



**accommodation
association**

Accommodation

Association

Of

Australia

Report for year ended 30th June 2022

Accommodation Association of Australia

s.268 Fair Work (Registered Organisations) Act 2009

Certificate for the year ended 30th June 2022

I, Leanne Harwood being the President of the Accommodation Association of Australia certify:

- that the documents lodged herewith are copies of the full report for the Accommodation Association of Australia for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 2nd November 2022; and
- that the full report was presented to a general meeting of members of the reporting unit on 23rd November 2022 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:  C7BFB44868B8427.....

Name of prescribed designated officer: Leanne Harwood

Title of prescribed designated officer: President

Dated: 23rd November 2022

Accommodation Association of Australia

Financial Statements 2021–22

Contents

Independent audit report	4
Report required under subsection 255(2A)	7
Operating report	8
Committee of management statement.....	17
Statement of comprehensive income	18
Statement of financial position	20
Statement of changes in equity.....	22
Statement of cash flows.....	23
Index to the notes of the financial statements.....	24
Officer declaration statement.....	47

INDEPENDENT AUDITOR'S REPORT

To the members of Accommodation Association of Australia

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Accommodation Association of Australia (the reporting unit), which comprises the statement of financial position as at 30 June 2022, 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, the Committee of Management Statement, subsection 255(2A) report and the officer declaration statement.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the reporting unit as at 30 June 2022 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and any other requirement imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

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 Entity in accordance with 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 reporting unit's operating 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 management and those charged with governance for the Financial Report

The Committee of Management of the reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the Committee of Management 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, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

- As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during our audit.

Declaration by the auditor

I, Clayton Eveleigh, declare that I am an approved auditor, a member of the Chartered Accountants Australia New Zealand and hold a current Public Practice Certificate.

BDO Audit Pty Ltd



Clayton Eveleigh
Director

Sydney, 15 November 2022

Registration number (as registered by the RO Commissioner under the Act): AA 2019/16


Accommodation Association of Australia

Report required under subsection 255(2A)

for the year ended 30th June 2022

The Council presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30th June 2022.

Categories of expenditures	2022 (\$)	2021 (\$)
Remuneration and other employment-related costs and expenses – employees	1,174,561	–
Advertising	–	–
Operating costs	1,139,693	45,455
Donations to political parties	–	–
Legal costs	46,749	–

Signature of designated officer: 

Name and title of designated officer: Bruce Copland, Treasurer

Dated: 2nd November 2022

Operating report

for the year ended 30th June 2022

The committee of management (“Council”) presents its operating report on the Accommodation Association of Australia for the year ended 30th June 2022.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year.

The most significant changes in the financial year are explained in the section below entitled “**Significant changes in financial affairs**”. Operational activities continued unabated but transitioned entirely under the registered organisation structure with the relevant changes in governance rather than the outsourced approach of previous years.

A review of the principal activities during the year, indicates that the objects of the Accommodation Association of Australia were pursued with some vigour and success. These objects (set out in rule 6) were heavily impacted by the ravages of the Covid-19 pandemic and as such, much of the focus was on the primary aim of keeping business open and preventing the complete collapse of the hospitality industry. In this respect the Accommodation Association of Australia claims an overall win! The score card against the *itemised objects in rule 6.1* are as follows:

(a) To keep business open and competitive. - Achieved!

(See Advocacy Report below).

The industry has come through the pandemic battered but not beaten. Relatively few accommodation businesses closed even for a short time and the importance to the total economy was recognised by Federal and State and territory governments in a number of grant, voucher and subsidy schemes in part driven by advocacy by the Accommodation Association of Australia which is reported in more detail below after paragraph (t).

(b) To effect a thorough organisation of interests embraced by members with a view to improving the conditions of the industry in every proper and lawful manner. – Achieved!

The alignment of interests with AHA and TAA has led to joint meetings and industry information briefings. The state advisory committees (“SAC”) have brought together grass roots members to feed matters of importance to the Council.

(b) To promote the interests of the members in the Association throughout the Commonwealth of Australia and its territories and/or abroad. – Achieved!

(See Advocacy Report below).

(c) To improve within Australia and/or abroad the relations of members of the Association between themselves and kindred Associations. – Achieved!

Extensive negotiations with the Australian Hotels Association (“AHA”) and specifically their division named Tourism Accommodation Australia (“TAA”), were conducted with a view to creating a single voice for the hospitality industry in general and the accommodation sector specifically. The anticipation of an amalgamated association has been widely promulgated and has resulted in a joint application between Accommodation Association of Australia and the AHA to the Fair Work Commission in October 2022 for which approval is awaited.

(e) To secure to the members of the Association all the advantages of unity of action, and to protect the interests of members in any lawful manner whatsoever in all matters relating to the said industry. – Achieved! (See (b) above).

Multiple membership benefits to members of The Accommodation Association of Australia only accessible by virtue of group purchasing power have been created.

(f) To accept affiliation or membership of, or to affiliate or become a member of any Association having kindred or like interests to this Association or as may be determined by the Council. – Achieved!

The Accommodation Association of Australia is a member of the Australian Chamber of Commerce and Industry (“ACCI”) and cooperates where possible in common interests with the Tourism and Transport Forum (“TTF”) and the Australian Federation of Travel Agents (“AFTA”).

The Accommodation Association of Australia is coordinating the activities of the Australian Timeshare and Holiday Ownership Council (“ATHOC”) (an incorporated entity in Queensland) in return for a secretarial services fee. Most members of ATHOC are also members of the Accommodation Association of Australia so ATHOC almost acts as an informal subcommittee for those members interests and can convey issues to council.

(g) To discuss and consider questions and matters concerning and affecting the common and separate interests of members, to collect and disseminate from time to time information on matters affecting such interests and to print, circulate and publish such papers, books, magazines and circulars and carry on such literary undertaking as may be conducive to these objects. – Achieved!

Regular contributions to leading industry publications (such as HM magazine) and hundreds of member alerts by email and a useful part public, part private website were maintained throughout the year. A regular flow of press releases on matters of importance has been maintained. Access to senior leaders in the industry for interviews by Tv, radio and press has been facilitated at every stage.

The monthly Market8 reports combine analysis of industry performance with key financial indexes and performance indicators. These reports are accessible to members only. These reports provide an independent view of major city CBD and selected regions performance against which owners and operators can assess individual property results.

