



NSW BUSINESS CHAMBER ANNUAL REPORT 2018



Winner 2017 Business of
the Year, BeelNventive

Invigorating business



Old School New School launch



Networking @ Night



Rowle Hull, long term Northern Rivers businessman



NSW Premier Gladys Berejiklian at Keeping NSW Number 1 launch



2017 Tourism Awards



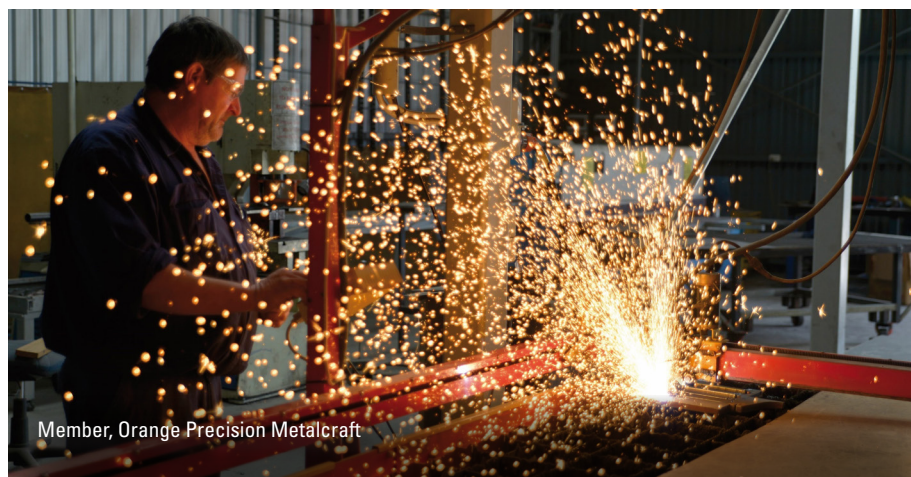
10th World Chambers Congress



Member, Andor Information Technology



Member Central Coast Community College



Member, Orange Precision Metalcraft

CONTENTS

02	Chamber profile
04	President's and CEO's reports
08	Member Services
11	Policy & Advocacy
14	Sydney Business Chamber
16	Australian Business Solutions Group
17	Australian Business Apprenticeships Centre
19	Australian Business Consulting & Solutions
20	Australian Business Lawyers & Advisors
22	Australian Business Recruitment Solutions
24	Corporate social responsibility and sustainability
25	NSW Business Chamber Councillors
27	Financial report

In accordance with the requirements of the Workplace Gender Equality Act 2012 (Act), NSW Business Chamber has lodged its annual public report with the Workplace Gender Equality Agency (Agency).

This report is available to read via www.nswbusinesschamber.com.au

Annual Report production
Production: Corporate Marketing & Communications, NSW Business Chamber
Design: Rebecca Solberg, NSW Business Chamber

NSW Business Chamber How we help



NSW Business Chamber is the state's peak business support organisation, dedicated to helping businesses of all sizes grow and prosper.

We connect business to peers, industry leaders and government to create opportunities and influence change.

Through our expert advice and business solutions we help businesses become more productive, competitive and profitable.

Our Tourism Industry, Manufacturing Industry and Defence Industry divisions offer specialist solutions, advice and advocacy to businesses of all sizes in these sectors.

Discover how NSW Business Chamber can help you maximise your business potential at www.nswbc.com.au.

Create better business-to-business connections

- Connect with others through events, roundtables and webinars
- Gain recognition for excellence through Business Awards

Make it simple to avoid fines and reduce risk

- Workplace insurance
- Access legal advice
- Gain HR support
- Stay up to date with workplace health and safety obligations
- Manage your pay rates and leave entitlements

Advocate for business

- Improving the business environment
- Representing the concerns of business to government and the community

Access local, regional and state-wide business support wherever you are

- Account managers who know your area
- Metropolitan and regional offices across NSW

Increase productivity and profitability through expert advice and business solutions

- Recruit the right people
- Manage your apprentices and trainees
- Raise the profile of your business through marketing
- Trade overseas
- Education and training for you and your team
- Valuable products and services to support your business needs
- Access to services designed to deliver efficiencies and savings

The Chamber footprint

Office locations

NSW Business Chamber and its commercial division, Australian Business Solutions Group, have a nationwide and international presence.



NSW Business Chamber can trace its heritage to 1826. It is NSW's peak business organisation and Australia's largest membership-based Chamber. During the 2017-2018 financial year, the Chamber achieved the following:

20,000 
Members of NSW Business Chamber

165,850
Client Service Centre calls placed through the Apprenticeship Centre

500+
Businesses represented by Australian Business Lawyers & Advisors

3,500+
Award entries State wide for the 2017 Annual Business Awards and Tourism Industry Awards

771 
Staff across 52 offices Servicing members and customers

23,000+ 
Workplace Advice Line calls Resolving enquiries about industrial awards, employment conditions and other workplace issues

63,200
Certified trade documents Enabling Australian businesses to export to new markets overseas

51,723 
Customer service emails actioned

22,123 
Business Hotline calls Resolving all types of member enquiries

23,318 
HR Advance downloads Allowing businesses to create legally compliant documents

5,364 
Webinar attendees Educating business managers and their teams

10,500
On-hire employees with 3.8 million hours of on-hire work for customers.

200,000
Members of Skillsroad Supporting student career advice and jobs applications

24,416 
Attendees to 344 events Encompassing networking, educational, political engagement and business awards

500,000
Apprentices and trainees commenced in NSW, ACT and QLD since 1998

PRESIDENT'S REPORT



N Watson

Nola Watson
President
NSW Business Chamber

Trust in business

When elected as President earlier this year, I felt privileged to take on this role, but also very aware of the tradition of excellence established by the long line of successful leaders who have gone before me. In particular, I would like to acknowledge the achievements of Professor Trevor Cairney OAM, whose term as President came to an end in February 2018 and who did everything possible to ensure a smooth and seamless transition.

Staying true to our purpose

This year has shone the spotlight on the importance of integrity and trust in business. Hardly a day has passed without media attention or commentary highlighting questionable behaviour by someone in the business community. While individual companies have been singled out for attention, the cumulative effect has been tarnishing the reputation of business more generally.

In this environment, the role of the Chamber as the voice of business is critical. The NSW Business Chamber is a strong "purpose led" organisation. It has a unifying ambition of creating a better Australia by maximising the outcomes and potential of Australian business. This purpose drives the culture of the organisation with all staff focussed on the importance of helping members and business to be more successful. The fundamental truism is that a thriving, responsible business sector builds economic growth that underpins a prosperous and secure society.

An impressive network

The Chamber has an extensive and effective grass roots base that ensures our approach is multi-layered. Feedback from the network allows us to identify the most pressing issues for business at the local, regional and state levels. In turn we can leverage this base to lobby for policy outcomes with state and federal governments.

Since becoming President I've valued attending many events and gatherings of members with the wider business community, both in Sydney and across the network. It is clear local chambers play a very important role in supporting business and community cohesion, especially in regional NSW. Maximising the reach and enormous potential of the Chamber is a key priority as we move forward.

I am impressed by the pride and esteem being part of the Chamber community has for business owners. We will continue to look for ways to build capability and enhance the reputation of the Chamber even further.

Making a difference

Earlier this year we refreshed our advocacy agenda, aimed at *Keeping NSW Number 1*. This program is designed to sharpen the focus on the most important areas of policy reform for business as NSW heads towards the next election in 2019.

We launched the program with a series of high-profile public events, as well as traditional and social media with a broad reach. We held a series of forums with politicians including headline events with the NSW Premier and the Leader of the Opposition to make sure our messages were unequivocally understood. It is clear the advocacy efforts of NSW Business Chamber, on behalf of all businesses, are bearing fruit. This was evidenced by a raft of changes announced in the 2018 NSW Budget that saw favourable outcomes for business in the areas of payroll tax, transport, infrastructure, education and training.

Reaching out

There is no doubt we are seeing shifts in what society expects from its leaders in government and business. This provides us with a valuable opportunity to build trust and partnerships within the community. Consistent



Member, Central Coast Community College

“The most successful advocacy is driven from the ground up, not from the top down, which is why your ongoing support and guidance is so critical to our overall success.”

with its purpose, the Chamber has always been quick to respond to areas of particular need – especially in times of natural disaster or community stress. Most recently we highlighted the needs of business in regional NSW who are experiencing hardship as a result of the prolonged drought. Based on direct input from our members, the Chamber lobbied for specific actions and programs to help business and local communities get through this challenging period.

The Chamber is also reaching out more broadly to ensure everyone understands the importance of business in their local community. We will continue to work with

you, and ask you about the implications, impediments and impacts on your daily business lives. We want to help you grow your market, expand your products and employ more of your fellow Australians.

The most successful advocacy is driven from the ground up, not from the top down, which is why your ongoing support and guidance is so critical to our overall success.

An organisation fit for the future

The Chamber is well served by a committed group of members who oversee the strategy, direction and good governance of the organisation. I would like to thank the members of the State Council and the

Board who have made an exceptional contribution over the last year. I also thank the many hundreds of others who serve on local advisory committees.

The Chamber has an experienced and capable executive team. I applaud the achievements of Stephen Cartwright and his senior management group who are steering the Chamber on a path of renewal to build an even better Chamber for the future. Collectively, they lead an impressive workforce of people who are passionate about delivering better outcomes for business that will provide long-term benefits for the community.

The Board of NSW Business Chamber as at 30 June, 2018.



Ellie Brown



Professor Trevor Cairney OAM



Judith Field



Lyall Gorman



Brett Manwaring



Greg McNamara



Warrick McLean



Ian Penfold



Terry Wetherall

CEO'S REPORT



A handwritten signature in black ink, appearing to read 'Stephen Cartwright'.

Stephen Cartwright
Chief Executive Officer
NSW Business Chamber

Getting on with business

When I look back on the past year at NSW Business Chamber, the first thought that comes to mind is 'how did we get it all done?'

The answer is simply through the hard work, determination and a never-give-up attitude which is synonymous with the staff of the Chamber.

While difficult to single out highlights, I was particularly proud of the work done by the Chamber in hosting the 10th World Chambers Congress last September – a gathering of more than 1,000 delegates from across the global Chamber community.

Having been a Councillor on the ICC World Chambers Federation for some years, it was always my vision to bring this event to Sydney to showcase our city, our business community and our Chamber to the world.

The best feedback I received about the event came at a follow-up meeting of the Federation when the delegate from Dubai, where the event will be hosted in 2021, proudly exclaimed that Sydney had set a new benchmark for hosting the Congress.

It was a team effort, made all the more successful because of the support from more than 200 local chambers of commerce across NSW who embraced the event as their own.

Shaping a 'New Chamber'

The past year has been a significant one in transforming our organisation.

