



Accommodation **A**ssociation **O**f **A**ustralia

Report (Final) for year ended 30th June 2023

This Registered Organisation was deregistered on amalgamation with The Australian Hotels Association on 1st July 2023 and no further reports will be made.

Accommodation Association of Australia

s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate for the year ended 30th June 2023

I, Leanne Harwood being the Chair of Accommodation Australia and Former 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 the Board of the National Accommodation Division of the AHA being the successor organisation of the reporting unit on 15th December 2023.

Signature of prescribed designated officer:

Name of prescribed designated officer: Leanne Harwood

Title of prescribed designated officer: Chair, Accommodation Australia
Former President, AAoA

Dated: 15th December 2023

Contents

Independent audit report	4
Report required under subsection 255(2A)	7
Accommodation Association of Australia.....	8
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	48

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 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, 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 2023 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.

Emphasis of matter – basis of preparation

We draw attention to Note 1.2 of the financial report, which states that the report of the Association has not been prepared on a going concern basis, given the deregistration of the reporting unit on 1 July 2023. Our opinion is not modified in respect of this matter.

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 the committee of management 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 gives a true and fair view and 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

A handwritten signature in dark ink, appearing to read 'Clayton Eveleigh', is written over a faint, stylized 'BDO' logo.

Clayton Eveleigh
Director

Sydney, 8 November 2023

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

Report required under subsection 255(2A)

for the year ended 30th June 2023

The Board of AA, the registered organisation into which AAoA amalgamated presents the expenditure report as required under subsection 255(2A) on the reporting unit for the year ended 30th June 2023.

Categories of expenditures	2023 (\$)	2022 (\$)
Remuneration and other employment-related costs and expenses – employees	1,572,597	1,174,561
Grant expenses	4,321,051	-
Operating costs	833,709	1,139,693
Donations to political parties	4,000	-
Legal costs	49,991	46,749

Signature of designated officer: 

Name and title of designated officer: Bruce Copland
Secretary/Treasurer, AA
Former Treasurer & Executive Director, AAoA

Dated: 2nd November 2023

Operating report

for the year ended 30th June 2023

The committee of management ("CoM") of the Accommodation Association of Australia ("AAoA") having been deregistered it falls to the CoM of the amalgamated organisation, being the Board of the National Accommodation Division ("NAD") of the Australian Hotels Association ("AHA") and now known as Accommodation Australia ("AA") to present the final operating report of AAoA for the year ended 30th June 2023.

Seven of the members of the new Board of AA were members of the CoM of AAoA during the financial year. No separate membership of AAoA now exists to facilitate an AGM or report to members as a whole. These seven Board members represent a majority on the Board of AA.

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 during the year continued as usual but were dominated by two issues:

The first was the management of Recruitment, Training and Placement ("RTP") grant programs in Victoria and Queensland with considerable time expended by President, Vice President and Treasurer in directing and supervising employees. The grant accounting, cash flow management and special audits were a significant impost on AAoA staff and Executive Director with almost \$5.8m before GST to account for. Over 400 recruits were successfully placed requiring an extraordinary effort from AAoA employees.

The second was the preparation for amalgamation with the Tourism Accommodation Australia ("TAA") committee of the Australian Hotels Association ("AHA"). Many hours were devoted to negotiating new rules for approval by the Fair Work Commission and the council meetings to approve these. The commitment to amalgamation determined that many member events, submissions to governments and industrial relations representations became joint activities with AHA State branches. Since 30 September 2022, when the formal application to amalgamate was approved by the governing bodies of AAoA and AHA, both organisations coordinated activities even more closely. Informal meetings of the AAoA and TAA governing bodies were held to plan for post amalgamation activity and the recruitment and selection of a future CEO

The complete package of decisions emanating from the FWC over the course of matter comprise:

- a. FWC decision of 16 December 2022 approving the amalgamation (plus all of the subsidiary requirements such as Scheme etc) to go to a ballot of AAoA members.
- b. FWC decision of 22 March 2023 noting the result of the AAoA ballot and fixing the date of effect as 1 July 2023
- c. FWC decision of 28 April 2023 noting the publication of the amalgamation in the newspaper and the de-registration of AAA with effect from 1 July 2023.