(h) To petition Parliament on any matter affecting the Association members collectively or individually and to communicate the opinions of the Association separately or unitedly to any Government or to the various Departments thereof by letter, memorial, deputation or otherwise. – Achieved!

(See Advocacy Report below).

This is perhaps the most vital function of an industry wide representative body. Much effort of council and staff has been directed to achieving results in this area.

(l) To originate and suggest amendments to the laws affecting the interests of members and to support and/or oppose alterations therein and to endeavour to effect improvements in administration and to promote and/or oppose legislation and other measures affecting such members and to take such steps and proceedings as may be deemed expedient to the interests of members. – Achieved!

(See Advocacy Report below).

(j) To purchase, sell, lease, mortgage, charge, exchange, or otherwise dispose of any real or personal property as may be determined by the Council and to apply both capital or income therefrom and the proceeds of the sale or mortgage thereof, for or towards all or any of the objects herein specified. – Not relevant in F2022.

(k) To borrow, raise or give security for any money on such terms as the Association may think fit. – Not Applicable!

No borrowings were necessary in F2022.

(l) To invest and deal with the funds and moneys of the Association in and upon such securities and investments and in such manner and on such terms and conditions as may from time to time be determined and from time to time vary and release such securities and investments. – Achieved!

Surplus funds were invested in term deposits although interest rate earnings were negligible due to the low rates on offer from secure deposit institutions.

(m) To establish and to accept Trusts having for their objects the welfare and benefit of any member or members, their dependants, or to enable the Association to more effectively attain the objects herein mentioned. – Not relevant in F2022.

(n) To pay out of the funds of the Association all expenses of or incidental to the formation and management of the Association or carrying out of its objects including the payment of salaries to persons employed. – Achieved!

All employees were successfully transferred without objection from AAoA Services Pty Ltd. Significant legal fees have been expended on developing documentation and negotiations around possible amalgamation.

(o) To take such action as may be necessary or advisable to regulate and determine the rates of pay and conditions of employment of employees of members or of employees in the industry, either under the Fair Work Act 2009 or under the laws of the several States or Territories of the Commonwealth or otherwise. – Achieved!

(See Advocacy Report below).

Support for temporary changes to the Hospitality Industry General Award to permit some flexibility of conditions during the pandemic and in particular deferral of annual wage increases by a few months in each year affected by the pandemic.

(p) To take such steps as may be necessary to effect registration of the Association as an organisation of employers for the purpose of the Act and any other legislation involving matters of interest to its members. – Achieved!

(Self-evident in performance to date.)

(q) To do all such lawful acts and things as are incidental or conducive to the attainment of the above objects. – Achieved!

(Self-evident in performance to date.)

(r) The Association may involve itself or its members in any form of regulation of terms of sales and/or prices of any products and may enter into any arrangements which may require registration within the terms of the Competition and Consumer Act 2010 (Commonwealth) or any other like Act of any of the States. – Not Achieved!

This is a legally sensitive area and, other than promoting generally widely accepted and common sense recommendations on deposit and cancellation refunds caused by the pandemic, there is no collaboration between members on pricing.

(s) To represent the interests of person or entities of the business activities that generate income from the provision of accommodation and related or ancillary services. – Achieved!

(See Advocacy Report below).

The Accommodation Association of Australia has a number of sponsors who provide significant benefits and savings direct to members in return for advertising and messaging access to members.

(t) To promote the welfare of the short term accommodation and the greater tourism industry to foster the advancement, professionalism and integrity across Australia. – Achieved!

(See Advocacy Report below.)

Attracting, training, placing and retaining employees has never been more important. “The Gappa” scheme was trademarked and gained much attention amongst those leaving school and unable to travel for a gap year overseas prior to entering higher education. An entire internal workforce is dedicated to this activity.

Advocacy Report

The Accommodation Association of Australia shifted its advocacy approach in July 2021 during the Delta variant as states began to react to the new wave by closing

internal borders and imposing lockdowns and restriction on movement. It became clear that state governments across the country were 'going it alone' on restrictions and more importantly business support while the federal government refocused on rolling out vaccines and protecting the national economy. This meant focusing advocacy efforts by directly dealing with each state and territory, proactively advocating for meaningful relief measures for members and their teams.

Throughout the second half of 2021 the Accommodation Association of Australia worked closely with other industry associations to achieve several business support packages and reliefs to support both members and the wider industry. As Victoria and NSW were the most impacted by Delta and then Omicron, it was where the government support was needed most. Victoria and NSW also act as an important market for the rest of the states and territories, so although in most jurisdictions there were no restrictions on movement advocacy continued for programs of support across the nation.

Advocacy wins for the financial year ended 30th June 2022 are summarised below:

State	Implemented support measures
ACT	<ul style="list-style-type: none"> • <u>COVID-19 Employing Business Support Grant</u> – \$20,000 per premises. • <u>COVID-19 Small Business Hardship Scheme</u> – up to \$10,000 credit on state government charges (through application only) • <u>Accommodation and Tourism Venue Operator support program</u> – Full rebate on their fixed water and sewerage charges for the first two quarters of 2021-22, up to \$75,000 per premises; or • <u>Small Tourism Operator COVID Recovery Payment</u> – up to \$15,000. • <u>Landlords receive \$5000 credit on rates bill</u> when they reduce rent by \$10,000 for 1 August to 30 September. • <u>Commercial owner-operators will receive a rates credit of 80 per cent of quarterly rates for one quarter - capped at \$5,000.</u> • <u>Commercial leases declaration reinstated</u>, backdated to be effective from 12 August • Employee assistance programs – <u>COVID-19 Disaster payment for employees.</u>
New South Wales	<ul style="list-style-type: none"> • <u>NSW Accommodation support grants (JobSaver)</u> – from \$1,500 to \$500,000 per week. • <u>COVID-19 business grant</u> (26 June to 17 July 2021) – up to \$15,000 one off grant. • <u>Accommodation support grant</u> for school holiday cancellations – from \$2,500 to \$5,000. • <u>Stay & Rediscover Accommodation Voucher Scheme</u> – New funding (\$500m) announced October 2021 • <u>Dine & Discover NSW voucher scheme</u> (extended to 30 June 2022) – New funding (\$500m) announced October 2021 • <u>Small business fees and charges rebate</u> – up to \$1,500 rebate on government fees and charges. • <u>Mandated commercial rent relief</u> extended until 13 January 2022 • <u>Payroll tax deferral & concessions.</u> • <u>Jobs Plus Program.</u> • <u>Alfresco restart package</u> – part of CBD re-activation