To ensure we continue to effectively shape the business environment and remain a critical partner for our members and commercial customers, the Chamber has extensively examined its value proposition.

With the strategy phase of this process now complete, we have made significant in-roads into implementing changes which will see the Chamber undergo a complete Customer First

Digital Transformation by 2020. This includes building new enterprise-level IT infrastructure for the organisation, implementing changes to the membership model which will offer greater choice, establishing an organisational redesign to enable a better focus on our customers and create positive and enduring relationships, and reinvigorating our commercial portfolio.

A key achievement to date has been the launch of NSW Business Chamber Energy, a free service which helps businesses save money on their future energy bills. This direction is key to the future and will see the Chamber follow a similar pathway of delivering savings and efficiencies across other areas of need.

In the driver's seat of political debate

We are a non-partisan organisation, but that does not mean we are 'non-political'. We advocate for good policy and policy outcomes that will enable businesses to maximise their potential.

With the next state election due to be held on 23 March 2019, we've been busy across NSW in setting the business and political agenda, with much more to come in the countdown to election day.

In March of this year we launched our election blueprint, *Keeping NSW Number 1*, aimed at ensuring the hard work in recent years to return NSW to the top of all key economic indicators is not wasted.

Part of the reflection on the success of our advocacy efforts was June's state budget, which was pro-business and included a number of important initiatives and policy measures.

The extension of the payroll tax threshold to \$1 million over the next four years was a direct result of the advocacy efforts by this



10th World Chambers Congress

“I’m very fortunate to lead a team of incredibly talented and motivated staff who strive every day to deliver for our members, customers and the wider community.”

Chamber. Businesses of all sizes, and especially those in regional NSW, will reap these benefits.

When I see the political debate centred around which party will be better for business, particularly small business, I know our work is really having an impact at the highest levels.

I’m pleased to report that, as part of the Chamber 2.0 transformation program, we have introduced new campaign tools and capability to ensure our voice is heard even more loudly, not only in the halls of government, but more widely across the voting electorate of NSW.

Helping SMEs achieve their business goals

The Chamber’s commercial division, Australian Business Solutions Group (ABSG), has continued to go from strength-to-strength during the past year.

Australian Business Lawyers & Advisors (ABLA) continued to work towards a fairer business environment for all by participating in a number of notable test cases, including those looking at domestic violence leave, and casual and part-time employment. ABLA’s unique position as the Chamber’s law firm allows them to provide access to justice for thousands of businesses who would otherwise be shut out of the legal system.

Australian Business Consulting & Solutions (ABCS) saw an increase in interest from

businesses seeking to move into an export capacity, including the emerging markets of India, Vietnam and the Middle East. Export Growth China assisted more than 100 small businesses to explore opportunities with our nation’s number-one trading partner. The program has so far generated more than \$8 million in export sales for our members.

With skill shortages becoming more evident in many sectors, helping businesses to find and develop the skilled staff they need to thrive remains a key focus for ABSG.

Over the past 12 months, Australian Business Recruitment Solutions has remained steadfast in its goal of connecting employers with the skilled workers, apprentices and trainees that best suit their needs.

In addition to its group training activities, Apprenticeship Careers Australia successfully delivered a pre-apprenticeship program on behalf of the NSW Government for more than 300 young people across a broad range of trades. These types of programs play an important role in assisting young people transition from school into the workforce.

The Australian Business Apprenticeships Centre continued its work to boost apprenticeship and trainee participation and completion rates. On average, retention rates are more than 15% above state benchmarks in NSW, ACT and QLD. Its innovative Skillsroad career portal now

has more than 200,000 members, including students, careers advisors and employers.

We also continued our partnership with Productivity Bootcamp – an eight-week training program arming young people with the skills and work ethic required to be productive employees in any industry. Since 2015, over 500 young people have signed up to the program, with over 80% finding jobs upon completion.

Thank you

Finally, a note of gratitude for making my role as CEO so rewarding.

I’m very fortunate to lead a team of incredibly talented and motivated staff who strive every day to deliver for our members, customers and the wider community.

Our staff are strongly supported by a capable Board of Directors who provide guidance and insight, and set a strategic framework for us all to work within. It would be remiss of me not to especially thank Professor Trevor Cairney OAM for his guidance and encouragement during his two-year term as President.

And, of course, thank you to our members who, since 1826, have made this organisation what it is today. Your blood, sweat and tears make this country the land of unrivalled opportunity.

Exceeded
20,000
members this year

More than
3,500
Business Award entries in
2017 from 16 regions

Member Services

NSW Business Chamber is committed to supporting our members and customers across NSW. Dedicated regional teams ensure the voice of local business is heard state-wide on issues such as payroll tax, escalating energy costs and the impact of poor broadband connections and the NBN rollout.

The Chamber exceeded 20,000 members this year, including a cross-section of small, medium and large businesses across all industry sectors. During this period the Chamber provided assistance and advice to thousands of members on a range of topics including compliance, HR, marketing, legal and workplace relations.

HIGHLIGHTS

Member events

The Chamber's state-wide events program continues to expand, providing valuable connections and support for members and the broader business community to run and grow their businesses.

The program includes monthly networking events featuring a "60 Second Spotlight" for members to showcase their offers, supported and perfected by "Perfect your Pitch" workshops.

The Workplace Update series, which tours NSW throughout the year, delivered critical information about workplace issues impacting businesses everywhere. Sessions are presented by leading workplace lawyers from the Chamber's law firm, Australian Business Lawyers & Advisors.

The Chamber's Business Awards Program, which celebrates the success of NSW businesses at a local, regional and state level, attracted more than 3,500 entries in 2017 from



16 regions. Additionally, 32 Local Chamber Business Awards aligned with the state-wide program.

The Business Awards program culminated in a gala event at the International Convention Centre in Sydney where more than 1,000 guests were joined by the NSW Premier, Gladys Berejiklian, to celebrate and recognise the achievements of the most outstanding businesses in NSW.

The Chamber's Tourism Industry Division delivers the annual NSW Tourism Awards program, a precursor to the Australian Tourism Awards. This high-profile program attracted more than 120 submissions from tourism related businesses across 28 categories. A gala event held at the International Convention Centre Sydney saw more than 600 leaders gather to celebrate excellence in the industry.

Tourism Industry Division

The Tourism Industry Division continues to go from strength-to-strength. Having acquired the rights to manage the Star Ratings program in NSW, in conjunction with the Australian Tourism Industry Council, the division has welcomed over 900 new accommodation businesses who are now enjoying the benefits of Chamber membership.

The Tourism Advisory Council, working with the Policy & Advocacy team, has created real momentum with government through the *Mid-Term Tourism Report, China Regional Dispersal* and advocacy work.



In Good Company launch

Regional focus

The Chamber played a leading role in the Murray Riverina region in supporting local grocers and bottle shops that were financially impacted by the NSW Container Deposit Scheme. Across the border in Victoria, there is no such scheme, which means traders can sell beverages at a lower price, with many consumers choosing to shop in Victoria. The NSW Government has since committed to a compensation scheme for the loss of income.

In the Northern Rivers, the Chamber, in conjunction with NSW Government, Southern Cross University, Regional Development Australia Northern Rivers and the seven Northern Rivers Local Councils, delivered *In Good Company*. This collaborative and innovative project raises the profile and achievements of businesses in the region, attracts businesses from outside the region to relocate to the Northern Rivers and encourages local business leaders to increase their “in region” spend.

On the Central Coast, the Chamber has driven a strategy of practical education for local businesses. Highly respected innovators including Shara Evans, Nick Bowditch and Cameron Gough have visited the region. In June, 180 business attended the *Digitisation of Business* summit to learn how businesses are embracing digital platforms, automation and new technology to market and drive their business growth.

Partner strategy

NSW Business Chamber works with key industry sectors to better understand the challenges and initiatives that will also align our members’ needs. Our partnership program has delivered great outcomes, with major companies engaged in long-term partnerships with the Chamber. The strategy is expected to deliver a strong platform for member businesses in the years ahead.

Working with the Western Sydney Business Chamber, the division helped secure the financial backing of the NSW Government to deliver a Tourism product audit for Western Sydney and funding to expand the Laneways Festival into a major scale event in Western Sydney over the next few years.

Looking ahead, the three industry development programs managed by the Chamber – the Tourism Awards, Tourism Accreditation and Star Ratings – will form part of a new “Quality Tourism Framework”. The outcome will make it easier for small businesses to harness business improvement and best practice activities.



Member, Family Life Chiropractic

1

CASE STUDY

World Chambers Congress



Past President Professor Trevor Cairney OAM presents gift at the WCF

Global business unites in Sydney

The eyes of the international chamber movement were on Sydney in September 2017, when NSW Business Chamber and Sydney Business Chamber, working with the ICC World Chambers Federation (WCF), hosted the 10th World Chambers Congress.

The Congress, themed “Where Business Connects”, saw more than 1,000 delegates from over 100 nations descend on the harbour city. It was the first time the prestigious event, which occurs every two years, has been held in Australia.

Highlights of the three-day program included sessions on “Access to Finance for SMEs”, “Business, Conflict and Terrorism”, “Business Model Innovation” and “The 4th Industrial revolution”.

A significant trade program saw Australian Business Consulting & Solutions (ABCS) deliver a number of country specific seminars including “Doing Business in Australia”, as well as host trade delegations from China, the Middle East, Canada, the US and Europe.

The event also presented delegates with a unique opportunity to develop professional networks, exchange insights and best practices, establish institutional ties, and promote trade and investment opportunities with peers from around the globe.

Hailed a resounding success, the Congress highlighted the important leadership role the international chamber movement has in working with governments to look at bigger challenges, such as the refugee crisis and climate change. By acting as a voice for SMEs, chambers of commerce are able to communicate the relationship between business, economic development and social welfare, influencing them to create the underlying conditions needed for peace and prosperity.

The Congress also reinforced the value of strategic alliances to business growth and innovation. By identifying and aligning with organisations that share similar goals, chambers and business leaders are not only able to expand their own networks, but can better guarantee the success of their business through building on the opportunities these networks provide.

A highlight of the event was the launch of Chamber Check, a global benchmarking system for chambers of commerce developed by ABCS. Designed to assist chamber executives assess the health of their business and receive a report identifying where and how they can improve, Chamber Check addresses critical issues affecting both private and public law chambers. More than 60 national and international chambers have completed it.



CEO Stephen Cartwright with NSW Treasurer Dominic Perrottet

Policy & Advocacy

Committed to building a better operating environment for our members, NSW Business Chamber engages with political decision-makers at the federal, state and local government level to deliver results for business and the broader community.

In 2017-18, the Chamber developed and executed major campaigns aimed at reducing the tax burden on business, designed a blueprint to improve outcomes from our education system, and highlighted the importance and specific actions required to deliver infrastructure for regional and rural NSW.

