AWA-AGGA Limited

ABN 57 629 335 208

Annual Report - 31 December 2021

AWA-AGGA Limited
Directors' report
For the year ended 31 December 2021

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2021.

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:

	Appointed date	Resigned date
Jeff Rotin (Chairman till 19/04/2021)		19/04/2021
Greg Hunt (Vice Chairman till 19/04/2021)		
Elizabeth North (Chairman from 19/04/2021)		
Clinton Skeoch (Executive Director and Secretary)		
Roy Loftus		
David Brogan		19/04/2021
Colin Saunders		19/04/2021
Peter den Boer		
Gerard McCluskey		19/04/2021
Phillip Mauviel		19/04/2021
Paul Grey		19/04/2021
Wayne Cook		
Adrian Grocott		19/04/2021
Richard Bailey	19/04/2021	
Dean Haritos (Vice Chairman from 19/04/2021)	19/04/2021	
Perry Long	19/04/2021	
Tony Paarhammer	19/04/2021	
Amy Pierson	19/04/2021	23/08/2021
Corné Kritzinger	22/06/2021	
Scott Kelly	23/08/2021	

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

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 2021 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 $625,949 (2020: $666,736).

No significant changes in the Company's state of affairs occurred during the financial year apart from the effects COVID-19 has had on our business operations due to physical distancing and travel restrictions which led to a decrease in face-to-face training and events.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 31 December 2021, and the number of meetings attended by each director were:

	Attended	Eligible to attend
Jeff Rotin	1	1
Greg Hunt	5	6
Liz North	6	6
Clinton Skeoch	6	6
Roy Loftus	6	6
Peter den Boer	6	6
Wayne Cook	6	6
Richard Bailey	5	5
Dean Haritos	5	5
Perry Long	5	5
Tony Paarhammer	5	5
Amy Pierson	2	2
Corné Kritzinger	2	3
Scott Kelly	3	3

AWA-AGGA Limited
Directors' report
For the year ended 31 December 2021

Events after the reporting date
The impact of the Coronavirus (COVID-19) pandemic is ongoing and while the current financial performance is positive up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

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 2021 the collective liability of members was $8,990 (2020: $10,620).

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

Elizabeth North
Director

Clinton Skeoch
Director

26 April 2022

Nexia Australia

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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 2021, 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

Vishal Modi
Director

Dated this 26th day of April 2022

AWA-AGGA Limited
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For the year ended 31 December 2021

AWA-AGGA Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Note	2021 $	2020 $
Revenue and other income	4	3,266,870	3,390,262
Expenses			
Employee benefits expense		(1,772,096)	(1,731,767)
Depreciation - property, plant and equipment		(20,189)	(126,231)
Loss on disposal of assets		(4,993)	(13,944)
Amortisation - right-of-use assets		(72,819)	(180,353)
Administration expenses		(120,637)	(154,959)
Accreditation expenses		(126,368)	(72,131)
Marketing, communications and events		(167,855)	(132,489)
Property and rental expenses		(63,881)	(87,401)
Membership and subscriptions		(59,683)	(57,866)
IT and computer expenses		(46,275)	(53,169)
Other expenses		(195,942)	(103,399)
Surplus before income tax (expense)/benefit		616,132	676,553
Income tax (expense)/benefit		9,817	(9,817)
Surplus after income tax (expense)/benefit for the year		625,949	666,736
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		625,949	666,736

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 2021

	Note	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	6	3,169,458	2,574,540
Trade and other receivables	7	109,141	163,752
Other current assets	9	25,772	19,608
Total current assets		3,304,371	2,757,900
Non-current assets			
Property, plant and equipment	10	-	16,397
Right-of-use assets	8	96,106	168,925
Total non-current assets		96,106	185,322
Total assets		3,400,477	2,943,222
Liabilities			
Current liabilities			
Trade and other payables	12	161,664	104,228
Lease liabilities	13	100,936	168,284
Income tax	14	-	9,817
Employee benefits	15	128,529	140,190
Other current liabilities	17	100,391	234,281
Total current liabilities		491,520	656,800
Non-current liabilities			
Employee benefits	15	-	16,715
Provisions	16	78,714	65,413
Total non-current liabilities		78,714	82,128
Total liabilities		570,234	738,928
Net assets		2,830,243	2,204,294
Equity			
Retained surplus		2,830,243	2,204,294
Total equity		2,830,243	2,204,294

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 2021

	Retained surplus $	Total equity $
Balance at 1 January 2020	1,537,558	1,537,558
Surplus after income tax expense for the year	666,736	666,736
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	666,736	666,736
Balance at 31 December 2020	2,204,294	2,204,294

	Retained surplus $	Total equity $
Balance at 1 January 2021	2,204,294	2,204,294
Surplus after income tax benefit for the year	625,949	625,949
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	625,949	625,949
Balance at 31 December 2021	2,830,243	2,830,243

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 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers		3,282,291	3,278,410
Receipts from government grants		333,059	500,256
Payments to suppliers and employees		(2,939,003)	(2,722,103)
		676,347	1,056,563
Interest received		4,521	4,589
Income taxes paid		(9,817)	-
Net cash from operating activities		671,051	1,061,152
Cash flows from investing activities			
Payments for property, plant and equipment	10	(9,313)	(28,526)
Proceeds from disposal of property, plant and equipment		528	-
Net cash used in investing activities		(8,785)	(28,526)
Cash flows from financing activities			
Repayment of lease liabilities		(67,348)	(164,767)
Net cash used in financing activities		(67,348)	(164,767)
Net increase in cash and cash equivalents		594,918	867,859
Cash and cash equivalents at the beginning of the financial year		2,574,540	1,706,681
Cash and cash equivalents at the end of the financial year	6	3,169,458	2,574,540

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

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 26 April 2022.