	<ul style="list-style-type: none"> Employee assistance programs – <u>COVID-19 Disaster payment for employees</u>
Northern Territory	<ul style="list-style-type: none"> <u>Tourism Survival Fund</u> – up to \$30,000. <u>Territory Business Lockdown Payment Program</u> – up to \$3,000. <u>Territory Tourism Vouchers</u>. <u>Work Stay Play</u> – extended till end of 2021. \$1,500 per new employee \$60,000 cap <u>Roadside accommodation providers grant</u> – up to \$2500.
Queensland	<ul style="list-style-type: none"> <u>2021 COVID-19 Business Support Grants</u> – up to \$30,000. <u>Tourism and Hospitality Sector Hardship Program</u> – up to \$50,000 August <u>Payroll tax deferral</u> for accommodation businesses. <u>Waiving 2021–22 annual liqueur licence fees</u>. <u>Great Queensland Getaway</u> – vouchers (Accor)
South Australia	<ul style="list-style-type: none"> <u>COVID-19 Business Support Grant</u> (July 2021) – one off \$3,000. Accommodation <u>COVID-19 Additional Business Support Grant</u> (August 2021) – one off \$3,000. <u>COVID-19 Tourism and Hospitality Support Grant</u> – one off \$3,000 automatic payment. <u>COVID-19 Tourism and Hospitality Support Grant</u> (Larger Turnover) – one off \$17,000.
Tasmania	<ul style="list-style-type: none"> <u>COVID-19 Micro and Small Business</u> – Border Closure Critical Support Grant program – <u>up to \$110,000</u>. <u>Travel Vouchers</u> for Tasmanians to spend on accommodation and other tourism experiences.
Victoria	<ul style="list-style-type: none"> <u>Business Cost Assistance Program and top up payments</u> round 1,2, 3– up to \$2,800 a week. <u>Business Cost Assistance Program round four, five</u> – up to \$8,400 a week. (Extended till 13 November for Accommodation) <u>Alpine Resorts Winter Support Program</u> – up to \$138,000. <u>Licensed Hospitality Venue Fund 2021</u> – Top-Up payments and CBD Payment – up to \$20,00 a week (Extended till 13 November for Accommodation) <u>Commercial Tenancy Relief Scheme</u> – mandated rent relief Employee assistance programs - <u>COVID-19 Disaster payment for employees</u> – ending around November 15

As the states changed their approach to dealing with COVID and opened the economy and moved on from state border lockdowns and lockouts, the advocacy approach also changed. The Accommodation Association of Australia was successful in protecting its members' assets through advocacy for several relief schemes such as the Commercial Tenancy relief scheme which kept doors open and lights on as well as rebates and grants. It also played a pivotal role in ensuring members kept as many as possible of their employees on their payrolls through advocacy for Disaster payments.

The Accommodation Association of Australia refocused the advocacy approach to tackle the workforce crisis by requesting the government to pull all available levers to ease the workforce shortage. Working with AHA/TAA a 'temporary labour agreement arrangements for hotel and accommodation industry' was secured to support businesses to fill critical skill shortages in the hotel and accommodation industry, including in-house food services.

The principal benefit of this labour agreement is that the occupations listed below now have a pathway to permanent residency.

Café or Restaurant Manager (141111)
Hotel or Motel Manager (141311)
Hotel Service Manager (431411)
Accommodation and Hospitality Manager (141999)
Cook (351411)
Chef (351311)
Pastry Cook (351112)

In the lead up to the Federal election the Australian Labor Party committed to expanding and enhancing 'the Hub' operated by the Accommodation Association. The Hub is a market leading portfolio of game changing programs for the industry. The commitment of \$10 million will be over three years towards expanding 'The Hub' and would provide 'tiered' and proportionate servicing to attract, engage, retain, and educate business, jobseekers, existing workers, and international students/visitors eligible to work in Australia, promoting the accommodation sector as a career of choice. The commitment is now being worked through with funding arrangements announced during the forthcoming October 2022 Federal budget.

The Accommodation Association of Australia also worked with State Governments who were willing to assist priority sectors that are facing workforce challenges. For example, it worked with the Victorian Government to secure a partnership with Jobs Victoria to create a bespoke, inclusive, and human-centric program that supports up to 320 Victorians with paid pre-employment and work-readiness training that leads to ongoing secure employment in a member hotel, with wrap around services including mental health support, mentoring and workplace buddies. This program is currently in operation (beginning in July 2022) and is tracking well against targets set by the Victorian Government.

Driving demand growth remains a priority. The Accommodation Association of Australia engaged with government, requesting states for consumer-focused demand drivers. In New South Wales, Victoria and Queensland it played a pivotal role in advocating for and giving advice on travel vouchers with minimum expenditure limits and minimum numbers of nights that were successful in stimulating demand both in regional areas and the CBD. It is working with Tourism Australia and each jurisdiction on their individual events calendar that attract overnight stays and how all related tourism organisations can better collaborate and coordinate timing to ensure all states receive benefits from major events.

Significant changes in financial affairs

Details of significant changes in the financial affairs of the Accommodation Association of Australia of during the year are fully disclosed in the Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows. The very substantial differences between the year ending 30 June 2022 and the prior year were caused by the transfer of all operating activities and employees of the eponymous Queensland Incorporated Association ("AAoA Inc.") which prior to 1 July 2021 paid a single collective membership fee on behalf of all eligible members of that association and was provided in return with all secretarial and accounting functions for an approximately equivalent fee. This resulted in very low volumes of transactions in the accounts of Accommodation Association of Australia

in prior years. Most activities in prior years were in support of submissions to the Fair Work Commission and other arms of governments, conjointly with the Australian Hotels Association.

The net cost of acquisition from AAoA Inc. of all its intellectual property and operational activities was a nominal \$1. The Accommodation Association of Australia was provided with cash by AAoA Inc. equal to all liabilities assumed including those for unexpired memberships. During the year the Accommodation Association of Australia charged a service fee to AAoA Inc. approximately equal to the cost of meeting the obligations of AAoA Inc. under agreements that were unable to be assigned as part of the acquisition. Additionally some minor administrative costs of AAoA Inc were paid out of the service charge. This arrangement terminated on 30 June 2022 as all agreements and grant schemes relating to F2023 will be entered into by Accommodation Association of Australia in its own right. Members were at no point disadvantaged.