Keeping NSW Number 1

Following a decade of growth, NSW is once again Australia's leading economy and the only state economy worth more than half a trillion dollars.

With NSW leading the way, it is critical the next NSW Government builds on this performance by creating the right framework to ensure business investment and growth can be sustained over the longer term.

To mark 12 months until the next state election, the Chamber hosted events in March 2018 with NSW Premier, Gladys Berejiklian, and NSW Opposition Leader, Luke Foley, to hear their plans for Keeping NSW Number 1.

The Chamber held these events to launch the *Keeping NSW Number 1* pre-election campaign, highlighting five key strategies to support economic growth across the state:

1. Boost employment opportunities by lifting the payroll tax threshold
2. Guarantee access to affordable and reliable energy
3. Accelerate the delivery of infrastructure to regional NSW
4. Skill our future workforce
5. Address stamp duty growth

Thinking Business

Under its thought leadership banner, *Thinking Business*, NSW Business Chamber released its *Old School/New School: Transforming School Education for the 21st Century* report in November 2017.

The report, developed in consultation with business and education leaders, teachers, parents and importantly, students themselves, called for a radical rethink of our approach to school education to properly prepare our kids for a satisfying career and life after school.

A key focus for advocacy throughout the year was securing new investment of \$285 million for apprenticeships and traineeships, and was rewarded by the NSW Government funding an additional 100,000 new apprenticeship positions and mandating that 20% of new roles on government projects will go to workers training on the job.

With the Federal Government supporting the Gonski 2.0 Review, and the announcement by the NSW Government that it will be undertaking a "root and branch" review to de-clutter the K-12 curriculum, the Chamber is well placed to leverage our research to deliver real reforms that improve outcomes for young people and help build the skills needed for the jobs of the future.

The voice of business

The work and effort of the Chamber has been rewarded with a number of significant advocacy wins. The NSW State Budget saw more than \$3 billion worth of new or expanded initiatives that the Chamber called for action on.

Over 2017-18, the Chamber has focussed on both refining and amplifying our calls for reform by leveraging the insights and voice of our members. Whether it's been feedback on their frustration with broadband services, compliance with the payroll tax system or the challenges in dealing with rising energy costs, our member's contributions have been critical to highlighting the real impact of these issues on business and giving weight to the case for change.



BUSINESS WINS






Issue



Chamber called on the government to...



Advocacy win

	 Payroll Tax Relief	 Infrastructure	 Finance
Lift the payroll tax threshold to \$1 million.	Lift the payroll tax threshold to \$850,000 in the 2018-19 financial year and to \$1 million by 2021-22.	Build the skills of the future by leveraging investment in public infrastructure.	Support fast growing SMEs by providing new finance pathways.
As part of the 2018/19 Budget, the NSW Government announced it will lift the payroll tax threshold to \$850,000 in the 2018-19 financial year and to \$1 million by 2021-22. This will save NSW businesses \$881 million over four years and keep 5,000 businesses out of the payroll tax system.	The NSW Government has committed 20% of new roles on new government projects will go to workers completing training.	As part of the 2018/19 Budget the NSW Government announced an additional \$46 million for Jobs for NSW to continue providing grants and loans for initiatives such as the Sydney Start-up Hub. In addition, the budget announced \$42 million for the GO NSW Equity Fund, which provides capital funding in exchange for a percentage of the ownership of the company it invests in.	





Changes to the payroll tax system will save NSW businesses

\$881 MILLION
over four years

\$285 MILLION

to support 100,000 apprentices



 Compliance	 Railways	 Education and Training	 Regulation
<p>Compensate businesses impacted by the container deposit scheme</p>	<p>Build a more efficient rail network by investing in new technology.</p>	<p>Transform school education and invest in skills.</p>	<p>Use the proceeds from the leasing of the state's electricity network to start investing in new infrastructure in regional NSW.</p>
<p>Following member reports of significant business impacts from the NSW container deposit scheme, the Chamber successfully called for a compensation to help support businesses located near the Victorian border transition into the scheme.</p>	<p>The 2018/19 NSW Budget announced the government will spend \$880 million for signalling improvements on the Illawarra and Airport train lines.</p> <p>Signalling upgrades on the Illawarra line was specifically called for in the Chamber's 2017 research into the South West Illawarra Rail Line (SWIRL).</p>	<p>The Chamber's Old School/ New School education report called for a radical re-think of school education to ensure it is purpose built for the 21st century.</p> <p>The NSW Government has announced a root and branch review to de-clutter the K-12 curriculum to do just that.</p> <p>The government has also announced a \$285 million investment to provide free training for 100,000 apprentices.</p>	<p>In response to recommendations made by former NSW Premier Nick Greiner, the NSW Treasurer announced the establishment of the NSW Productivity Commission.</p> <p>The Commission will focus on a range of issues to make it easier to do business with an initial review announced into compliance processes related to payroll tax.</p>

\$3
BILLION
 new or expanded initiatives the Chamber called for in the NSW State Budget

Sydney Business Chamber

The Sydney Business Chamber (SBC) and Sydney Business Chamber – Western Sydney, provide a voice to the needs of some of Sydney's top corporations and are leading advocates for Greater Sydney as a competitive and liveable global city.

In the past financial year, SBC has experienced a number of advocacy wins and extensive media coverage on key policy issues.

Highlights

Western Sydney Airport

In August 2017, the Federal Government confirmed it would establish a government-owned company to assist in the design and construction of the airport. In November 2017 the SBC – Western Sydney hosted its second airport conference, with Federal Urban Infrastructure Minister Paul Fletcher and NSW Premier Gladys Berejiklian among the guest speakers. Construction of the airport started in February this year.

Independent Hearing and Assessment Panels

Sydney Business Chamber has long advocated for the introduction of Independent Hearing and Assessment Panels (IHAPS) for all Sydney councils, to enhance the integrity of decision-making for participants of the system. In August 2017, the government passed legislation to mandate IHAPS for Sydney and Wollongong councils for all developments between \$5 million and \$30 million.

Powerhouse Museum relocation

With Western Sydney receiving just 1% of Commonwealth arts program funding and 5.5% of the NSW Government's arts budget, the SBC – Western Sydney has long-advocated for Western Sydney to have its own iconic institution. In May 2018, the government announced the Powerhouse Museum was moving to Parramatta – a huge advocacy win for SBC.

Central Station

The Central Station precinct needs to capitalise on the city's economic success by providing additional commercial, residential and public space as well as a world-class transport solution across Sydney. SBC has held three forums on the Central Station precinct, focusing on the opportunities an integrated station development could bring. Work on the station and the Sydney Metro project is underway.

Liverpool Innovation Precinct

The NSW Budget 2018/19 included an investment of \$740 million into the expansion and upgrade of Liverpool Hospital. This is an advocacy win for SBC along with health and education providers who joined together to form the Liverpool Innovation Precinct. SBC has strongly advocated for the need to expand the hospital in order to attract more knowledge jobs and private investment to South West Sydney.

Sydney Metro West

The Sydney Business Chamber, Western Sydney has singled out the Sydney Metro West project as one of the most important projects for NSW. In June, the NSW Government announced in its 2018/19 budget that it would allocate significant funds towards this project, with the business case to be finalised this year.

Illawarra First

Illawarra First, part of Illawarra Business Chamber, focuses on evidence-based advocacy for infrastructure development, business growth and long-term employment opportunities. Members comprise of key business leaders and government decision-makers, forming an influential leadership group that helps shape and champion initiatives for the region.

In 2017/2018, Illawarra First commissioned Veitch Lister Consulting to examine and report on measures to improve reliability and safety of road transport between the Illawarra and Greater Sydney.

Complementing earlier research on rail connectivity, Illawarra First has provided an additional evidence base that the Chamber is using to advocate to government for improved connectivity to Greater Sydney and, with it, improved business opportunities.



David Berger, Western Sydney Director, speaks with Channel 10

2

CASE STUDY

NSW
Business
Chamber
Energy



Meals on Wheels
Central Coast

Reducing the burden of energy costs for business

We know that for many businesses in NSW, energy is the single most expensive overhead they have. One in two NSW businesses consider energy prices to be a key cost control issue, according to the Chamber's March 2018 *Business Conditions Survey*.

NSW Business Chamber has long been calling for the Federal and State Government to take action and control escalating prices. Unfortunately, due to the complex nature of Australia's energy market, there is no immediate solution government can easily take.

To ease some of the financial burden on business, the Chamber launched NSW Business Chamber Energy, a free energy comparison service, in June 2018.

The service allows businesses to compare their current business and residential energy pricing against other providers and easily make the switch if there are savings available.

By comparing deals available from 10 energy retailers¹, the Chamber's energy experts are able to present the customer with the best deal for their circumstances. Businesses already on the best deal are able to enjoy peace of mind knowing they are not paying any more than they need to.

A pilot in the Hunter and Murray Riverina regions saw 136 members switch, saving on average \$1,150 per year (based on members who switched providers between 20 February and 28 May 2018).

Since launching, the Chamber has secured savings of more than \$1 million for business and residential accounts across the state. The average saving for businesses is \$1,530 per year². This is testament to our commitment to supporting members and business as a whole. Savings customers receive can be funnelled directly back into their business, helping them achieve their business goals and helping to provide a strong economic foundation for the state.

NSW Business Chamber will continue to advocate on behalf of businesses to reduce the cost of energy – including lowering gas prices, pushing for an electricity market and supporting industry research to innovate energy supply.

“We are amazed at the savings we were able to achieve. It was as easy as contacting the NSW Business Chamber and providing our electricity invoices. They were able to identify savings of \$9,768 across our two electricity accounts.”

Jeremy Brown, Jayco Newcastle

“Our electricity bills have been going up and that's really impacted Meals on Wheels... for us every cent matters. It could mean replacing some equipment [like] our industrial oven or the bain-maries. The rising costs also impact the services we can provide— it might mean getting one more volunteer to give someone a meal.”

Lorraine Grosby, Meals on Wheels Central Coast

¹ Retailer availability is based on the commercial relationships that the subcontractor for NSW Business Chamber Energy has with the retailers on its panel. The subcontractor is Make it Cheaper Pty Ltd.

² Based on 477 NSW Business Chamber members who went through the full bill comparison service between 20 February 2018 and 16 July 2018.

Australian Business Solutions Group

The Chamber continues its growth in its commercial division, offering services to business. Everything Australian Business Solutions Group (ABSG) does is designed to help businesses become more productive, competitive and profitable.

As the commercial division of NSW Business Chamber, ABSG is guided by the principle of social enterprise. Surplus from commercial activity goes back into substantially funding the business chamber movement in key areas of innovation, research and advocacy to government. The outcomes of this activity contribute to sustainable economic growth nationwide.

And because ABSG is not driven by shareholder gain, the highest levels of service are offered with exceptional value.