For ease of reference the substantive part of the final decision of 28th April is repeated here as issued by Deputy President Colman.

"Action to be taken after amalgamation ballot

- [1] On 22 March 2023, I issued a decision in which I noted that the Australian Electoral Commission had declared that members of the Accommodation Association of Australia (AAoA) had approved the proposed amalgamation between the AAoA and the Australian Hotels Association (AHA) (the AHA had earlier been exempted from balloting its members), and that I was satisfied of the matters in s 73 of the Fair Work (Registered Organisations) Act 2009 (RO Act). I fixed 1 July 2023 as the day on which the amalgamation would take effect.
- [2] Pursuant to regulation 78 of the Fair Work (Registered Organisations) Regulations 2009, the General Manager has published a notice in *The Australian* newspaper that 1 July 2023 had been fixed as the day on which the amalgamation will take effect.
- [3] Pursuant to s 73(3)(c) of the RO Act, I de-register the AAoA with effect from 1 July 2023."

The financial effect of deregistration was to transfer all the assets and liabilities of AAoA to AA effective 1st July 2023. This is represented as a transfer of an equity contribution to AA of \$1,103,279 being the net asset value after all liabilities were settled.

Consistent with prior years the principal activities have been measured against the objects as set out in rule 6 of the AAoA constitution. The score against the *itemised objects* is as follows:

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

The accommodation industry began a slow recovery from the impacts of lockdowns, restrictions on travel and absence of overseas arrivals due to Covid-19 were lifted. AAoA Recruitment, Training and Placements grant funded programs attracted almost 400 new employees to the industry.

- (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 amalgamation ballot produced a result of 94% in favour.

- (c) *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).

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

The amalgamation speaks for itself.

- (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 AAoA were continued.

- (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!

AAoA remained a member of the Australian Chamber of Commerce and Industry ("ACCI") and cooperated where possible in common interests with AHA, TAA and the Tourism and Transport Forum ("TTF") and the Australian Federation of Travel Agents ("AFTA"). AAoA coordinated 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 AAoA so ATHOC continued to act as an informal subcommittee for those members with such interests.

- (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 were facilitated. Monthly Market8 reports combining analysis of industry performance with key financial indexes and performance indicators were made 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. Market8 Reports continue to be published by AA after amalgamation.

- (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!*

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 and these are set out in detail in the Advocacy Report below.

- (i) *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.*

The residual net assets (members equity) were transferred to the amalgamated organisation with effect from 1 July 2023

- (k) *To borrow, raise or give security for any money on such terms as the Association may think fit. – No borrowings were necessary in F2023.*
- (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 placed on term deposit with a major Australian bank, arranged to mature on or before amalgamation day which limited the ability to deposit funds for longer terms at higher interest rates during this year.

- (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 F2023.*
- (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 either terminated or transferred at 30th June 2023 to AA or relevant State AHA branch offices. Significant legal fees were expended on the amalgamation process and protection of intellectual property.

- (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).

- (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!*

AAoA has been deregistered as at 30 June 2023 on amalgamation.

- (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 applicable in F2023.*
- (s) *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!*

AAoA had 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!*

The various grant schemes involved attracting, training, placing and employees. A temporary workforce of contractors and employees was dedicated to this activity. The amalgamation ensured that the industry has one voice.

Advocacy Report

AAoA was highly engaged with Federal and State Governments throughout the 2022-2023 financial year. This engagement included one-on-one meetings, roundtables and forums with Ministers and their offices, backbench members of parliament, political party officials, public servants, other industry associations.

Throughout these engagements, focus continued to be on three key advocacy pillars:- Asset management and protection; Developing a competitive workforce; and Driving demand growth to speed up recovery from the pandemic.

AAoA advocacy efforts resulted in several major wins for members and the industry, including successfully advocating against a visitor levy, or 'bed tax' in Queensland, securing a commitment to \$10 million investment by the Federal Government in an expanded recruitment, training and placement website (referred to as 'The Hub') and securing \$5.6 million grant from Jobs Victoria.