Accommodation Association of Australia applied for and received approval from the Fair Work Commission, in November 2021, to alter its rules to closely align with the objects of AAoA Inc., and to particularly prohibit the distribution of a surplus to its members. By making these changes it is anticipated that the members of AAoA Inc. will convert to cash and distribute the accumulated surplus assets (roughly equal to their members equity at 30 June 2022) to Accommodation Association of Australia on winding up.

General meetings including such special resolutions have already been held by members of AAoA Inc. These meetings approved the winding up and distributions the Accommodation Association of Australia which acknowledges the contributed equity in the notes to the financial statements. An amount of approximately \$678,000 was received.

In the very last days of F2022 the Accommodation Association of Australia entered into an agreement with the State of Victoria to operate a grant funded program to attract, train and place unemployed persons into the hospitality industry particularly in the accommodation sector. The grant relates to activities that began in late July 2022 and funds for the grant were not received until July 2022. Three Federal Government partially grant funded schemes to recruit employees to the industry in specific local government areas in Queensland will commence in July 2022.

Right of members to resign

Rule 12 entitled “RESIGNATION FROM MEMBERSHIP” states inter alia:

“A member may resign from membership by written notice addressed and delivered to the Executive Director”.

No members resigned during the year whilst a number failed to renew membership due in large part to pandemic induced financial difficulties.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position. None

Number of members

The number of full voting members as at 30 June 2022 was 692.

Number of employees

During the year 16 people were employed at various times.
As at 30 June 2022 the number of employees was exactly 8.

Committee of management members and periods positions held during the financial year 2022								
Name	Title	In office at beginning of year	Reason Incoming	Date incoming change	Reason Outgoing	Date outgoing change	In office at end of year	Days
Barry ROBINSON	Councillor	1/07/2021	Re-elected	25/08/2021			30/06/2022	365
Bruce COPLAND	Treasurer	1/07/2021	Re-elected	25/08/2021			30/06/2022	365
Dean LONG	Executive Director	1/07/2021	Re-elected	25/08/2021			30/06/2022	365
Chris SEDGWICK	Councillor		Elected	25/08/2021			30/06/2022	310
Damian QUAYLE	Councillor		Elected	25/08/2021			30/06/2022	310
David MANSFIELD	Vice President		Elected	17/09/2021			30/06/2022	287
Julian CLARK	Councillor		Elected	17/09/2021			30/06/2022	287
Leanne HARWOOD	President		Elected	17/09/2021			30/06/2022	287
Simon MCGRATH	Councillor	1/07/2021	Re-elected	25/08/2021	Resigned	14/03/2022		257
Heidi KUNKEL	Councillor		Elected	25/08/2021	Resigned	14/03/2022		202
Paul HUTTON	Councillor		Appointed	14/03/2022			30/06/2022	109
Sarah DERRY	Councillor		Appointed	14/03/2022			30/06/2022	109
Colin HUGHES	Vice President	1/07/2021			Not elected	17/09/2021		79
Julian CLARK	President	1/07/2021			Not elected	17/09/2021		79
David MANSFIELD	Councillor		Elected	25/08/2021	Elected as Vice President	17/09/2021		24
Leanne HARWOOD	Councillor		Elected	25/08/2021	Elected as President	17/09/2021		24

Signature of designated officer:



Name and title of designated officer: Bruce Copland, Treasurer & Executive Director

Dated: 31st October 2022

Accommodation Association of Australia

Committee of management statement

for the year ended 30th June 2022

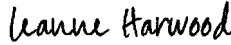
On 2nd November 2022 the Council of the Accommodation Association of Australia passed the following resolution in relation to the general purpose financial report (**GPFR**) for the year ended 30th June 2022:

The Council declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**);
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPFR relates and since the end of that year:
 - i. meetings of the Council were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v. where information has been sought in any request by a member of the reporting unit or the Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or the Commissioner; and
 - vi. where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the committee of management.

Signature of designated officer:

DocuSigned by:

C7BFB44868B8427...

Name and title of designated officer: Leanne Harwood, President

Dated: (Electronic signature date): 02 November 2022 | 15:06 AEDT

Accommodation Association of Australia

Statement of comprehensive income

for the year ended 30 June 2022

	Notes	2022 \$	2021 ¹ \$
Revenue from contracts with customers	3		
Membership subscriptions		1,385,491	-
Capitation fees and other revenue from another reporting unit	3A	-	-
Sales of services to other Associations (not reporting units)		890,000	45,455
Levies	3B	-	-
Other sales of goods or services to members		153,398	-
Revenue from recovery of wages activity	3G	-	-
Total revenue from contracts with customers		2,428,889	45,455
Income for furthering objectives	3		
Grants and/or donations	3C	-	-
Income recognised from volunteer services	3D	-	-
Income recognised from transfers	3E	-	-
Total income for furthering objectives		2,428,889	45,455
Other income			
Net gains from sale of assets	3F	-	-
Investment income	3H	126	20
Rental income	3I	-	-
Other income	3J	-	-
Share of net profit from associate	6D	-	-
Total other income		126	20
Total income		2,429,015	45,475
Expenses			
Employee expenses	4A	1,174,561	-
Cost of goods sold		-	-
Capitation fees and other expense to another reporting unit	4B	-	-
Affiliation fees	4C	10,909	-
Administration expenses	4D	1,139,693	45,455
Grants or donations	4E	-	-
Depreciation and amortisation	4F	-	-
Finance costs	4G	-	-
Legal costs	4H	46,749	-
Write-down and impairment of assets	4I	-	-
Net losses from sale of assets	4J	-	-
Other expenses	4K	-	-
Audit fees	14	42,288	-
Share of net loss from associate	6D	-	-
Total expenses		2,414,200	45,455
Surplus (deficit) for the year		14,815	20

Accommodation Association of Australia

Statement of comprehensive income (continued)

Other comprehensive income

for the year ended 30 June 2022

	2022	2021
	\$	\$
Other comprehensive income		
Items that will be subsequently reclassified to profit or loss		
Gain/(loss) on debt instruments at fair value through other comprehensive income (FVTOCI)	-	-
Items that will not be subsequently reclassified to profit or loss		
Gain/(loss) on revaluation of land & buildings	-	-
Gain/(loss) on equity instruments designated at FVTOCI	-	-
Total comprehensive income for the year	14,815	20

The above statement should be read in conjunction with the notes.