ABSG provides the following business services:



AUSTRALIAN BUSINESS SOLUTIONS GROUP

	AUSTRALIAN BUSINESS Apprenticeships Centre	Apprenticeships Traineeships Mentoring Career Advice Training
	AUSTRALIAN BUSINESS Consulting & Solutions	Marketing International Trade Work Health & Safety Human Resources Business Growth
	AUSTRALIAN BUSINESS Lawyers & Advisors	Employment Law Workplace Relations Workplace Health & Safety Law Corporate & Commercial Law Property Law
	AUSTRALIAN BUSINESS Recruitment Solutions	Executive & Business Support Industrial Health Indigenous Apprentices & Trainees



Australian Business Apprenticeships Centre and Apprenticeship Support Australia

This year Australian Business Apprenticeships Centre (ABAC) celebrated 20 years of continual service in supporting NSW, ACT and QLD employers to use apprenticeships and traineeships to train the next generation of talent.

With its partners in the Apprenticeship Support Australia (ASA) business, ABAC has placed more than 1.5 million apprentices and trainees over the last 20 years, Australia wide.

HIGHLIGHTS

The last year saw a record number of new Australian apprenticeships commenced through ABAC. Importantly, retention rates continue to average more than 15% above state benchmarks in NSW, ACT and QLD, thanks to a range of activities designed to place candidates into the right apprenticeship or traineeship, along with targeted mentoring services.

To build further awareness of the program, Apprenticeship Support Australia launched a national television campaign that received very positive feedback from around the country. Federal Assistant Minister for Vocational Education and Skills, Karen Andrews, visited our North Sydney offices to congratulate the organisation on its efforts over the past 20 years and discuss the future of Australian Apprenticeships.

The Chamber was awarded an Australian Government Contract to provide Industry Specialist Mentoring for Australian Apprentices (ISMAA) for the Manufacturing and Tourism Industries. Furthermore, we were selected to partner with the NSW Department of Industry to design and provide a range of tools to increase participation in apprenticeships and traineeships.

Skillsroad

The Chamber's innovative careers program, Skillsroad, has seen phenomenal growth over the past 12 months.

The platform now boasts more than 200,000 registered members and with the growth of its specialist entry-level jobs board, which saw more than 1,500 employers list jobs and more than 40,000 candidate applications over the financial year, it is helping to place youth into jobs across Australia.

The Skillsroad Show, run in partnership with the Australian Government, took career advice and jobs to youth across NSW over a two-year period. During this time, the roadshow covered more than 6,000 kilometres, stopping in 86 locations. More than 20,000 students and job seekers participated.

Skillsroad also commissioned its first Skillsroad Youth Census in 2017, with more than 13,200 young people between 15 to 24 years responding. The survey was the first of its kind, combining two psychology tools to assess the holistic wellbeing of youth and the impact of this on their transition into the workforce. The insights from this work featured in more than 250 media reports and will inform the development of new tools and resources provided by Skillsroad.

20 YEARS

supporting Australian Apprenticeships

500,000

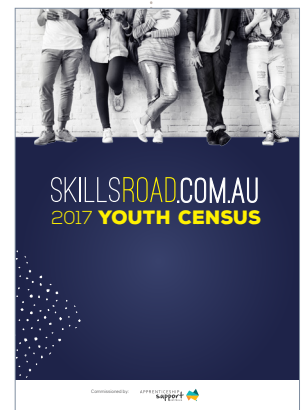
apprentices and trainees commenced in NSW, ACT and QLD

1.5 MILLION

nationally

200,000

Skillsroad members



3

CASE STUDY

NBN guarantee



Member, Internatrix, based in Wollongong

Guaranteeing quality broadband for all businesses

Whether it's used to help manage staff, balance the accounts or engage and interact with customers, technology has become an indispensable part of modern business operations. As we rely more and more on technology so too has our reliance on access to affordable and reliable broadband services. This is particularly the case for businesses in regional NSW.

While both sides of Federal politics have touted the transformational opportunities from the roll out of the National Broadband Network, many businesses across NSW have been caught in a frustrating wedge between telecommunications retailers, wholesalers and contractors in trying to secure reliable broadband connectivity.

The transition for many business customers to the National Broadband Network has been far from seamless. To capture these challenges, in August 2017, NSW Business Chamber conducted a state-wide survey of members. The survey identified almost 40% of respondents had to wait more than four weeks for their NBN service to be fully operational, with some businesses reporting no internet or phone during this period. This meant for many businesses, critical systems to receive or process electronic payments, communicate with staff or to simply engage with their customers were all offline. The survey found the delays and disruptions were costing NSW businesses on average, more than \$9,000.

While there are always challenges with new technology, it was clear from feedback from our members that the lack of accountability, responsibility and coordination between retailers and wholesalers in delivering broadband services to consumers were significant drivers of these delays and disruptions. In response, the Chamber proposed a National Broadband Service Guarantee requiring wholesalers, retail service providers, and contractors/installers to work together to deliver agreed service standards.

The guarantee received local, state and national media coverage with member businesses participating directly in media statements and appearances.

Mirroring the calls of the Chamber, Federal Leader of the Opposition, the Hon. Bill Shorten MP has committed to implement a guarantee. The guarantee as proposed by Mr Shorten would, among other things, compensate businesses if connections and delivery of services under the NBN are not up to scratch.

The development of a National Broadband Service Guarantee is just one example of the Chamber's member driven, solutions focussed advocacy work to improve the operating environment for Australian business.

“The survey found the delays and disruptions were costing NSW businesses on average, more than \$9,000.”

Australian Business Consulting & Solutions

Australian Business Consulting & Solutions (ABCS) helps businesses develop their strategy, explore new markets domestically and globally and manage daily operational issues including people, compliance, sales and marketing.

A multi-disciplinary consulting business, members and clients are able to access specialist advice across a range of areas including marketing, international trade, HR, WHS and business growth solutions.

HIGHLIGHTS

ABCS saw an increase in businesses seeking to move into offshore markets in 2017-18. While the primary focus remained on China, members also showed strong signs of interest in emerging markets India, Vietnam and the Middle East.

Over the past 12 months, ABCS processed 62,000 export documentation certificates and carnets enabling Australian businesses to export their products to countries across the globe.

ABCS also continued to deliver Tradestart, a commonwealth initiative of the Australian Trade Commission and assisted over 75 first-time exporters progress export opportunities across the food and beverage, and manufacturing sectors.

Over 25 business delegations were received from across the globe from governments, chambers and industry looking to forge deep and meaningful relationships with members from all sectors.

Export Growth China

Our China practice assisted over 100 Australian businesses to trade and invest in China through the Export Growth China program and tailored consulting.

Overall, we have generated \$8 million in export sales for our members and have seen an increase of 17% for processing export documentation under the Chinese Free Trade Agreement.

An expanded service offering to Chinese businesses looking at entering and/or investing in the Australian market resulted in one member finalising a \$150 million investment from China.

We have also become a leading intellectual property specialist for Australian businesses to file trademarks and/or oppose fraudulent trademark filings in China.

Chamber Check

ABCS was commissioned to develop a global benchmarking system for Chambers of Commerce – Chamber Check. Designed to assist chamber executives assess the health of their business and receive a report identifying where and how they could improve, Chamber Check addresses critical issues affecting both private and public law Chambers. Launched at the 10th ICC World Chambers Federation World Chambers Congress, hosted by NSW Business Chamber, it has been completed by over 60 chambers internationally.

Entrepreneurs' Programme

Helping companies accelerate their capability, business opportunity and growth, ABCS has 18 advisers and facilitators located in metro and regional NSW, QLD and Northern WA, through the Entrepreneurs' Programme. With a focus on Australian growth sectors including food and agribusiness, advanced manufacturing, tourism, medical technologies, digital and creative industries, and mining and resources, they serviced more than 300 businesses this year.

Business Propel Professional

An online integrated solution to effectively assess, plan, prioritise and improve business performance, Business Propel services more than 3,000 subscribers. This year saw the launch of Business Propel Professional, designed to help members in the consulting industry add value to their SME customers by providing valuable insights on their business powered by Business Propel. Collaboration tools help consultants in real time assist clients with planning, monitoring performance and guiding actions and a professional community portal encourages collaboration with an expanded professional network.

23,318

legally compliant documents were created with HR Advance

1,312,000

visitors to Workplace Info

2,267

Health Checks completed in Business Propel

62,000

export documents issued



Australian Business Lawyers & Advisors

More than
23,000
Workplace Advice
Line calls

**EMPLOYMENT
LAW SPECIALIST
FIRM OF THE YEAR**

Australasian Law Awards
2018

Providing practical and trusted advice to members and the business community across workplace relations, corporate, commercial and property law, Australian Business Lawyers & Advisors (ABLA) has experienced exciting growth this past year.

Industrial litigation “test cases”

The employment team has been at the forefront of every important workplace policy case in 2017. Representing NSW Business Chamber, the Australian Chamber of Commerce & Industry and industry association and employer groups, ABLA was the leading advocate in the following workplace policy “test cases”:

- Casual and Part-Time Employment
- Domestic Violence Leave
- Family Friendly Work Arrangements
- Childcare Equal Remuneration
- Blood Donor Leave
- *Khayam v Navitas English*

ABLA’s unique position allows them to provide access to justice for tens of thousands of businesses that would normally find legal costs prohibitive. This has been achieved by providing pro-bono work for charitable and indigenous organisations, 24 hour, seven-day a week access to a Workplace Advice Line, and free educational workplace events across the country.

Corporate and Commercial

This team continues to grow both in the number of lawyers and expertise providing assistance in the areas of corporate advisory, commercial litigation and dispute management, commercial property and technology law.

Privacy, data protection and trademarks have been a major focus during the last 12 months. Key achievements this year have been the provision of specialist advice, public commentary and educational materials provided in regard to significant changes to the Commonwealth’s Privacy Act important changes to the Notifiable Data Breach obligations, and the introduction of the General Data Protection Regulation in the EU, and its potentially material ramifications for local businesses dealing with Europe.

Workplace Advice Unit

The Workplace Advice Unit continues to thrive, with specialist workplace advisers handling more than 23,000 calls providing support to businesses over the last 12 months.

Workplace Assured

As the subject matter experts behind Workplace Assured, ABLA is supporting members and clients achieve compliance in workplace relations. In the past year ABLA has assisted over 190 businesses receive compliance reviews. This has helped to improve their businesses, governance practices and reduce their exposure to workplace liability.