AAoA successfully advocated against recommendations from a Tourism Industry Reference Panel to introduce a visitor levy, or 'bed tax'. The Queensland Government outright rejected a recommendation from the Reference Panel after the Accommodation Association argued that the levy would be unfair to tourists and would discourage visitors from coming to Queensland.

AAoA were promised a \$10 million Federal Government grant to expand 'The Hub' in the October 2022-2023 budget for a hospitality portal run by AAoA to offer bespoke training and upskilling, and to recruit and support new and existing hospitality workers as part of the industry's post-pandemic comeback. This program has been delegated to Austrade to manage. The first payment of the grant was received in the final days of June 2023 and placed in a separate reserve until the grant outcomes can be negotiated and accepted. This grant was assigned to AA at 1 July 2023.

AAoA worked with Jobs Victoria to secure a \$5.6 grant to train and place Victorian job seekers in the accommodation industry. An industry-led training for long-term job seekers, exclusively benefiting members of AAoA. The grant program alleviated workforce pressures for members by training 328 new job seekers and placing them into jobs at member properties. 73 job seekers were placed in three programs in regional Queensland. All the government agencies were very pleased with the outcomes.

Throughout the year AAoA made several submissions that reflected strategic priorities, in consultation with our members, advisory boards and corporate sponsorship supporters. Key public policy submissions made by AAoA included:

- Melbourne Airport Draft 2022 Master Plan and Preliminary Draft Major Development Plan for Third Runway;
- Jobs and Skills Summit – ideas for consideration;
- Federal October Pre-Budget Submission;
- A Migration System for Australia’s Future;
- 2023 – 2024 Permanent Migration Program;
- Online Bookings – Restrictions on Tourism and Accommodation providers setting prices;
- 2023 – 2024 Federal Pre-Budget Submission;
- Joint Standing Committee on Migration’s inquiry into the role of permanent migration in nation building.

AAoA advocated for an increase in the skilled migration cap both at a state and federal level. In the 23-24 Pre-Budget and 2022 Jobs and Skills summit submissions, a request was made for permanent migration intake to be increased to 210,000 places for skilled migrants. In 2022/23, the Federal Government, as part of the Jobs and Skills Summit, increased this to 195,000 places.

AAoA requested that international students working in the hospitality industry be permitted to continue to work up to 30 hours per week until June 30, 2024. However, the Government’s compromise, was to lift the cap from the original 20 hours per week to 24 hours a week, which took effect from 30 June 2023.

AAoA continued to proactively attempt to address the impact of short-term letting on members and the communities in which they operate. A dwindling supply of rental availability, especially in regional centres, is exacerbating the workforce challenges faced by members and is impacting further investments in regional and rural areas across Australia. This advocacy was strongly pursued by AA on Amalgamation.

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 amalgamation results in these accounts prepared on a liquidation (non going concern) basis.

Effective 1 July 2022 all of the activities of AAoA Inc ceased and that Queensland incorporated association was subsequently deregistered (in November 2022). The net cost of acquisition from AAoA Inc. of all its intellectual property and operational activities was a nominal \$1. AA was provided with cash by AAoA Inc. equal to all liabilities assumed including those for unexpired memberships. On completion of the final AGM of AAoA Inc all the residual member equity was contributed to AAoA on or about 30th September 2022 to a total amount of \$677,806.

In late June 2022 AAoA entered into an agreement with the State of Victoria to operate a grant (\$5.6m) funded program to attract, train and place unemployed persons into the hospitality industry particularly in the accommodation sector. The grant related to activities commenced in July 2022. Three Federal Government grant (total \$0.15m) funded schemes to recruit employees to the industry in specific local government areas in Queensland also commenced in July 2022. All four grant schemes were acquitted successfully. The outstanding amounts due to AAoA from the Victorian Government were paid in full in July 2023 on delivery of the final audited report on the grant.

In June 2023 AAoA entered into an agreement for Phase 1 of a four year grant program with the Federal Government through Austrade. No activity took place prior to 30 June 2023 although \$1.5m funds were received. This program and related funds were transferred to Accommodation Australia consequent on the amalgamation and with consent of Austrade.