Accommodation Association of Australia

Statement of financial position

as at 30 June 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	5A	1,037,855	56,481
Trade and other receivables	5B	216,811	54,546
Contract assets	5B	-	-
Inventory	5C	-	-
Other current assets	5D	-	-
Total current assets		1,254,666	111,027
Non-current assets			
Property, plant and equipment	6A	-	-
Investment property	6B	-	-
Intangibles	6C	-	-
Investments in associates	6D	-	-
Right-of-use assets	6E	-	-
Other financial assets	6F	-	-
Other non-current assets	6G	-	-
Total non-current assets		-	-
Total assets		1,254,666	111,027
LIABILITIES			
Current liabilities			
Trade payables	7A	193,850	100,000
Other payables	7B	385,560	6,042
Employee provisions	8A	72,450	-
Contract liabilities	5B	587,971	4,965
Lease liabilities	6E	-	-
Total current liabilities		1,239,831	111,007
Non-current liabilities			
Employee provisions	8A	-	-
Contract liabilities	5B	-	-
Lease liabilities	6E	-	-
Other non-current liabilities	9A	-	-
Total non-current liabilities		-	-
Total liabilities		1,239,831	111,007
Net assets		14,835	20

Accommodation Association of Australia

Statement of financial position (continued)

as at 30 June 2022

		2022	2021
	Notes	\$	\$
EQUITY			
General fund/retained earnings		14,835	20
Other funds	10A	-	-
Reserves		-	-
Total equity		14,835	20

The above statement should be read in conjunction with the notes.

Accommodation Association of Australia

Statement of changes in equity

for the year ended 30 June 2022

	Notes	General funds / retained earnings \$	Other funds \$	Reserves \$	Total equity \$
Balance as at 1 July 2020		-	-	-	-
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Adjusted Balance as at 1 July 2020					
Surplus / (deficit)		20	-	-	20
Other comprehensive income		-	-	-	-
Transfer to/from [<i>insert fund name</i>]	10A	-	-	-	-
Transfer from retained earnings		-	-	-	-
Closing balance as at 30 June 2021		20	-	-	20
Surplus / (deficit)		14,815	-	-	14,815
Other comprehensive income		-	-	-	-
Transfer to/from [<i>insert fund name</i>]	10A	-	-	-	-
Transfer from retained earnings		-	-	-	-
Closing balance as at 30 June 2022		14,835	-	-	14,835

The above statement should be read in conjunction with the notes.

Accommodation Association of Australia

Statement of cash flows

for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers		3,278,197	55,461
Donations and Grants		-	-
Receipts from other reporting unit/controlled entity(s)*	11B	-	-
Interest		126	20
Other		-	-
Cash used			
Employees		(1,018,601)	-
Suppliers		(1,278,348)	(50,000)
Short term lease payments	6E	-	-
Lease payments for leases of low-value assets	6E	-	-
Variable lease payments not included in the measurement of the lease liabilities	6E	-	-
Interest payments and other finance costs	6E	-	-
Payment to other reporting units/controlled entity(s)	11B	-	-
Net cash from (used by) operating activities	11A	981,374	5,481
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		-	-
Cash used			
Purchase of plant and equipment		-	-
Purchase of land and buildings		-	-
Other		-	-
Net cash from (used by) investing activities		-	-
FINANCING ACTIVITIES			
Cash received			
Contributed funds		-	-
Other		-	-
Cash used			
Repayment of lease liabilities	6E	-	-
Other		-	-
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		981,374	5,481
Cash & cash equivalents at the beginning of the reporting period		56,481	51,000
Cash & cash equivalents at the end of the reporting period	5A	1,037,855	56,481

The above statement should be read in conjunction with the notes.

Index to the notes of the financial statements

Note 1	Summary of significant accounting policies
Note 2	Events after the reporting period
Note 3	Revenue and income
Note 4	Expenses
Note 5	Current assets
Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Provisions
Note 9	Non-current liabilities
Note 10	Equity
Note 11	Cash flow
Note 12	Contingent liabilities, assets and commitments
Note 13	Related party disclosures
Note 14	Remuneration of auditors
Note 15	Financial instruments
Note 16	Fair value measurements
Note 17	Administration of financial affairs by a third party
Note 18	Section 272 <i>Fair Work (Registered Organisations) Act 2009</i>

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009 (RO Act)*. For the purpose of preparing the general purpose financial statements, Accommodation Association of Australia is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Going concern

Accommodation Association of Australia is not reliant on the agreed financial support of another organisation to continue on a going concern basis.

Accommodation Association of Australia has not agreed to provide financial support to another organisation to ensure they can continue on a going concern basis.

The very substantial differences between the year ending 30 June 2022 and the prior year were caused by the transfer of all operating activities and employees of the eponymous Queensland Incorporated Association (“AAoA Inc.”) which prior to 1 July 2021 paid a single collective membership fee on behalf of all eligible members of that association and was provided in return with all secretarial and accounting functions for an approximately equivalent fee. This resulted in very low volumes of transactions in the accounts of Accommodation Association of Australia in prior years.

As noted in Note 2, as a result members of AAoA Inc have subsequently voted unanimously to wind up and distribute their members equity to the Accommodation Association of Australia recognising the very similar objects, wider accommodation industry interests and the continuation of operations servicing members. This creates a substantial improvement in Net Assets of Accommodation Association of Australia from November 2022 onwards.

1.3 Comparative amounts

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.4 Significant accounting judgements and estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.5 New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

The accounting policies adopted are consistent with those of the previous financial year. No accounting standard has been adopted earlier than the application date stated in the standard.

Future Australian Accounting Standards

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to future reporting periods that are expected to have a future financial impact on Accommodation Association of Australia include:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends 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. For example, 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. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. The reporting unit does/does not expect the adoption of this amendment to have a material impact on its financial statements.

1.6 Investment in associates and joint arrangements

There are no investments in associates or joint ventures or joint operations.

1.7 Acquisition of assets and or liabilities that do not constitute a business combination

Accommodation Association of Australia did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Actⁱⁱ.

1.8 Current versus non-current classification

Accommodation Association of Australia presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;

- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Accommodation Association of Australia classifies all other liabilities as non-current.