Award recognition

In the last 12 months, ABLA has received the following recognition for excellence:

- 2017** HR Service Provider – Employment Law
- 2017** Finalist – Commercial Team of the Year – Australian Law Awards
- 2017** Finalist – Employment Team of the Year – Australian Law Awards
- 2018** Doyle’s Guide – Safety and Employment
- 2018** Employment Law Specialist Firm of the Year – Australasian Law Awards



ABLA Sydney team

4 CASE STUDY

Quality tourism



Tourism on the move

How do you quantify business excellence? It's a question never far from the minds of NSW Business Chamber's Tourism Industry Division and interstate colleagues on the Board of the Australian Tourism Industry Council (ATIC).

Tourism is one of NSW's strongest industries, generating more than \$37 billion in consumption and well over a quarter of a million jobs, with potential to be an even greater economic powerhouse with support from government and industry groups.

In 2017 the Tourism Division expanded its footprint, taking over management of the Star Ratings program in NSW on behalf of ATIC, managing over 950 star rated licenses for businesses in NSW as part of a national pool of 2,568 Star Rated businesses nationally.

Boasting strong consumer awareness, the Star Ratings program is an internationally recognised rating scheme which gives accommodation businesses a "star" rating. In an age of self-rating and peer-to-peer reviews, the Stars program is one of the few independent accommodation assessment schemes available for businesses to market their product.

Tourism members are also able to showcase their businesses by entering the prestigious NSW Tourism Awards, managed by the Chamber and supported by the NSW Government via its tourism and major events agency, Destination NSW.

The past 12 months also saw the Tourism Industry Division, working with the Chamber's Tourism Advisory Council, play a significant role in drafting the new national Quality Tourism Framework, which is set to be officially launched in October 2018. The framework integrates three separate national business development programs – the Tourism Awards, Australian Tourism Accreditation Program (ATAP) and Star Ratings programs – into one system.

The goal of the Quality Tourism Framework is to assess current programs and ascertain what a modern-looking program will look like in 2018 and beyond.

According to President of the Tourism Advisory Council Simon Spellicy, "The Quality Tourism Framework provides a valuable process for tourism businesses, particularly SMEs, to develop sound business practices and assess their operation through the optics of an independent body combined with consumer feedback".

With the increasing influence of online review websites such as TripAdvisor proving to be a game-changer for the sector internationally, a strong focus for the framework will be the integration of consumer review data, reporting and measurement to guide the outcome of the end recognition point, whether that's the tourism awards judging, accreditation and stars seal or logo of endorsement.

The Tourism Industry Division played a lead role on behalf of ATIC in designing the new brand mark representing Quality Tourism. Businesses that have been independently assessed as meeting quality tourism business standards in Australia, through the Quality Tourism Framework, will be able to use the mark on their marketing materials.

There are currently 5,381 Quality Tourism businesses, consisting of both ATAP and Star Rated businesses.

The Chamber also continues to hold the government to account on tourism, through its advocacy work and the release of its *On the Move Mid-Term Report Card*, which assessed the government's performance against the Tourism Division's 2015 pre-election priorities to grow, invest, secure and engage the tourism sector.

Australian Business Recruitment Solutions

Delivered a pre-apprenticeship program to more than

300
CANDIDATES

MARKETING
CAMPAIGN
OF THE YEAR

Recruitment, Consulting & Staffing Association (RCSA)

With skills shortages becoming more evident in Australia, employers continue reporting increased difficulty in finding suitably skilled staff to keep their businesses competitive. Australian Business Recruitment Solutions, the workforce solutions arm of Australian Business Solutions Group (ABSG), remains committed to responding to the needs of those industries suffering most from a deficit of workers with the right skills.

Emphasis continues to be in the health sector and blue collar industries, in addition to supporting skills development and the Chamber's commitment to youth employment, through the expansion of Apprenticeship Careers Australia.

HIGHLIGHTS

Apprenticeship Careers Australia

Apprenticeship Careers Australia (ACA) continues to lead the group training market with innovative solutions to meet increased demand from businesses for trade apprentices.

ACA also successfully delivered a pre-apprenticeship program, on behalf of the NSW Government, for more than 300 candidates in a range of trades. These programs are an important pathway for youth transitioning from school into work and they play a critical role in addressing youth unemployment.

In June 2018, the business was awarded the prestigious *Marketing Campaign of the Year* award by the Recruitment, Consulting & Staffing Association (RCSA).

CQ Nurse

Following its acquisition in early 2017, CQ Nurse underwent a re-brand in late 2017, to position the business as part of the Health Solutions Group Australia offering. CQ Nurse was also appointed as a provider to the Northern Territory Government, which saw the opening of our Darwin office and specialist nurses deployed to remote communities throughout the Northern Territory.

Alliance Community

To position our organisation as a market leader as the National Disability Insurance Scheme (NDIS) gains momentum in Australia, our community support businesses were re-branded in May.

Alliance Community was the culmination of an extensive research project undertaken across the group and a whole of community approach to designing premium support services for people living with disability and the aged.

Disability Inclusion

The business was successful in submitting an application for a two-year National Disability Insurance Scheme (NDIS) government grant to leverage and expand the work of NSW Business Chamber's Disability Inclusion Officer, in assisting businesses to understand the real business and community outcomes achievable through better disability inclusion.



5 CASE STUDY

Aged care
services
boom



Caring for an ageing population

Australia is on the brink of an aged care services boom, with an ageing population and increased life expectancy set to place unprecedented demands on the sector within a few years. According to Treasury's *2015 Intergenerational Report*, the number of Australians aged 65 years and above is expected to more than double over the next 40 years.

With an ageing workforce in the sector (social researchers McCrindle suggest that half of the workforce will reach retirement age in the next 15 years) compounding the problem, Australia's aged care providers are under increasing pressure to ensure Australia's aged care system is sustainable well into the future. This of course presents real challenges for Australian businesses to attract and retain talent.

In delivering aged care services, providers not only support the well-being and dignity of older Australians, but also helps ease the burden on thousands of Australians who juggle caring for elderly relatives with employment, which can see them leave the workforce, and those employers impacted by absenteeism and loss of skills.

By helping businesses in the aged care sector to recruit the staff they need, Health Solutions Group Australia, delivered by Australian Business Recruitment Solutions, is proactively tackling the problem, providing a strong foundation for a sustainable future.

Alliance Community attracts and retains Health Support Workers for over 30 organisations in the aged-care sector. Alliance Community offers employees career pathway options through training and development of skills necessary to support our clients with high quality services. Employees are given the opportunity to complete a Certificate IV in Disability, facilitated through the organisation's partnership with Wentworth College.

Between 2017 and 2018, 14 employees successfully completed their Certificate IV in Disability allowing them to better support older Australians by empowering them to achieve greater levels of independence, while progressing their own career.

“the number of Australians aged 65 years and above is expected to more than double over the next 40 years”

2015 Intergenerational Report

Corporate social responsibility and sustainability

As part of our commitment to building a better Australia, NSW Business Chamber believes achieving good social outcomes starts “at home”.

During the past 12 months, the Chamber has actively worked to lead by example as an employer of choice, earning recognition as a “Gold Winner” in the 500+ employees category of HRD’s “2018 Employer of Choice” awards for its progressive approach to employee management and culture building.

With the Chamber looking at every aspect of how it operates in an ever-changing, fast-paced digital world, equipping the organisation’s people leaders at all levels to lead their teams in being commercially responsive to disruption has been a priority in the last 12 months. Additionally, the Chamber aims to empower employees to own and manage their own career development by nurturing strong, open relationships with their leaders. Employees are additionally supported in achieving their work-life goals, resulting in greater employee health and wellbeing, productivity and better retention rates.

With the concept of “creating shared value” at the heart of the Chamber’s corporate social responsibility (CSR) program, the Chamber is helping to improve long-term economic and social outcomes through a range of CSR initiatives.

HIGHLIGHTS

Working with members

The Chamber once again showcased the outstanding sustainability performance of members through the 2017 Business Awards program. This included an award for Excellence in Sustainability in partnership with the Office of Environment and Heritage. The award went to community-owned aged care service provider, Warrigal.

Accreditation

Over 2017-18 the Chamber’s continued commitment to sustainable business practices was recognised with the Chamber receiving Silver Accreditation in the NSW Government’s Office of Environment & Heritage Sustainability Advantage program.

The Chamber holds multiple external accreditations including Quality Management ISO9001:2005, Safety Management Systems ISO 4801:2001, The Australian Council on Healthcare Standards (ACHS), Standard 15 - Corporate Systems and Safety Certification (Health), Attendant Care Industry Standard (ACIS).

Disability Inclusion Program

The Chamber supports the NSW Government’s Disability Inclusion Program to create a healthier, more productive society by promoting employment opportunities and raising awareness of disability across the business community.

Over the past 12 months, the Chamber’s Disability Inclusion Officer engaged with more than 900 individual businesses through events, seminars and one-on-one consultations focusing on how to make their business accessible and inclusive to increase their customer base.



The Board of NSW Business Chamber as at 30 June 2018

Nola Watson

Ellie Brown

Judith Field

Lyll Gorman

Professor Trevor Cairney OAM

Brett Manwaring

Greg McNamara

Warrick McLean

Ian Penfold

Terry Wetherall

NSW Business Chamber Councillors as at 30 June 2018

Sean Ashby

Sue Baker-Finch

Professor Trevor Cairney OAM

Nola Watson

Rob Drage

Michael Mekhitarian

Daniel Meyer

Brett McGrath

David Mumford

Grahame Nash

Katherine O'Regan

Ellie Brown

Janine Cullen OAM

Rodney Dever

Les Dion

Tony Dormer

Scott Emerson

Judith Field

Gary Fox

Lyll Gorman

Stephen Grabowski

Amy Harper

Simon Harrop

Orit Karny Winters

Bruce Mackenzie

Brett Manwaring

Warrick McLean

Gregory McNamara

Natalie Mitchell

Anne Parnham

Ian Pedersen

Ian Penfold

Daniel Rowan

Jonathan Vandervoort

Terry Wetherall

Brian Millar

Graham Morgan

Frank Sammut

Dianne Tipping

Kerry Wilson

Honorary Life Governors as at 30 June 2018

Mr Warren D Adcock OBE appointed February 1986

Mr John T Cameron appointed November 1999

Mr Neville Sawyer AM appointed November 2005

NSW Business Chamber Limited

ABN 63 000 014 504

FINANCIAL REPORT - 30 JUNE 2018

NSW Business Chamber Limited

Directors' report

30 June 2018

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of NSW Business Chamber Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2018.

Directors

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

N Watson (President) *
L N Gorman (Vice President) *
E T Brown
T H Cairney *
J R Field
B A Manwaring
W McLean (appointed on 15 February 2018)
G J McNamara
I B Penfold
T C Wetherall
A F Dormer (resigned on 15 February 2018)

* T H Cairney completed his term of presidency on 15 February 2018 and N Watson completed her term of vice presidency on 15 February 2018. N Watson was appointed president and L N Gorman vice president on 15 February 2018.