Redundancy payments were made to two employees not transferring to either Accommodation Australia or a State branch of AHA. AHA(NSW) continued a secondment agreement up to 30th June 2023 for the CEO designate for AA who assumed the role of CEO of AAoA in January 2023. No elected or appointed officers received any remuneration during the year, all providing their services voluntarily. Management of activities unique to the financial year ending 30th June 2023. The format of the General Purpose Financial Report does not reflect the separation of activity in to the four categories used by the Executive to manage the financial affairs of AAoA which are summarised here in four workstream categories:

Core AA – items that will continue within the new amalgamated body;

Core AHA – items that will transfer to relevant State branches of the AHA;

RTP – being items of Recruitment Training and Placement grant obligations;

Amalgamation – being costs entirely caused by the amalgamation itself.

Category	Income	Expenses	Profit/Loss
Core AA	380,624	830,985	(450,361)
Core AHA	1,045,065	348,329	696,736
Total of Core Business only	1,425,689	1,179,315	246,374
RTP business	5,806,421	5,579,972	226,449
Sub-total of Core and RTP	7,232,110	6,759,287	472,823
One off Amalgamation costs		62,185	(62,185)
Net Profit / (Loss)	7,232,110	6,821,472	410,638

Once the impact of the grant programs, and amalgamation costs are excluded the normal operations of the Core business are more understandable when considering results in prior years.

Right of members to resign

Rule 12 entitled “RESIGNATION FROM MEMBERSHIP” stated 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 the amalgamation process and dual membership of AHA State branches and TAA. All AAoA members were transferred to the respective State Branches of the Australian Hotels Association as of 30th June 2023 under the terms of the amalgamation. No member objected to the transfer.

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 2023 was 628.

Number of employees:

During the year 13 people were employed at various times.

At 30 June 2023 the number of employees was exactly 3.

AAoA Committee of management members & positions held during the financial year 2023								
Name	Office	In office at 01/07/2022	Reason Incoming	Date of incoming change	Reason Outgoing	Date of outgoing change	In office at 30/06/2023	Days in office
Barry ROBINSON	Councillor	Yes					Yes*	365
Bruce COPLAND	Treasurer	Yes					Yes*	365
Bruce COPLAND	Executive Director	No	Appointed	25/08/22			Yes*	310
Dean LONG	Executive Director	Yes			Resigned	25/08/22	No	57
Chris SEDGWICK	Councillor	Yes					Yes*	365
Damian QUAYLE	Councillor	Yes			Resigned	23/11/22	No	146
David MANSFIELD	Vice President	Yes					Yes*	365
Julian CLARK	Councillor	Yes					Yes*	365
Leanne HARWOOD	President	Yes					Yes*	365
Paul HUTTON	Councillor	Yes	Appointed	14/03/22			Yes*	109
Sarah DERRY	Councillor	No	Appointed	14/03/22			Yes*	109
Scott WHARTON	Councillor	No	Appointed	23/11/22	Resigned	06/04/23	No	135

NB. All offices indicated by "Yes*" were vacated at 30th June 2023 on amalgamation.

Signature of designated officer:

Name and title of designated officer: Bruce Copland
Secretary / Treasurer, Accommodation Australia
Former Treasurer and Executive Director, AAoA

Dated: 18th October 2023

Accommodation Association of Australia

Committee of management statement

for the year ended 30th June 2023

On 3rd November 2023 the Board of the Australian Hotels Association National Accommodation Division known as Accommodation Australia (the successor registered organisation formed on amalgamation) passed the following resolution in relation to the general purpose financial report (**GPFR**) of AAoA for the year ended 30th June 2023:

The Board 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 would have been able to pay its debts as and when they become due and payable had amalgamation not occurred; and
- e) during the financial year to which the GPFR relates:
 - 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. NOT APPLICABLE; 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:

Leanne Harwood

Name and title of designated officer: Leanne Harwood

Chair, Accommodation Australia
Former President AAoA

Dated:

3rd November 2023

Statement of comprehensive income

for the year ended 30 June 2023

	Notes	2023 \$	2022 ⁱ \$
Revenue from contracts with customers	3		
Membership subscriptions		1,333,014	1,385,491
Capitation fees and other revenue from another reporting unit	3A	-	-
Sales of services to other Associations (not reporting units)		35,000	890,000
Levies	3B	-	-
Other sales of goods or services to members		24,155	153,398
Revenue from recovery of wages activity	3G	-	-
Total revenue from contracts with customers		1,392,169	2,428,889
Income for furthering objectives	3		
Grants and/or donations	3C	5,806,421	-
Income recognised from volunteer services	3D	-	-
Income recognised from transfers	3E	-	-
Total income for furthering objectives		5,806,421	-
Other income			
Net gains from sale of assets	3F	-	-
Investment income	3H	33,520	126
Rental income	3I	-	-
Other income	3J	-	-
Share of net profit from associate	6D	-	-
Total other income		33,520	126
Total income		7,232,110	2,429,015
Expenses			
Employee expenses	4A	1,572,597	1,174,561
Cost of goods sold		-	-
Capitation fees and other expense to another reporting unit	4B	-	-
Affiliation fees	4C	11,273	10,909
Administration expenses	4D	833,709	1,139,693
Grants or donations	4E	4,321,051	-
Depreciation and amortisation	4F	-	-
Finance costs	4G	-	-
Legal costs	4H	49,991	46,749
Write-down and impairment of assets	4I	-	-
Net losses from sale of assets	4J	-	-
Other expenses	4K	-	-
Audit fees	14	32,851	42,288
Share of net loss from associate	6D	-	-
Total expenses		6,821,472	2,414,200
Surplus (deficit) for the year		410,638	14,815

Statement of comprehensive income (continued)

Other comprehensive income

for the year ended 30 June 2023

	2023	2022
	\$	\$
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	410,638	14,815

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

Statement of financial position

as at 30 June 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	5A	3,166,625	1,037,855
Trade and other receivables	5B	755,190	216,811
Contract assets	5B	-	-
Inventory	5C	-	-
Other current assets	5D	-	-
Total current assets		3,921,815	1,254,666
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		3,921,815	1,254,666
LIABILITIES			
Current liabilities			
Trade payables	7A	120,231	193,850
Other payables	7B	517,886	385,560
Employee provisions	8A	19,999	72,450
Contract liabilities	5B	2,160,420	587,971
Lease liabilities	6E	-	-
Total current liabilities		2,818,536	1,239,831
Non-current liabilities			
Employee provisions	8A	-	-
Contract liabilities	5B	-	-
Lease liabilities	6E	-	-
Other non-current liabilities	9A	-	-
Total non-current liabilities		-	-
Total liabilities		2,818,536	1,239,831
Net assets		1,103,279	14,835

Accommodation Association of Australia

Statement of financial position (continued)

as at 30 June 2023

	Notes	2023 \$	2022 \$
EQUITY			
General fund/retained earnings		425,473	14,835
Other funds	10A	-	-
Reserves		677,806	-
Total equity		1,103,279	14,835

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

Statement of changes in equity

for the year ended 30 June 2023

		General funds / retained earnings	Other funds	Reserves	Total equity
	Notes	\$	\$	\$	\$
Balance as at 1 July 2022		14,835	-	-	14,835
Adjustment for errors		-	-	-	-
Adjustment for changes in accounting policies		-	-	-	-
Adjusted Balance as at 1 July 2022		14,835			14,835
Surplus / (deficit)		410,638	-	-	410,638
Other comprehensive income		-	-	-	-
Transfer from AAoA Inc	10A		-	677,806	677,806
Transfer from retained earnings		-	-	-	-
Closing balance as at 30 June 2023		425,473		677,806	1,103,279