1.9 Revenue

Accommodation Association of Australia enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where Accommodation Association of Australia has a contract with a customer, Accommodation Association of Australia recognises revenue when or as it transfers control of goods or services to the customer. Accommodation Association of Australia accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of Accommodation Association of Australia.

If there is only one distinct membership service promised in the arrangement, Accommodation Association of Australia recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect Accommodation Association of Australia's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, Accommodation Association of Australia allocates the transaction price to each performance obligation based on the relative standalone selling price of each

promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that Accommodation Association of Australia charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), Accommodation Association of Australia recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, Accommodation Association of Australia has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from Accommodation Association of Australia at their standalone selling price, Accommodation Association of Australia accounts for those sales as a separate contract with a customer.

Capitation fees

Accommodation Association of Australia does not receive capitation fees.

Levies

Accommodation Association of Australia has not raised any levies on members.

Income of Accommodation Association of Australia as a Not-for-Profit Entity

Consideration is received by Accommodation Association of Australia to enable the entity to further its objectives. Accommodation Association of Australia recognises each of these amounts of consideration as income when the consideration is received (which is when Accommodation Association of Australia obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- Accommodation Association of Australia's recognition of the cash contribution does not give rise to any related liabilities.

Accommodation Association of Australia receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip rounds); and
- government grants.

Volunteer services

Accommodation Association of Australia receives volunteer services but does not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

Income recognised from transfers to acquire or construct a non-financial asset

Nothing to disclose.

Gains from sale of assets

Nothing to disclose.

Interest income

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental income

Nothing to disclose.

1.10 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits in the circumstances set up below.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by Accommodation Association of Australia in respect of services provided by employees up to reporting date.

No payments to defined contribution retirement benefit plans were made.

No provision is made for separation and redundancy benefit payments.

1.11 Leases

Accommodation Association of Australia assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Accommodation Association of Australia as a lessee

Accommodation Association of Australia has only short-term leases and leases of low-value assets.

Right-of-use assets

Accommodation Association of Australia has no right-of-use assets.

Lease liabilities

Accommodation Association of Australia has no lease liabilities

Peppercorn or below market leases

Accommodation Association of Australia has no peppercorn or below market leases.

Short-term leases and leases of low-value assets

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. Accommodation Association of Australia's short-term leases are those that have a lease term of 12 months or less from commencement and its leases of low-value assets relates to leases of office equipment that are below \$5,000.

1.12 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.13 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

1.14 Financial instruments

Financial assets and financial liabilities are recognised when Accommodation Association of Australia becomes a party to the contractual provisions of the instrument.

1.15 Financial assets

Nothing to disclose.

Trade receivables

For trade receivables that do not have a significant financing component, the Accommodation Association of Australia applies a simplified approach in calculating ECLs. Therefore, the Accommodation Association of Australia does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Accommodation Association of Australia has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

1.16 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction

costs. Accommodation Association of Australia's financial liabilities include trade and other payables.

Financial liabilities at fair value through profit or loss (including designated)

Nothing to disclose

1.17 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before Accommodation Association of Australia transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when Accommodation Association of Australia performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. Accommodation Association of Australia's refund liabilities arise from customers' right of return. The liability is measured at the amount Accommodation Association of Australia's ultimately expects it will have to return to the customer. Accommodation Association of Australia updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

1.18 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.19 Land, buildings, plant and equipment

Nothing to disclose.

1.20 Investment property

Nothing to Disclose

1.21 Intangibles

Nothing to Disclose

SaaS arrangements

Nothing to Disclose

1.22 Impairment of non-financial assets

Nothing to Disclose

1.23 Non-current assets held for sale

Nothing to Disclose

1.24 Taxation

Accommodation Association of Australia is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has an obligation for Fringe Benefits Tax (**FBT**) and the Goods and Services Tax (**GST**).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office (**ATO**); and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO is classified within operating cash flows.

1.25 Fair value measurement

Nothing to Disclose

1.26 Inventory

Nothing to Disclose

Inventories held for distribution

Nothing to Disclose

Donated inventory

Nothing to Disclose

Note 2 Events after the reporting period

Matters or circumstances occurring subsequent to the end of the financial year have arisen and have significantly affected, or may significantly affect, the operations of Accommodation Association of Australia, the results of those operations, or the state of affairs of Accommodation Association of Australia in subsequent financial periods.

The eponymous Queensland Incorporated Association (AAoA Inc) held a special general meeting on 28th October 2022 including resolutions to wind up and distribute surplus assets to the Accommodation Association of Australia. The meeting approved the winding up of AAoA

Inc. and distribution to the Accommodation Association of Australia. An amount of approximately \$678,000 has been received.

In the very last days of F2022 the Accommodation Association of Australia entered into an agreement with the State of Victoria to operate a grant funded program to attract, train and place unemployed persons into the hospitality industry particularly in the accommodation sector. The grant relates to activities that began in late July 2022 and funds for the grant were not received until July 2022. The grant is approximately \$5.6m paid in a number of stages subject to audit and performance. This will cause the Accommodation Association of Australia to incur additional operating expenses approximating 90% of the grant income received.

Three Federal Government grant funded schemes to recruit employees to the industry in specific local government areas in Queensland will commence in July 2022. Each of these grants is \$50,000 totalling \$150,000. The Accommodation Association of Australia will engage individual short term contract employees to fulfill these obligations. Little if any profit will arise from these grants as the costs associated with them are roughly equal to the grant.

2022	2021
\$	\$

Note 3 Revenue and income

Disaggregation of revenue from contracts with customers

A disaggregation of Accommodation Association of Australia's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

Type of customer

Members	1,385,491	-
Other Associations (not being reporting units)		
Accommodation Association of Australia Inc.	860,000	45,455
Australian Timeshare and Holiday Ownership Council	30,000	-
Other reporting units	-	-
Government	-	-
Other parties	153,398	-
Total revenue from contracts with customers	2,242,889	45,455

Disaggregation of income for furthering activities

A disaggregation of Accommodation Association of Australia income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Income funding sources

Members	1,385,491	-
Other Associations (not being reporting units)		
Accommodation Association of Australia Inc.	860,000	45,455
Australian Timeshare and Holiday Ownership Council	30,000	-
Government	-	-
Other parties	153,398	-
Total income for furthering activities	2,428,889	45,455