Objectives

The consolidated entity's core mission is to create a better Australia by maximising the outcome and potential of Australian businesses.

The consolidated entity's vision encompasses being NSW's premier business organisation for small and medium-sized enterprises ('SME'), mid-sized and large businesses; the recognised strong and respected voice for business in NSW; the pre-eminent Thought Leader and advocate for business; and to invigorate business through the delivery of a wide range of relevant, quality and innovative advice, services and solutions available to all businesses wherever located.

Strategy for achieving the objectives

The consolidated entity's strategy to deliver on its vision includes:

- Attracting, developing and retaining the best and the brightest talent in the market;
- Investing in enabling technology to support stability, member/client engagement and product/service delivery and innovation;
- Focusing on research and business engagement to develop thought leadership reports that address issues impacting on business;
- Profitable growth through a concentration on core activities and competencies and through targeted acquisitions;
- Considered, effective and relevant governance to maximise the value provided to members, clients and the wider business community;
- Maximising returns from a diversified investment portfolio to support its activities and to fund strategic projects as well as capability development to anticipate and pro-actively deliver on business needs; and
- Championing a collaborative chamber network to exert impactful influence on government at all levels, local, state and federal, to benefit business and wider Australian community.

Principal activities

During the financial year, the principal activity of the consolidated entity continued to be an employer association, to promote, encourage, maintain and assist manufacturing industry, trade and commerce in Australia through the provision of business services, support and advocacy.

Significant events

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

Performance measures

The consolidated entity's performance is constantly measured against the following key performance indicators:

- Financial performance to budget, forecast and benchmark;
- Member retention;
- Client satisfaction;
- Employee engagement;
- Policy and advocacy outcomes;
- Media effectiveness; and
- Various operational metrics appropriate to specific business activities.

Information on directors

Name:	Nola Watson
Title:	President
Qualifications:	BA (Syd) Master Public Policy (ANU), Advanced Management Program (INSEAD), Advanced Risk Management Program (Wharton), FAICD
Experience and expertise:	Nola was appointed President and Chairman in February 2018. She has been a director of NSW Business Chamber since 2014 and was previously the Chair of the Audit, Risk and Compliance Committee and the Business Environment & Economics Committee. She is a Director of the Australian Chamber of Commerce and Industry. Nola is an experienced company director with a strong executive career in risk management, governance and business strategy. She is the Principal of Indar Business Consulting. Previously she was an executive General Manager of Insurance Australia Group ('IAG') managing portfolios including Risk and Governance, Business Partnerships, Government and International Relations, Corporate Affairs, and Customer Relations. Prior to IAG, Nola spent many years in senior executive positions within Commonwealth and New South Wales governments. Nola has been a Director of the IAG and NRMA Superannuation Board and Chair of its Audit and Risk Committee. She was also a Director of Australian Services Roundtable, Business for Millennium Development and the State Records Authority of NSW.
Special responsibilities:	Ex-officio of all Committees

NSW Business Chamber Limited
Directors' report
30 June 2018

Name: Lyall N Gorman
Title: Vice President
Qualifications: Dip Teach, BEd, MEd Admin
Experience and expertise: Lyall is a councillor of NSW Business Chamber and was elected to the Board in 2014. He is currently the Chief Executive Officer of the Manly Sea Eagles and was previously the Group Chief Executive Officer of the Cronulla Sharks. He is currently a Director of Cricket NSW. In June 2017 he was appointed as Chair of the Parramatta Park Trust. In June 2010 he was appointed by Football Federation Australia as Head of the Hyundai A-League and in May 2012 as the founding Executive Chairman of the Western Sydney Wanderers, a position he held until July 2014. Lyall is the former Executive Director of an Australian Securities Exchange ('ASX') listed public company (a merchant bank and investment holding company specialising in corporate finance, corporate advisory, strategic investment, property and asset management) and was formerly its Executive Director Finance and Administration. He was the founding Chief Executive Officer and subsequently Executive Chairman of the Central Coast Mariners, one of the eight founding clubs in the Hyundai A-League. Lyall was extensively involved as the NSW Manager for the implementation and management of the Commonwealth Government Block Grant Authority capital construction program involving the assessment of project viability, risk analysis, financial overseeing and monitoring of the construction of property projects valued in excess of \$50 million per annum.
Special responsibilities: Chair of the Human Resources & Succession Committee and Member of the Investment Committee

Name: Eleanor T Brown
Title: Non-executive director
Qualifications: BBus: Marketing, WLA Advanced Leadership Program Cert IV TAE, Cert IV Beauty Therapy, GAICD
Experience and expertise: Ellie joined NSW Business Chamber as a Councillor in 2005 before being elected to the Board in 2012 and was previously the Chair of the Human Resources & Succession Committee. Ellie is the Principal of Ellie Brown Business Solutions, a business consulting company specialising in working with small to medium businesses, focusing on strategy, change and leadership development. She also works for TAFE NSW, Management Services, and Women in Leadership Australia as a Senior Facilitator and Executive Coach. Previously Ellie was the owner-operator of multi-site/multi-discipline small businesses in regional NSW. Ellie joined the Local Chamber movement over 19 years ago. Ellie was the President of the Orange Business Chamber, the founding President of the Central West Business Chamber before joining the NSW Business Chamber as a Councillor. Ellie was named in the Australian Financial Review and Westpac 100 Women of Influence Awards in 2014 and Orange Electorate Woman of the Year in 2011, for her work within the business community and her involvement with the Business Chamber.
Special responsibilities: Member of the Human Resources & Succession Committee

NSW Business Chamber Limited

Directors' report

30 June 2018

Name: Professor Trevor H Cairney OAM
Title: Non-executive director
Qualifications: BA, M. Litt, PhD, GAICD
Experience and expertise: Trevor is the Immediate Past President of NSW Business Chamber. He has been a director of the NSW Business Chamber since 2007. He is also Chairman of Australian Business Lawyers & Advisors ('ABLA'). He is also Chief Executive Officer of Higher Education Solutions Pty Ltd. He has filled varied roles in business and business organisations as a Chief Executive Officer and Director. His directorships and chairmanships include educational and technology-based companies, as well as industry bodies. Trevor has extensive experience within higher education at varied institutions as a Professor, Dean, and Pro Vice-chancellor (Research and Development). He has degrees with specialisations in Psychology, Economics and Education. His PhD was concerned with memory, cognition and learning. He has published over 250 articles and chapters and 10 books and has lead 35 funded research projects. He is a Life Fellow of the University of New South Wales and an Honorary Professor at The University of Sydney. In 2012, he received an Order of Australia award for his service as an academic, educator and administrator, as well as to business through his varied leadership roles.

Special responsibilities: Member of the Audit, Risk and Compliance Committee

Name: Judith R Field
Title: Non-executive director
Qualifications: Dip Teach: Early Childhood Education, MAICD
Experience and expertise: Judith joined Lendlease in 2002 and has had various roles within the Communities business with a strong focus on economic and social sustainability across NSW on projects such as Jordan Springs, Ropes Crossing, Calderwood Valley and Gilead. Prior to Lendlease, Judith worked for 11 years at the University of Western Sydney in various roles in business development and research commercialisation. Her early career included early childhood teaching; retail and marketing experience as buyer/senior buyer with the Myer Group; management of a fashion retail chain and operation of her own successful marketing consultancy for six years. Judith has been active in the Western Sydney region through a number of organisations including Penrith Valley Chamber of Commerce where she was a member of the Executive Committee as Vice President and President; as Vice Chairperson of the Board of Mamre Plains Ltd; as a Board Member of Penrith Business Alliance, and Chair of its Finance and Risk Committee. She was appointed to the Board of Western Sydney Parklands Trust in July 2018. Judith has been a Councillor on NSW Business Chamber since 2005; a director since 2016; chaired the Skills Committee from 2006 to 2018; and was a member of the Investment Committee from 2016 to 2018.

Special responsibilities: Member of the Human Resources & Succession Committee and Chair of the Business, Environment & Economic Committee

NSW Business Chamber Limited
Directors' report
30 June 2018

Name: Brett A Manwaring
Title: Non-executive director
Qualifications: B.Econ (Accounting), Six Sigma (Green Belt)
Experience and expertise: Brett joined NSW Business Chamber as a councillor in 2009 before being elected to the Board in 2012. Brett is a former director of the Illawarra Business Chamber, current joint Trustee of the Illawarra First Fund and operates his own Management Consultancy and Advisory business. Prior to this Brett's background includes: 9 years as a director with Australasian advisory firm PPB Advisory; 5 years as Chief Operating Officer and Chief Financial Officer of a major Australian based textiles manufacturing, wholesale and distribution group; and in excess of 10 years banking and finance experience, including roles with GE Capital, St. George Bank and the Commonwealth Bank of Australia.

Special responsibilities: Chair of the Audit, Risk and Compliance Committee and Member of the Investment Committee

Name: Warrick McLean
Title: Non-executive director
Qualifications: MBA, GradDipFinMan, BA
Experience and expertise: Warrick first joined NSW Business Chamber as a Councillor in 2014, having been a former Vice President and Past President of Western Sydney First and was appointed to the Board in February 2018. Warrick is the Chief Executive Officer and a Principal of Coleman Greig Lawyers, Western Sydney's largest commercial law firm based in Parramatta and Norwest. Warrick is an experienced leader with a proven record in creating change through organisational transformation and process redesign. Warrick has over 20 years' experience in senior leadership roles within professional service organisations in Sydney and regional NSW. His success has been demonstrated through a track record of growing professional services firms, and creating sustainable performance improvement. His high level interpersonal skills allow him to genuinely engage with stakeholders at all levels. He is a Member of the City of Parramatta/Riverside Theatre Advisory Board and appointed Local Resident Representative - City of Parramatta Local Planning Panel. He is the Past President of Australasian Legal Practice Management Association ('ALPMA').

Special responsibilities: Member of the Audit, Risk and Compliance Committee and Chair of the Workforce Skills Taskforce

Name: Gregory J McNamara
Title: Non-executive director
Qualifications: MAICD
Experience and expertise: Greg joined NSW Business Chamber as a councillor in 2013 before being elected to the Board in 2014. Greg has spent his entire life working in the agricultural sector, firstly as a dairy share farmer, then moving to farm ownership in his mid-twenties. Greg currently runs a 300-strong dairy herd in partnership with his wife Sue and son Todd at Goolmangar, near Lismore. Greg has been a Director of Norco Co-operative Limited since 1996 and, in addition, has held the position of Chairman of the Board of Directors since 1999. Greg is a Member of the Northern Rivers Cooperatives Alliance, Chairperson of Industry Advisory Group which oversees the Farming Together Programme, and Chair of the Australian Organic Industry Working Group.