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

Statement of cash flows

for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers		908,678	3,278,197
Donations and Grants		7,306,421	-
Receipts from other reporting unit/controlled entity(s)*	11B	-	-
Interest		33,520	126
Other		-	-
Cash used			
Employees		(1,519,036)	(1,018,601)
Suppliers		(5,278,619)	(1,278,348)
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	1,450,964	981,374
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		677,806	-
Cash used			
Purchase of plant and equipment		-	-
Purchase of land and buildings		-	-
Other		-	-
Net cash from (used by) investing activities		677,806	-
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		2,128,770	981,374
Cash & cash equivalents at the beginning of the reporting period		1,037,855	56,481
Cash & cash equivalents at the end of the reporting period	5A	3,166,625	1,037,855

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 was 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 did not rely on the agreed financial support of another organisation to continue on a going concern basis up to the date of amalgamation.

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

On 31st October 2022 year the eponymous Queensland Incorporated Association ("AAoA Inc.") was voluntarily deregistered and the cash value of its net assets was contributed as members equity to this registered organisation in the amount of \$677,806 and treated as an increase in reserves, consistent with the provisions of AASB 3 *Business Combinations* for amalgamations of mutual entities.

In February 2023 members of AAoA voted by secret ballot to amalgamate with the Australian Hotels Association to form a National Accommodation Division to be known as Accommodation Australia ("AA"). The Fair Work Commission ordered in March 2023 that the amalgamation date be 1st July 2023. All the assets and liabilities of AAoA were transferred to AA in the net amount of \$1,103,279 as of that date. AAoA is now deregistered and therefore these financial statements are not prepared on a going concern basis. Due to the nature of the amalgamation agreement, whereby all assets and liabilities are to be transferred at book value on amalgamation date, there has been no adjustment to the accounting policies or carrying amounts of any of the assets or liabilities of the organisation noted in these financial statements.

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 Act.

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 organisation was amalgamated with the Australian Hotels Association (“AHA”) to form the National Accommodation Division of the AHA to be known as Accommodation Australia as of 1st July 2023 by order of the Fair Work Commission.

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	1,333,014	1,385,491
Other Associations (not being reporting units)		
Accommodation Association of Australia Inc.	-	860,000
Australian Timeshare and Holiday Ownership Council	35,000	30,000
Other reporting units	-	-
Government	5,806,421	-
Other parties	24,155	153,398
Total revenue from contracts with customers	7,198,590	2,428,889

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	1,333,014	1,385,491
Other Associations (not being reporting units)		
Accommodation Association of Australia Inc.	-	860,000
Australian Timeshare and Holiday Ownership Council	35,000	30,000
Government	5,806,421	-
Other parties	24,155	153,398
Total income for furthering activities	7,198,590	2,428,889

	2023 \$	2022 \$
Note 3H: Investment income		
Interest		
Deposits	33,520	126
Total investment income	33,520	126
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	-	112,310
Employees other than office holders:		
Wages and salaries	1,433,924	995,400
Superannuation	130,463	92,153
Leave and other entitlements	(52,450)	(55,049)
Other employee expenses	60,660	29,747
Subtotal employee expenses employees other than office holders	1,572,597	1,062,251
Total employee expenses	1,572,597	1,174,561
Note 4C: Affiliation fees		
Australian Chamber of Commerce and Industry	11,273	10,909
Total affiliation fees/subscriptions	11,273	10,909

	2023	2022
	\$	\$
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	101,981	103,074
Contractors/consultants	288,470	397,614
Property expenses	62,786	58,933
Office expenses	26,680	30,171
Information communications technology	63,699	49,784
Other	290,093	500,117
Subtotal administration expense	833,709	1,139,693
Lease rentals:		
Short term, low value and variable lease payments	-	-
Total administration expenses	833,709	1,139,693
Note 4H: Legal costs		
Litigation	-	-
Other legal costs	49,991	46,749
Total legal costs	49,991	46,749

Note 5 Current Assets

Note 5A: Cash and cash equivalents

Cash at bank	3,166,625	437,729
Short term deposits	-	600,126
Total cash and cash equivalents	3,166,625	1,037,855

Note 5B: Trade and other receivables

Receivables from other reporting unit(s)

Nothing to disclose	-	-
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Total receivables from other reporting unit(s)	-	-
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Less allowance for expected credit losses