	2022 \$	2021 \$
Note 3H: Investment income		
Interest		
Deposits	126	20
Total investment income	<u>126</u>	<u>20</u>
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	58,808	-
Superannuation	7,350	-
Leave and other entitlements	46,152	-
Subtotal employee expenses holders of office	<u>112,310</u>	-
Employees other than office holders:		
Wages and salaries	995,400	-
Superannuation	92,153	-
Leave and other entitlements	(55,049)	-
Other employee expenses	29,747	-
Subtotal employee expenses employees other than office holders	<u>1,062,251</u>	-
Total employee expenses	<u>1,174,561</u>	-
Note 4C: Affiliation fees		
Australian Chamber of Commerce and Industry	10,909	-
Total affiliation fees/subscriptions	<u>10,909</u>	-

	2022	2021
	\$	\$
Note 4D: Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	-	
Compulsory Levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	103,074	-
Contractors/consultants	397,614	-
Property expenses	58,933	-
Office expenses	30,171	-
Information communications technology	49,784	-
Other	500,117	45,455
Subtotal administration expense	1,139,693	45,455
Lease rentals:		
Short term, low value and variable lease payments	-	-
Total administration expenses	1,139,693	45,455
Note 4H: Legal costs		
Litigation	-	-
Other legal costs	46,749	-
Total legal costs	46,749	-

2022	2021
\$	\$

Note 5 Current Assets

Note 5A: Cash and cash equivalents

Cash at bank	437,729	56,481
Short term deposits	600,126	-
Total cash and cash equivalents	1,037,855	56,481

Note 5B: Trade and other receivables

Receivables from other reporting unit(s)

Nothing to disclose	-	-
---------------------	---	---

Total receivables from other reporting unit(s)	-	-
---	----------	----------

Less allowance for expected credit losses

Nothing to disclose	-	-
---------------------	---	---

Total allowance for expected credit losses	-	-
---	----------	----------

Receivable from other reporting unit(s) (net)	-	-
--	----------	----------

Other receivables:

GST receivable	84,371	4,545
----------------	--------	-------

Other	132,440	50,000
-------	---------	--------

Total other receivables	216,811	54,545
--------------------------------	----------------	---------------

Total trade and other receivables (net)	216,811	54,545
--	----------------	---------------

No expected credit losses of trade and other receivables to disclose.

Accommodation Association of Australia has recognised the following assets and liabilities related to contracts with customers:

Receivables	216,811	54,546
Receivables – current	216,811	54,546
Receivables – non-current	-	-
Contract assets	-	-
Contract assets – current	-	-
Contract assets – non-current	-	-
Other contract liabilities	587,971	-
Contract liabilities – current	587,971	-
Contract liabilities – non-current	-	-

The significant changes between opening and closing balances of contract liabilities primarily relates to membership subscriptions where the term had not expired at the balance date.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$NIL.

Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods (e.g. changes in transaction price) was \$NIL.

Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2022 is \$587,971. Accommodation Association of Australia expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. These performance obligations primarily relate to member subscription contracts and sponsorship arrangements. The remaining 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one (1) year, with these performance obligations relating to provision of membership services and promotion of sponsors and access to events and publications to members.

	2022	2021
	\$	\$

Note 5C: Inventory

Nothing to disclose

Total inventories	-	-
--------------------------	---	---

Note 5D: Other current assets

Nothing to disclose

Total other current assets	-	-
-----------------------------------	---	---

Note 6 Non-current Assets

Nothing to disclose

Note 6E: Leases

Nothing to disclose

Note 6F Other financial assets

During the year, Accommodation Association of Australia did not dispose of any assets.

During the year, Accommodation Association of Australia did not recognise a provision for any credit losses.

Note 6G: Other non-current assets

Nothing to disclose

Total other non-current assets	-	-
---------------------------------------	---	---

	2022	2021
	\$	\$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	193,850	100,000
Subtotal trade creditors	193,850	100,000
Payables to other reporting unit(s)		
Nothing to disclose	-	-
Subtotal payables to other reporting unit(s)	-	-
Total trade payables	193,850	100,000

Settlement is usually made within 30 days.

Note 7B: Other payables

Superannuation	20,898	-
GST payable	302,050	5,042
Other	62,612	1,000
Total other payables	385,560	6,042

Total other payables are expected to be settled in:

No more than 12 months	385,560	6,042
More than 12 months	-	-
Total other payables	385,560	6,042

Note 8 Provisions

Note 8A: Employee provisions

Office holders nothing to disclose

Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	72,450	-
Subtotal employee provisions—employees other than office holders	72,450	-
Total employee provisions	72,450	-
Current	72,450	-
Non-current	-	-
Total employee provisions	72,450	-

Note 9 Non-current Liabilities

Note 9A: Other non-current liabilities

Nothing to disclose	-	-
Total other non-current liabilities	-	-

2022	2021
\$	\$

Note 10 Other funds

Nothing to disclose

Note 11 Cash Flow

Note 11A: Cash flow reconciliation

Reconciliation of cash and cash equivalents as per statement of financial position to statement of cash flow:

Cash and cash equivalents as per:

Statement of cash flow	1,037,855	56,481
Statement of financial position	1,037,855	56,481
Difference	<u>-</u>	<u>-</u>

Reconciliation of Surplus/(deficit) to net cash from operating activities:

Surplus/(deficit) for the year	14,815	20
--------------------------------	--------	----

Adjustments for non-cash items

Depreciation/amortisation	-	-
Net write-down of non-financial assets	-	-
Fair value movements in investment property	-	-
Gain on disposal of assets	-	-

Changes in assets/liabilities

(Increase)/decrease in net receivables	(41,206)	(50,000)
(Increase)/decrease in prepayments	(42,234)	-
Increase/(decrease) in supplier payables	93,851	55,461
Increase/(decrease) in other payables	300,692	-
Increase/(decrease) in employee provisions	72,450	-
Increase/(decrease) in other provisions	583,006	-
Net cash from (used by) operating activities	<u>981,374</u>	<u>5,481</u>

Note 11B: Cash flow information

Cash inflows

Accommodation Association of Australia	3,278,323	55,481
Total cash inflows	<u>3,278,323</u>	<u>55,481</u>

Cash outflows

Accommodation Association of Australia	(2,296,949)	(50,000)
Total cash outflows	<u>(2,296,949)</u>	<u>(50,000)</u>

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A: Commitments and contingencies

Accommodation Association of Australia has no contingent assets or liabilities.