Special responsibilities: Chair of the Investment Committee and Member of the Human Resources & Succession Committee

NSW Business Chamber Limited
Directors' report
30 June 2018

Name: Ian B Penfold
Title: Non-executive director
Qualifications: FAICD
Experience and expertise: Ian was appointed to the Board of Australian Chamber of Commerce and Industry in 2007. He is a Past President and has been a councillor of NSW Business Chamber since 1997. An experienced Chairman and Chief Executive, Ian's particular skills and experience were acquired as the head of major corporations with licenses for well-known international retail brands. Ian is a former Chairman and Managing Director of Speedo Australia, and Chairman and President of Pentland Australia, which in addition to Speedo, owned the license for other international brands including Lacoste and Ellesse. He is also a former Managing Director of Cork International, a leading consumer products business with international brands and of Charles Parsons & Company Pty Ltd, a major subsidiary of the Charles Parsons Group – a multi-faceted supplier and converter of textile products in Australia. He was also Chairman of Australian Business Lawyers & Advisors. Ian is also Defence Reserves Support Council Sydney Metropolitan Regional Chairman, Director, Hunter Business Chamber and Committee Member, Corrective Industries Consultative Committee.

Special responsibilities: Member of the Audit, Risk and Compliance Committee

Name: Terence C Wetherall
Title: Non-executive director
Qualifications: GradDip in Urban Planning, Associate Diploma in Property Valuation, GAICD, Graduate Australian Institute of Superannuation Trustees-GAIST, Justice of the Peace
Experience and expertise: Terry has been a councillor of NSW Business Chamber since 2001. He has over 28 years' experience in providing a range of specialist town planning and property valuation services. Terry operates his business, TCW Consulting in Wollongong. He has held numerous senior positions in the Illawarra, including President of the Wollongong Chamber of Commerce and President of the Illawarra Business Chamber. He is a member of various professional associations, including the Australian Property Institute ('API') and Planning Institute of Australia ('PIA'). Terry is a respected opinion leader within the property industry, particularly for his understanding of regional issues. He is also the Immediate Past President of Australian Chamber of Commerce and Industry. Terry is also Chair of CareSuper.

Special responsibilities: Member of the Investment Committee

NSW Business Chamber Limited
Directors' report
30 June 2018

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2018, and the number of meetings attended by each director were:

	Full Board		Investment	
	Attended	Held	Attended	Held
N Watson*	6	6	4	4
L N Gorman	6	6	1	1
E T Brown	6	6	-	-
T H Cairney*	6	6	3	3
J R Field	6	6	2	3
B A Manwaring	6	6	1	1
W McLean	3	3	1	1
G J McNamara	6	6	4	4
I B Penfold	6	6	3	3
T C Wetherall	6	6	4	4
A F Dormer	2	3	-	-

	Audit, Risk & Compliance		Human Resources & Succession	
	Attended	Held	Attended	Held
N Watson*	4	4	2	2
L N Gorman	1	2	4	4
E T Brown	2	2	4	4
T H Cairney *	4	4	2	2
J R Field	-	-	3	4
B A Manwaring	3	4	-	-
W McLean	2	2	-	-
G J McNamara	-	-	3	4
I B Penfold	1	2	-	-
A F Dormer	1	2	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

* The President is an ex officio member of all Committees. T H Cairney completed his term of presidency on 15th February 2018 and N Watson was appointed from the same date.

The Chief Executive Officer is an ex officio member of all Committees except the Audit, Risk & Compliance Committee.

Company secretary

Chris Burubu (LLB (Hons), BA, GAICD) was appointed to the role of General Counsel & Company Secretary on 10 March 2017. Chris has 18 years of legal experience, with expertise in mergers and acquisitions, private equity, capital markets and general commercial law. Chris was previously the General Counsel of Transfield Holdings and has also held legal roles at AMP, Lazard and MinterEllison

Corporate governance

The consolidated entity is committed to ensuring that its policies and practices reflect a high standard of corporate governance. The Board considers that the governance framework and adherence to that framework are fundamental in demonstrating that the directors are accountable to stakeholders and are appropriately overseeing the management of risk and the future direction of the consolidated entity. The Board voluntarily provides a corporate governance statement to enhance transparency and communication with stakeholders in relation to its corporate governance practices. The latest corporate governance statement, which was approved by the Board at the same time as the financial statements, can be found at:

<http://www.nswbusinesschamber.com.au/About/Governance>

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each.

The total amount that members of the company are liable to contribute if the company is wound up is \$49,620 (2017: \$50,850) based on 4,962 (2017: 5,085) current ordinary members.

The Constitution does not permit the return of capital or the distribution of surplus by way of dividend to members.

Rounding of amounts

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 is set out on page 9 and forms part of the Directors' Report.

PricewaterhouseCoopers continues in office in accordance with Section 327 of the Corporations Act 2001

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

On behalf of the directors



N Watson
Director



B A Manwaring
Director

11 September 2018
Sydney



Auditor's Independence Declaration

As lead auditor for the audit of NSW Business Chamber Limited for the year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of NSW Business Chamber Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'James McElvogue', written in a cursive style.

James McElvogue
Partner
PricewaterhouseCoopers

Sydney
11 September 2018

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NSW Business Chamber Limited

Contents

30 June 2018

Statement of profit or loss and other comprehensive income	38
Statement of financial position	39
Statement of changes in equity	40
Statement of cash flows	41
Notes to the financial statements	42
Directors' declaration	77
Independent auditor's report to the members of NSW Business Chamber Limited	78

General information

The financial statements cover NSW Business Chamber Limited as a consolidated entity consisting of NSW Business Chamber Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is NSW Business Chamber Limited's functional and presentation currency.

NSW Business Chamber Limited is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 15
140 Arthur Street
North Sydney NSW 2060

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 11 September 2018. The directors have the power to amend and reissue the financial statements.

All press releases, financial reports and other information are available on the company website:
www.nswbusinesschamber.com.au

NSW Business Chamber Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2018

	Note	Consolidated 2018 \$'000	2017 \$'000
Revenue	3	237,122	205,208
Gains and investment income	4	26,525	30,873
Government grants	5	7,481	6,721
Expenses			
Advertising and marketing expense		(3,093)	(3,242)
Direct salary and other costs of providing services		(151,457)	(126,877)
Consultants, governance, legal and professional expenses		(5,401)	(3,830)
Employee benefits expense		(75,379)	(69,583)
Events and training		(5,248)	(4,487)
Depreciation and amortisation expense	6	(1,203)	(1,625)
Finance and investment costs		(1,835)	(2,946)
Information technology expense		(4,421)	(3,892)
Motor vehicle expense		(2,949)	(2,716)
Rent, building and occupancy costs		(6,190)	(5,642)
Telecommunication expense		(3,163)	(3,527)
Travel and entertaining expense		(2,462)	(2,470)
Other expenses		(4,005)	(5,168)
Surplus before income tax expense		4,322	6,797
Income tax expense	7	(80)	(237)
Surplus after income tax expense for the year		4,242	6,560
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		4,242	6,560
Surplus for the year is attributable to:			
Non-controlling interest		(896)	(1,430)
Members of NSW Business Chamber Limited		5,138	7,990
		4,242	6,560
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(896)	(1,430)
Members of NSW Business Chamber Limited		5,138	7,990
		4,242	6,560

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

NSW Business Chamber Limited
Statement of financial position
As at 30 June 2018

	Note	Consolidated 2018 \$'000	2017 \$'000
Assets			
Current assets			
Cash and cash equivalents		10,998	11,923
Trade and other receivables	8	30,954	28,621
Financial assets at fair value through profit or loss	9	195,557	196,150
Income tax receivable		1,795	434
Investments in cash managed trusts	10	94,917	92,520
Other	11	4,743	1,429
Total current assets		<u>338,964</u>	<u>331,077</u>
Non-current assets			
Property, plant and equipment	12	1,651	2,616
Intangibles	13	29,464	29,469
Total non-current assets		<u>31,115</u>	<u>32,085</u>
Total assets		<u>370,079</u>	<u>363,162</u>
Liabilities			
Current liabilities			
Trade and other payables	14	17,533	16,253
Employee benefits	15	7,856	6,699
Provisions	16	5,210	3,195
Other	17	7,336	9,215
Total current liabilities		<u>37,935</u>	<u>35,362</u>
Non-current liabilities			
Employee benefits	18	2,052	1,882
Provisions	19	651	719
Total non-current liabilities		<u>2,703</u>	<u>2,601</u>
Total liabilities		<u>40,638</u>	<u>37,963</u>
Net assets		<u>329,441</u>	<u>325,199</u>
Equity			
Retained surpluses		330,357	325,219
Equity attributable to the members of NSW Business Chamber Limited		330,357	325,219
Non-controlling interest		(916)	(20)
Total equity		<u>329,441</u>	<u>325,199</u>

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

NSW Business Chamber Limited
Statement of changes in equity
For the year ended 30 June 2018

Consolidated	Retained surpluses \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2016	317,229	681	317,910
Surplus/(deficit) after income tax expense for the year	7,990	(1,430)	6,560
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	7,990	(1,430)	6,560
<i>Transactions with members in their capacity as members:</i>			
Change in non-controlling interest	-	729	729
Balance at 30 June 2017	<u>325,219</u>	<u>(20)</u>	<u>325,199</u>
Consolidated	Retained surpluses \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2017	325,219	(20)	325,199
Surplus/(deficit) after income tax expense for the year	5,138	(896)	4,242
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	<u>5,138</u>	<u>(896)</u>	<u>4,242</u>
Balance at 30 June 2018	<u>330,357</u>	<u>(916)</u>	<u>329,441</u>

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

NSW Business Chamber Limited
Statement of cash flows
For the year ended 30 June 2018

		Consolidated	
	Note	2018	2017
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		250,014	215,631
Receipts from members (inclusive of GST)		8,361	7,733
Dividends and investment income		24,648	21,626
Net withdrawal from financial assets at fair value		(21,082)	(8,027)
Payments to suppliers and employees (inclusive of GST)		(261,930)	(234,263)
Net cash from operating activities	30	<u>11</u>	<u>2,700</u>
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	27	(500)	(3,446)
Payments for property, plant and equipment	12	(467)	(597)
Payments for intangibles	13	(80)	(139)
Proceeds from disposal of property, plant and equipment		111	1
Proceeds from change in non-controlling interest		-	729
Net cash used in investing activities		<u>(936)</u>	<u>(3,452)</u>
Cash flows from financing activities			
Net cash from financing activities		<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents		(925)	(752)
Cash and cash equivalents at the beginning of the financial year		<u>11,923</u>	<u>12,675</u>
Cash and cash equivalents at the end of the financial year		<u>10,998</u>	<u>11,923</u>

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

Note 1. Significant accounting policies

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards ('AASB') and Interpretations issued by the Australian Accounting Standards Board, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

These financial statements are prepared under the historical cost convention, except for financial assets at fair value through profit or loss and investments in cash managed trusts.

