</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	198,511	188,263
Lease liabilities	12	32,374	48,637
Employee benefits	13	112,358	117,186
Other liabilities	15	374,710	498,178
Total current liabilities		<u>717,953</u>	<u>852,264</u>
<b>Non-current liabilities</b>			
Lease liabilities	12	70,136	-
Employee benefits	13	57,325	6,319
Provisions	14	44,020	44,020
Total non-current liabilities		<u>171,481</u>	<u>50,339</u>
<b>Total liabilities</b>		<u>889,434</u>	<u>902,603</u>
<b>Net assets</b>		<u>3,746,181</u>	<u>3,052,702</u>
<b>Equity</b>			
Retained surplus		<u>3,746,181</u>	<u>3,052,702</u>
<b>Total equity</b>		<u>3,746,181</u>	<u>3,052,702</u>

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



**AWA-AGGA Limited**  
**Statement of changes in equity**  
**For the year ended 31 December 2023**

	<b>Retained surplus \$</b>	<b>Total equity \$</b>
Balance at 1 January 2022	2,830,243	2,830,243
Surplus after income tax expense for the year	222,459	222,459
Other comprehensive income for the year, net of tax	-	-
	<u>222,459</u>	<u>222,459</u>
Total comprehensive income for the year	<u>222,459</u>	<u>222,459</u>
Balance at 31 December 2022	<u><u>3,052,702</u></u>	<u><u>3,052,702</u></u>
	<b>Retained surplus \$</b>	<b>Total equity \$</b>
Balance at 1 January 2023	3,052,702	3,052,702
Surplus after income tax expense for the year	693,479	693,479
Other comprehensive income for the year, net of tax	-	-
	<u>693,479</u>	<u>693,479</u>
Total comprehensive income for the year	<u>693,479</u>	<u>693,479</u>
Balance at 31 December 2023	<u><u>3,746,181</u></u>	<u><u>3,746,181</u></u>

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

**AWA-AGGA Limited**  
**Statement of cash flows**  
**For the year ended 31 December 2023**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		4,516,718	3,331,433
Receipts from government grants		-	10,507
Payments to suppliers and employees		<u>(3,909,223)</u>	<u>(2,758,088)</u>
		607,495	583,852
Interest received		<u>65,321</u>	<u>6,919</u>
Net cash from operating activities	21	<u>672,816</u>	<u>590,771</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>(8,039)</u>	<u>(15,498)</u>
Net cash used in investing activities		<u>(8,039)</u>	<u>(15,498)</u>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		<u>(53,052)</u>	<u>(52,299)</u>
Net cash used in financing activities		<u>(53,052)</u>	<u>(52,299)</u>
Net increase in cash and cash equivalents		611,725	522,974
Cash and cash equivalents at the beginning of the financial year		<u>3,692,432</u>	<u>3,169,458</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>4,304,157</u></u>	<u><u>3,692,432</u></u>

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

**AWA-AGGA Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Note 1. General information**

The financial statements cover AWA - AGGA Limited as an individual entity. AWA - AGGA Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of AWA - AGGA is Australian dollars.

The financial report was authorised for issue by the Directors on 13 March 2024.

The registered office and principal place of business of the company is:  
Suite 101B, Level 1, Building 1  
20 Bridge Street, Pymble  
NSW 2073

Comparatives are consistent with prior years, unless otherwise stated.

**Note 2. Material accounting policy information**

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, 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.

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

**Basis of preparation**

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

*Historical cost convention*

The financial statements have been 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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

**Revenue recognition**

*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.

**Note 2. Material accounting policy information (continued)**

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.

*Sale of goods*

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

*Rendering of services*

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

*Subscriptions*

The Company's membership subscription year is 1 January to 31 December. Only those member fee receipts that are attributable to the current financial year are recognised as revenue. Fee receipts relating to periods beyond the current financial year are shown in the Statement of Financial Position as Deferred Revenue, under the heading of other current liabilities.

*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.

**Income tax**

The company is exempt from income tax under section 50-1 of the Income Tax Assessment Act 1997 (ITAA 1997) as an association established for the purposes of promoting the development of Australian industrial and manufacturing resources pursuant to items 8.2(c) and (d) of the table in section 50-40 of the ITAA 1997.

**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.

**Note 2. Material accounting policy information (continued)**

**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.

**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.

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.

**Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at amortised cost*

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

**Note 2. Material accounting policy information (continued)**

*Impairment of financial assets*

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. 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.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**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**

These amounts 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.

**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.

**Provisions**

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Note 2. Material accounting policy information (continued)**

**Employee benefits**

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

*Defined contribution schemes*

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

**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.

**Note 3. Critical accounting judgements, estimates and assumptions**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

*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.