Note 13 Related Party Disclosures

Note 13A: Related party transactions for the reporting period

The Accommodation Association of Australia Inc. (AAoA Inc.) is a Queensland incorporated entity which in prior years paid a bulk membership fee to the Accommodation Association of Australia and was in turn paid a service fee for all secretarial services required by Accommodation Association of Australia. Many members of AAoA Inc. were also members of the Australian Accommodation Association but separate governing bodies existed. On 1 July 2021 the business of AAoA Inc. was purchased for \$1 but certain obligations of AAoA Inc could not be assigned. An agreement to perform these obligations in return for a service fee approximating the cost of such performance with no profit element was entered into. This ceased on 30 June 2022. There are no outstanding commitments by either party.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

Revenue received from AAoA Inc. includes the following:

Service charges	860,000	-
Membership fees	-	50,000

Expenses paid to AAoA Inc. includes the following:

Nothing to disclose	-	45,455
---------------------	---	--------

Loans from/to no related party to disclose includes the following:

Nothing to disclose	-	-
---------------------	---	---

Other amounts owed by no related party to disclose include the following:

Nothing to disclose	-	-
---------------------	---	---

Other amounts owed to no related party to disclose include the following:

Nothing to disclose	-	-
---------------------	---	---

Assets transferred from/to no related party to disclose includes the following:

Nothing to disclose	-	-
---------------------	---	---

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2022, Accommodation Association of Australia has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

No loans have been provided to any related party.

No Property was transferred to any related party.

Expected credit losses are immaterial and have not been recognised in relation to any outstanding balances, and no expense has been recognised in respect of expected credit losses due from loan to a related party (See Note 6G *Other non-current assets*).

	2022	2021
	\$	\$
Note 13B: Key management personnel remuneration for the reporting period		
Short-term employee benefits		
Salary (including annual leave taken)	323,998	-
Annual leave accrued	28,345	-
Performance bonus	27,723	-
Nothing to disclose	-	-
Total short-term employee benefits	380,071	-
Post-employment benefits:		
Superannuation	31,981	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	379,616	-

Note 13C: Transactions with key management personnel and their close family members

Loans to/from key management personnel		
Nothing to disclose	-	-
Other transactions with key management personnel		
Nothing to disclose	-	-

Note 14 Remuneration of Auditors

Value of the services provided		
Financial statement audit services	42,288	-
Other services	-	-
Total remuneration of auditors	42,288	-

2022	2021
\$	\$

Note 15 Financial Instruments

Accommodation Association of Australia has immaterial exposure to credit risk, liquidity risk or market risk on short term (<3 months) deposits with major Australian banks.

Note 15A: Categories of Financial Instruments

Financial assets

Fair value through profit or loss:

Cash & cash equivalents	1,047,501	56,481
-------------------------	------------------	--------

Trade Debtors	94,179	50,000
---------------	---------------	--------

Total	1,141,680	106,481
--------------	------------------	---------

At amortised cost:

Nothing to disclose	-	-
---------------------	---	---

Total	-	-
--------------	---	---

Fair value through other comprehensive income

Nothing to disclose	-	-
---------------------	---	---

Total	-	-
--------------	---	---

Carrying amount of financial assets	1,141,680	106,481
--	------------------	---------

Financial liabilities

Fair value through profit or loss:

Trade Creditors	193,850	100,000
-----------------	----------------	---------

GST and PAYG liability	280,290	497
------------------------	----------------	-----

Loan from AAoA Inc		1,000
--------------------	--	-------

Total	474,140	101,497
--------------	----------------	---------

Other financial liabilities:

Nothing to disclose	-	-
---------------------	---	---

Total	-	-
--------------	---	---

Carrying amount of financial liabilities	474,140	101,497
---	----------------	---------

Note 15B: Net income and expense from financial assets

Nothing to disclose

Note 15C: Net income and expense from financial liabilities

2022	2021
\$	\$

Note 15D: Credit risk

Credit risk is considered immaterial. Trade debtors (2022 **\$94,179**) are all settled within 60 days and (2021 \$100,000) an equal liability existed as an offset with the same debtor. No provision for doubtful accounts has been raised.

In relation to the entity's gross credit risk the no collateral is held.

Accommodation Association of Australia's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2022 and 2021 is the carrying amounts as illustrated above.

Note 15E: Liquidity risk

Accommodation Association of Australia has no non-current liabilities. The Trade creditors (2022 **\$193,850**) are all settled with 45 days or are payable at a later date in the current financial year 2023. Last year (2021 \$100,000) the liability was offset by a trade debt with the same entity.

Note 15F: Market risk

Accommodation Association of Australia is not exposed to Interest rate risk.

Price risk

Nothing to disclose

Interest rate risk

Nothing to disclose

Price risk

There is no price risk to be disclosed for either 2022 or 2021

Note 15G: Asset pledged/or held as collateral

Nothing to disclose

Note 15H: Changes in liabilities arising from financing activities

	1 July 2021	Cash flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Leases	Other	30 June 2022
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	1,000	(1,000)	-	-	-	-	-	-
Dividends Payable	-	-	-	-	-	-	-	-
Total liabilities from financing activities	1,000	(1,000)	-	-	-	-	-	-

	1 July 2020	Cash flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Leases	Other	30 June 2021
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	1,000	-	-	-	-	-	-	1,000
Dividends Payable	-	-	-	-	-	-	-	-
Total liabilities from financing activities	1,000	-	-	-	-	-	-	1,000

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including obligations under finance leases and hire purchase contracts to current due to the passage of time, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings. Accommodation Association of Australia classifies interest paid as cash flows from operating activities.

Note 16 Fair value measurement

Nothing to disclose

Note 17 Administration of financial affairs by a third party

Nothing to disclose

Note 18 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- 1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- 2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- 3) A reporting unit must comply with an application made under subsection (1).

Accommodation Association of Australia

Officer declaration statement

I, Bruce Copland, being the Treasurer of the Accommodation Association of Australia, declare that the following activities did not occur during the reporting period ending 30th June 2022.

Accommodation Association of Australia did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees or any other revenue amount from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees or any other expense to another reporting unit
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- pay separation and redundancy to holders of office
- pay other employee expenses to holders of office
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a annual leave provision in respect of holders of office

- have a long service leave provision in respect of holders of office
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting unit and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: 

Name of Officer: Bruce Copland

Position of Officer: Treasurer & Executive Director

Dated: 15th November 2022