Nothing to disclose	-	-
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Total allowance for expected credit losses	-	-
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Receivable from other reporting unit(s) (net)	-	-
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Other receivables:

GST receivable	87,614	84,371
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Other	667,576	132,440
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Total other receivables	755,190	216,811
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Total trade and other receivables (net)	755,190	216,811
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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	755,190	216,811
Receivables – current	755,190	216,811
Receivables – non-current	-	-
Contract assets	-	-
Contract assets – current	-	-
Contract assets – non-current	-	-
Other contract liabilities	2,160,420	587,971
Contract liabilities – current	2,160,420	587,971
Contract liabilities – non-current	-	-

The significant changes between opening and closing balances of contract liabilities primarily relates to receipt of Federal Government grant funds (via Austrade) of \$1,500,000 for which the acquittal activities could not begin until after 1 July 2023.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$587,971.

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 2023 is \$2,160,420. Performance obligations related to the Federal Government Grant of \$1,500,000 were transferred to Accommodation Australia (National) on amalgamation. All unexpired member subscriptions allocated to remaining performance obligations were transferred to AHA State branches on 1 July 2023, to be recognised as revenue by them within one year. The remaining portion of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue by the amalgamated organisation within one (1) year, with these performance obligations relating to provision of promotion of sponsors

	2023	2022
	\$	\$

Note 5C: Inventory

Nothing to disclose

Total inventories	-	-
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Note 5D: Other current assets

Nothing to disclose

Total other current assets	-	-
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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	-	-
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	2023	2022
	\$	\$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	120,231	193,850
Subtotal trade creditors	120,231	193,850
Payables to other reporting unit(s)		
Nothing to disclose	-	-
Subtotal payables to other reporting unit(s)	-	-
Total trade payables	120,231	193,850

Settlement is usually made within 30 days.

Note 7B: Other payables

Superannuation	37,315	20,898
GST payable	328,364	302,050
Other	152,207	62,612
Total other payables	517,886	385,560

Total other payables are expected to be settled in:

No more than 12 months	517,886	385,560
More than 12 months	-	-
Total other payables	517,886	385,560

Note 8 Provisions

Note 8A: Employee provisions

Office holders nothing to disclose

Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	19,999	72,450
Subtotal employee provisions—employees other than office holders	19,999	72,450
Total employee provisions	19,999	72,450
Current	19,999	72,450
Non-current	-	-
Total employee provisions	19,999	72,450

Note 9 Non-current Liabilities

Note 9A: Other non-current liabilities

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

	2023 \$	2022 \$
Note 10 Other funds		
Note 10A Reserves	677,806	-
Contribution of in cash from AAoA Inc.		
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	3,166,625	1,037,855
Statement of financial position	3,166,625	1,037,855
Difference	-	-
Reconciliation of Surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	410,638	14,815
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	(560,254)	(41,206)
(Increase)/decrease in prepayments	25,119	(42,234)
Increase/(decrease) in supplier payables	(73,620)	93,851
Increase/(decrease) in other payables	129,083	300,692
Increase/(decrease) in employee provisions	(52,450)	72,450
Increase/(decrease) in other provisions	2,250,255	583,006
Net cash from (used by) operating activities	2,128,771	981,374
Note 11B: Cash flow information		
Cash inflows		
Accommodation Association of Australia	8,926,425	3,278,323
Total cash inflows	8,926,425	3,278,323
Cash outflows		
Accommodation Association of Australia	(6,797,655)	(2,296,949)
Total cash outflows	(6,797,655)	(2,296,949)

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 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
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Expenses paid to AAoA Inc. includes the following:

Nothing to disclose	-	
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Loans from/to no related party to disclose includes the following:

Nothing to disclose	-	-
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Other amounts owed by no related party to disclose include the following:

Nothing to disclose	-	-
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Other amounts owed to no related party to disclose include the following:

Nothing to disclose	-	-
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Assets transferred from/to no related party to disclose includes the following:

Nothing to disclose	-	-
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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 2023, Accommodation Association of Australia has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2022: \$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*).