**AWA-AGGA Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Employee benefits*

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Company has determined that it expects most employee benefits to be taken within 24 months of the reporting period in which they were earned and that this change did not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements. The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Note 4. Revenue and other income**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue from contracts with customers</i>		
Membership fees	2,237,511	2,118,610
Secretariat fees	130,797	137,447
Training	181,294	185,696
Conference income	1,121,181	-
Sponsorship	65,036	103,164
Magazine sales	215,102	221,998
Events income	67,119	111,203
Accreditation and inspections income	107,279	135,347
WERS income	7,345	39,429
	<u>4,132,664</u>	<u>3,052,894</u>
<i>Other income</i>		
Interest income	118,484	6,919
Rental income	33,271	35,170
Other revenue	2,526	6,742
COVID-19 stimulus grants	-	10,507
Consulting fees	-	25,000
	<u>154,281</u>	<u>84,338</u>
Revenue and other income	<u><u>4,286,945</u></u>	<u><u>3,137,232</u></u>

**Note 5. Auditors' remuneration**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Remuneration of the auditor:</i>		
Auditing of the financial statements	<u><u>17,000</u></u>	<u><u>16,275</u></u>



**AWA-AGGA Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Note 6. Expenses**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Surplus before income tax includes the following specific expenses:		
<i>Employee benefits</i>		
Salaries and wages	1,707,941	1,587,168
Payroll tax	37,050	25,528
Short-term employee benefits	9,059	2,788
Post-employment benefits	39,538	18,573
Defined contribution superannuation expense	174,894	154,380
	<u>1,968,482</u>	<u>1,788,437</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	<u>1,786</u>	<u>5,073</u>

**Note 7. Cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Cash at bank	1,705,165	1,142,432
Term deposit	2,598,992	2,550,000
	<u>4,304,157</u>	<u>3,692,432</u>

**Note 8. Trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	57,183	124,687
Less: Allowance for expected credit losses	(3,960)	(3,960)
	<u>53,223</u>	<u>120,727</u>
Security deposit	84,645	79,645
Accrued income	54,553	-
	<u>139,198</u>	<u>79,645</u>
	<u>192,421</u>	<u>200,372</u>

**Note 9. Right-of-use assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Sydney office- right-of-use	105,139	143,949
Less: Accumulated depreciation	(2,921)	(99,965)
	<u>102,218</u>	<u>43,984</u>

**AWA-AGGA Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Note 10. Other assets**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Prepayments	36,819	18,517

**Note 11. Trade and other payables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade payables	11,687	25,705
Sundry creditors and accrued expenses	140,085	103,215
PAYG	38,622	33,558
GST payable	8,117	25,785
	<u>198,511</u>	<u>188,263</u>

**Note 12. Lease liabilities**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Lease liability	32,374	48,637
<i>Non-current liabilities</i>		
Lease liability	70,136	-

**Note 13. Employee benefits**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Annual leave	62,822	56,182
Long service leave	49,536	61,004
	<u>112,358</u>	<u>117,186</u>
<i>Non-current liabilities</i>		
Long service leave	57,325	6,319

**Note 14. Provisions**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current liabilities</i>		
Make good provision	44,020	44,020

**AWA-AGGA Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Note 15. Other liabilities**

	2023 \$	2022 \$
<i>Current liabilities</i>		
Deferred revenue	<u>374,710</u>	<u>498,178</u>

**Note 16. Key management personnel disclosures**

*Remuneration*

The aggregate remuneration made to key management personnel of the company is set out below:

	2023 \$	2022 \$
Short-term benefits	653,543	598,726
Post-employment benefits	<u>21,092</u>	<u>2,780</u>
	<u>674,635</u>	<u>601,506</u>

**Note 17. Contingent liabilities**

In the opinion of the Directors, the Company did not have any contingent liabilities as at 31 December 2023 (31 December 2022: None).

**Note 18. Related party transactions**

*Key management personnel*

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

*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 19. Members guarantee**

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the Company. At 31 December 2023 the number of members was 934 (2022: 914)

**Note 20. Events after the reporting period**

No matter or circumstance has arisen since 31 December 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.

**AWA-AGGA Limited**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Note 21. Reconciliation of surplus after income tax to net cash from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Surplus after income tax expense for the year	693,479	222,459
Adjustments for:		
Depreciation and amortisation	54,944	67,620
Interest expense on lease liabilities	1,786	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	7,951	(91,231)
Decrease/(increase) in prepayments	(18,302)	7,255
Increase in trade and other payables	10,248	26,599
Increase/(decrease) in employee benefits	46,178	(19,771)
Decrease in other provisions	-	(19,947)
Increase/(decrease) in deferred income	(123,468)	397,787
Net cash from operating activities	<u>672,816</u>	<u>590,771</u>

**AWA-AGGA Limited**  
**Directors' declaration**  
**For the year ended 31 December 2023**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures Requirements, 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 31 December 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



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Dean Haritos  
Chairman



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Clinton Skeoch  
Director

13 March 2024

## Independent Auditor's Report to the Members of AWA-AGGA Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of AWA-AGGA Limited (the Company), which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- i) giving a true and fair view of the Company's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards - Simplified Disclosures 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 & 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### Other information

The directors are responsible for the other information. The other information comprises the information in AWA-AGGA Limited's annual report for the year ended 31 December 2023, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

#### **Directors' responsibility for the financial report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibility 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 Australian Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.



**Nexia Sydney Audit Pty Ltd**



**Vishal Modi**

Director

Dated at Sydney this 13<sup>th</sup> day of March 2024