Comparatives are consistent with prior years, unless otherwise stated.

Note 2. 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.

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

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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.

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.

Note 2. Significant accounting policies (continued)

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 income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

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.

Note 2. Significant accounting policies (continued)

Property, plant and equipment
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 diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	16.67% - 20%
Office furniture and equipment	10% - 30%
Computer equipment	33.33% - 40%

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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.

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.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

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

Note 2. Significant accounting policies (continued)

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, it's 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.

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.

Note 2. Significant accounting policies (continued)

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.

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.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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.

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

	2021 $	2020 $
Revenue		
Membership fees	2,042,952	1,986,413
Secretariat fees	249,814	241,616
Training	160,286	180,851
Sponsorship	42,454	21,454
Magazine sales	222,653	185,039
Events income	26,206	20,325
Accreditation and inspections income	132,179	117,027
WERS income	15,824	39,649
	2,892,368	2,792,374
Other income		
Interest income	4,521	4,589
Rental income	34,077	32,737
COVID-19 stimulus grants	241,059	556,506
Other revenue	94,845	4,056
	374,502	597,888
Revenue and other income	3,266,870	3,390,262

Note 5. Auditors' remuneration

	2021 $	2020 $
Remuneration of the auditor:		
Auditing of the financial statements	16,000	15,500

Note 6. Cash and cash equivalents

	2021 $	2020 $
Current assets		
Cash at bank	1,568,331	1,374,037
Term deposit	1,601,127	1,200,503
	3,169,458	2,574,540

Note 7. Trade and other receivables

	2021 $	2020 $
Current assets		
Trade receivables	29,507	62,791
Less: Allowance for expected credit losses	(7,185)	(42,108)
	22,322	20,683
Other receivables	-	56,250
Security deposit	86,819	86,819
	86,819	143,069
	109,141	163,752

Note 8. Right-of-use assets

	2021 $	2020 $
Non-current assets		
Sydney office- right-of-use	143,949	143,949
Less: Accumulated depreciation	(51,982)	(3,999)
	91,967	139,950
Melbourne office - right-of-use	78,646	78,646
Less: Accumulated depreciation	(74,507)	(49,671)
	4,139	28,975
	96,106	168,925

Note 9. Other current assets

	2021 $	2020 $
Current assets		
Prepayments	25,772	19,608

Note 10. Property, plant and equipment

	2021 $	2020 $
Non-current assets		
Leasehold improvements - at cost	75,181	80,652
Less: Accumulated depreciation	(75,181)	(76,411)
	-	4,241
Computer equipment - at cost	57,218	67,889
Less: Accumulated depreciation	(57,218)	(67,889)
	-	-
Office equipment - at cost	20,194	30,314
Less: Accumulated depreciation	(20,194)	(18,158)
	-	12,156
	-	16,397

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

	Leasehold improvements $	Computer equipment $	Office equipment $	Total $
Balance at 1 January 2021	4,241	-	12,156	16,397
Additions	-	9,313	-	9,313
Disposals	-	-	(5,521)	(5,521)
Depreciation expense	(4,241)	(9,313)	(6,635)	(20,189)
Balance at 31 December 2021	-	-	-	-

Note 11. Intangibles

	2021 $	2020 $
Non-current assets		
Software - at cost	40,300	40,300
Less: Accumulated amortisation	(40,300)	(40,300)
	-	-

Note 12. Trade and other payables

	2021 $	2020 $
Current liabilities		
Trade payables	50,608	15,458
Sundry creditors	64,037	46,700
PAYG	33,879	30,129
GST payable	11,916	10,915
Other current liabilities	1,224	1,026
	161,664	104,228

Note 13. Lease liabilities

	2021 $	2020 $
Current liabilities		
Lease liability	100,936	168,284

Note 14. Income tax

	2021 $	2020 $
Current liabilities		
Provision for income tax	-	9,817

Note 15. Employee benefits

	2021 $	2020 $
Current liabilities		
Annual leave	71,890	85,179
Long service leave	56,639	55,011
	128,529	140,190

	2021 $	2020 $
Non-current liabilities		
Long service leave	-	16,715

Note 16. Provisions

	2021 $	2020 $
Non-current liabilities		
Make good provision	78,714	65,413

Note 17. Other current liabilities

	2021 $	2020 $
Current liabilities		
Deferred revenue	100,391	234,281

Note 18. Key management personnel disclosures

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

	2021 $	2020 $
Aggregate remuneration	646,177	680,226

Note 19. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2021 (31 December 2020: None).

Note 20. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 18.

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

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 21. 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 2021 the number of members was 899 (2020: 1,062)

Note 22. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while the current financial performance is positive up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date.The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 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.

Note 23. Statutory information

The registered office and principal place of business of the company is:
AWA - AGGA Limited
Suite 1, Level 1, Building 1
20 Bridge Street, Pymble
NSW 2073

AWA-AGGA Limited
Directors' declaration
For the year ended 31 December 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure 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 2021 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

Elizabeth North
Director

Clinton Skeoch
Director

26 April 2022

Nexia Australia

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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 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, 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 2021 and of its financial performance for the year then ended; and

ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements 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.

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 - Reduced Disclosure Requirements 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_files/ar4.pdf. This description forms part of our auditor's report.

Nexia Sydney Audit Pty Ltd

Vishal Modi
Director
Dated at Sydney this 26th day of April 2022