	2023	2022
	\$	\$
Note 13B: Key management personnel remuneration for the reporting period		
Short-term employee benefits		
Salary (including annual leave taken)	224,231	323,998
Annual leave accrued	-	28,350
Performance bonus	57,149	27,723
Nothing to disclose	-	-
Total short-term employee benefits	281,380	380,071
Post-employment benefits:		
Superannuation	26,499	31,981
Total post-employment benefits	26,499	31,981
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	86,209	-
Total	394,088	412,052

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	20,424	42,288
Other services being audits of grant expenditure	29,000	-
Total remuneration of auditors	56,351	42,288

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	3,166,625	1,047,501
Trade Debtors	650,460	94,179

Total	3,817,085	1,141,680
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At amortised cost:

Nothing to disclose	-	-
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Total	-	-
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Fair value through other comprehensive income

Nothing to disclose	-	-
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Total	-	-
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Carrying amount of financial assets	3,817,085	1,141,680
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Financial liabilities

Fair value through profit or loss:

Trade Creditors	120,231	193,850
GST and PAYG liability	392,956	280,290

Total	513,187	474,140
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Other financial liabilities:

Nothing to disclose	-	-
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Total	-	-
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Carrying amount of financial liabilities	513,187	474,140
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Note 15B: Net income and expense from financial assets

	2023 \$	2022 \$
Financial assets at fair value through profit or loss		
Held for trading:		
<i>Change in fair value</i>	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total held for trading	-	-
Designated as fair value through profit or loss:		
<i>Change in fair value</i>	-	-
Interest revenue	-	-
Dividend revenue	-	-
Exchange gains/(loss)	-	-
Total designated as fair value through profit or loss	-	-
Net gain/(loss) on financial assets at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income		
Interest revenue	-	-
Exchange gains/(loss)	-	-
Impairment	-	-
Gain/(loss) on disposal	-	-
Total financial assets at fair value through other comprehensive income	-	-
Net income/(expense) from financial assets	-	-

Note 15C: Net income and expense from financial liabilities

At amortised cost		
Interest expense	-	-
Exchange gains/(loss)	-	-
Gain/loss on disposal	-	-
Net gain/(loss) financial liabilities - at amortised cost	-	-
Fair value through profit or loss		
Held for trading:		
Change in fair value	-	-
Interest expense	-	-
Exchange gains/(loss)	-	-
Total held for trading	-	-
Designated as fair value through profit or loss:		
Change in fair value	-	-
Interest expense	-	-
Total designated as fair value through profit or loss	-	-
Net gain/(loss) at fair value through profit or loss	-	-
Net gain/(loss) from financial liabilities	-	-

Note 15D: Credit risk

Credit risk is considered immaterial. Trade debtors (2023 **\$650,460**) are all settled within 60 days and (2022 \$94,179). No provision for doubtful accounts has been raised.

In relation to the entity's gross credit risk 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 2023 and 2022 is the carrying amounts as illustrated above.

Note 15E: Liquidity risk

Accommodation Association of Australia has no non-current liabilities. The Trade creditors (2023 **\$120,231**) are all settled within 45 days or are payable at a later date in the current financial year 2023.

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 2023 or 2022.

Note 15G: Asset pledged/or held as collateral

Nothing to disclose

Note 15H: Changes in liabilities arising from financing activities

	1 July 2022	Cash Flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Leases	Other	30 June 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Dividends Payable	-	-	-	-	-	-	-	-
Total liabilities from financing activities	-	-	-	-	-	-	-	-

	1 July 2022	Cash Flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Leases	Other	30 June 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Dividends Payable	-	-	-	-	-	-	-	-
Total liabilities from financing activities	-	-	-	-	-	-	-	-

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).

Officer declaration statement

I, Bruce Copland, being the Secretary / Treasurer of Accommodation Australia and the former Treasurer of the Accommodation Association of Australia, declare that the following activities did not occur during the reporting period ending 30th June 2023.

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
- 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 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 an 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: Secretary/Treasurer, Accommodation Australia
Former Treasurer, AAoA

Dated: 3rd November 2023