Critical accounting estimates

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

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 31.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of NSW Business Chamber Limited ('company' or 'parent entity') as at 30 June 2018 and the results of all subsidiaries for the year then ended. NSW Business Chamber Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Note 1. Significant accounting policies (continued)

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. (Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment). Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, rebates and amounts collected on behalf of third parties.

Fee for services and other related income

Fee for service, including apprenticeship placement fees and legal services income, are brought to account on delivery of service in accordance with engagement letters or other relevant contracts or agreements.

Other products' income is brought to account when goods are despatched to a customer pursuant to a sales order and the associated risks and rewards have passed to the customer.

Recruitment services

Recruitment services income is brought to account when on-hire staff provide services in accordance with the recruitment contract.

Membership fees

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

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 1. Significant accounting policies (continued)

Investment income

Dividend income is recognised when it is received or when the right to receive payment is established.

Interest income from managed investments is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Government grants

Grants from government are recognised when received.

Current and non-current classification

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

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

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

Cash and cash equivalents

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

Trade and other receivables

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

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Note 1. Significant accounting policies (continued)

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or (ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Property, plant and equipment

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

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

Leasehold improvements	2-10 years
Furniture, fixtures and equipment	2-10 years
Motor vehicles	2-5 years

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

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

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

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Note 1. Significant accounting policies (continued)

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible assets

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

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Client lists

Client lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite useful life of between two and five years.

Software development

Software development acquired in a business combination is capitalised at the fair value on acquisition. Costs incurred in developing products or systems and costs incurred in acquiring software and licences include the external direct costs of materials and services. An intangible asset arising from software development expenditure on an internal project is recognised only when the consolidated entity can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development. Capitalised software development is amortised on a straight-line basis over the period of their expected benefit, being their finite useful lives of between three and five years. Amortisation commences when the asset is available for use.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Note 1. Significant accounting policies (continued)

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

Trade and other payables

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

Provisions

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

Employee benefits

Short-term employee benefits

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

Long-term employee benefits

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

Defined contribution superannuation expense

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

Termination benefits

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

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 1. Significant accounting policies (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Note 1. Significant accounting policies (continued)

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Rounding of amounts

The company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New or amended Accounting Standards and Interpretations adopted

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

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2018. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The standard introduces new classifications for financial assets and eliminates the available-for-sale and held-to-maturity categories. New principle based hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. The consolidated entity will adopt this standard from 1 July 2018. Management is currently establishing a provision matrix that incorporated a forward looking adjustment to assess the impact of the adoption of this standard.

Note 1. Significant accounting policies (continued)

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018 (for -profit entities) or 1 January 2019 (not-for-profit ('NFP') entities). The standard provides a single standard for revenue recognition and replaces AASB 118 'Revenue', AASB 111 'Construction Contracts' and Interpretation 12 'Service Concession Arrangements'. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The consolidated entity will adopt this standard from 1 July 2019 and management will be assessing the estimated impact in FY2019.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. For lessee accounting, the standard eliminates the 'operating lease' and 'finance lease' classification required by AASB 117 'Leases'. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured as the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) components. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 and the impact of its adoption will be that operating leases, such as those detailed in note [24], will be brought onto the statement of financial position with a corresponding liability. The actual amount will depend on the operating leases held on the date of adoption and any transitional elections made.

AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard supersedes AASB 1004 'Contributions and clarifies and simplifies the income recognition requirements that apply to NFP entities, in conjunction with AASB 15. The requirements of this standard more closely reflect the economic reality of NFP entity transactions that are not contracts with customers. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity. The consolidated entity will adopt this standard at the same time as AASB 15 and management will be assessing the estimated impact in FY2019.

IASB revised Conceptual Framework for Financial Reporting

The revised Conceptual Framework has been issued by the International Accounting Standards Board ('IASB'), but the Australian equivalent is yet to be published. The revised framework is applicable for annual reporting periods beginning on or after 1 January 2020 and the application of the new definition and recognition criteria may result in future amendments to several accounting standards. Furthermore, where the consolidated entity has relied on the conceptual framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under Australian Accounting Standards, the consolidated entity may need to revisit such policies. The consolidated entity expects to apply the revised conceptual framework from 1 July 2020 and is yet to assess its impact.

Other amending accounting standards

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

Note 2. Critical accounting judgements, estimates and assumptions

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

Provision for impairment of receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Estimation of useful lives of assets

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

Goodwill

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows (Refer to note 13).

Impairment of non-financial assets other than goodwill

The consolidated entity assesses impairment of non-financial assets other than goodwill at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Control of entities where less than half of voting rights held

Management have determined that the consolidated entity controls Hunter Business Chamber Limited, even though it holds no voting rights of this Chamber. Control is established via contractual agreements.

Management have determined that the consolidated entity controls Productivity Force Holdings Pty Ltd, even though it holds only 50% of the voting rights of this company. Control is established via contractual agreements.

Management have also determined that the consolidated entity has control over Australian Business Foundation Limited, CBD Sydney Chamber of Commerce Limited, Illawarra Business Chamber, Sydney Chamber of Commerce and ACN 050 611 268 Limited, companies limited by guarantee. Control is established via sole membership and voting rights that the parent entity has in these entities.

Note 3. Revenue

	Consolidated	
	2018	2017
	\$'000	\$'000
<i>Sales revenue</i>		
Fee for service and other related income	45,982	39,645
Recruitment services	183,132	158,579
Membership fees	7,690	6,797
	<u>236,804</u>	<u>205,021</u>
<i>Other revenue</i>		
Rents and sub-lease rentals	87	52
Interest income from current accounts in the bank	231	135
	<u>318</u>	<u>187</u>
Revenue	<u>237,122</u>	<u>205,208</u>

Note 4. Gains and investment income

	Consolidated	
	2018	2017
	\$'000	\$'000
Net fair value gain on investments	2,080	8,283
Net loss on disposal of assets	(203)	(26)
Dividend income	23,746	20,299
Interest income from managed investments	902	1,327
Net assets acquired on merger of ACN 050 611 268 Limited	-	990
Gains and investment income	<u>26,525</u>	<u>30,873</u>

Note 5. Government grants

	Consolidated	
	2018	2017
	\$'000	\$'000
Government grants	7,481	6,721

Government grants are recognised as income in the financial year the grant is received. A number of these grants extend into the following financial year and will be acquitted in accordance with the terms of the grants. There are no unfulfilled conditions or contingencies relating to the current financial year attached to these grants. The consolidated entity did not benefit from any other forms of government assistance.

Note 6. Expenses

	Consolidated	
	2018	2017
	\$'000	\$'000
Surplus before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	825	1,173
Furniture, fixtures and equipment	273	334
Motor vehicles	20	11
Total depreciation	1,118	1,518
<i>Amortisation</i>		
Client lists	69	6
Software development	16	101
Total amortisation	85	107
Total depreciation and amortisation	1,203	1,625
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	7,926	7,836
<i>Superannuation expense</i>		
Defined contribution superannuation expense	17,253	14,701

Note 7. Income tax expense

	Consolidated	
	2018	2017
	\$'000	\$'000
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Surplus before income tax expense	4,322	6,797
Tax at the statutory tax rate of 30%	1,297	2,039
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Tax exempt loss/(income)	(1,863)	(3,015)
Tax loss/(income)	646	1,213
Income tax expense	<u>80</u>	<u>237</u>

	Consolidated	
	2018	2017
	\$'000	\$'000
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	17,604	15,707
Potential tax benefit @ 30%	<u>5,281</u>	<u>4,712</u>

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed. These tax losses reside in a subsidiary of the company that itself is subject to income tax.

Note 8. Current assets - trade and other receivables

	Consolidated	
	2018	2017
	\$'000	\$'000
Trade receivables	25,927	23,394
Less: Provision for impairment of receivables	(543)	(602)
	<u>25,384</u>	<u>22,792</u>
Loans to other related entities	-	573
Less: Provision for non-recovery of ABF loan	-	(573)
	<u>-</u>	<u>-</u>
Other receivables	5,570	5,829
	<u>30,954</u>	<u>28,621</u>

Impairment of receivables

The consolidated entity has reversed \$24,000 (2017: recognised a loss of \$388,000) in profit or loss in respect of impairment of receivables for the financial year ended 30 June 2018.

Note 8. Current assets - trade and other receivables (continued)

The ageing of the impaired receivables provided for above are as follows:

	Consolidated	
	2018	2017
	\$'000	\$'000
3 to 6 months overdue	34	5
Over 6 months overdue	509	1,170
	<u>543</u>	<u>1,175</u>

Movements in the provision for impairment of receivables are as follows:

	Consolidated	
	2018	2017
	\$'000	\$'000
Opening balance	1,175	930
Additional provisions recognised	231	1,055
Loan forgiveness *	(573)	-
Receivables written off during the year as uncollectable	(184)	(718)
Unused amounts reversed	(106)	(92)
Closing balance	<u>543</u>	<u>1,175</u>

* During the year a loan provided to Australian Business Foundation, a 100% owned subsidiary, was formally forgiven. As the loan was previously provided for, there was no financial impact on the consolidated entity's results.

Past due but not impaired

Customers with balances past due but without provision for impairment of receivables amount to \$9,496,000 as at 30 June 2018 (\$7,390,000 as at 30 June 2017).

The consolidated entity did not consider a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	Consolidated	
	2018	2017
	\$'000	\$'000
Under 3 months overdue	7,180	5,384
3 to 6 months overdue	1,672	1,714
Over 6 months overdue	644	292
	<u>9,496</u>	<u>7,390</u>

Note 9. Current assets - financial assets at fair value through profit or loss

	Consolidated	
	2018	2017
	\$'000	\$'000
Shares and units in public entities	114,268	111,425
Shares and units in unrelated entities (including equity and pool trusts)	39,860	37,499
Other investments (including corporate bonds and investment trusts)	41,429	47,226
	<u>195,557</u>	<u>196,150</u>

Refer to note 21 for further information on fair value measurement.

Note 10. Current assets - investments in cash managed trusts

	Consolidated	
	2018	2017
	\$'000	\$'000
Investments in cash managed trusts	93,795	91,302
Illawarra First Fund	1,122	1,218
	<u>94,917</u>	<u>92,520</u>

The purpose of the Illawarra First Fund is to provide funding for strategic business leadership in the Illawarra region.

Note 11. Current assets - other

	Consolidated	
	2018	2017
	\$'000	\$'000
Prepayments	2,111	1,331
Lease incentives	2,632	98
	<u>4,743</u>	<u>1,429</u>

Note 12. Non-current assets - property, plant and equipment

	Consolidated	
	2018	2017
	\$'000	\$'000
Leasehold improvements - at cost	8,725	8,950
Less: Accumulated depreciation	<u>(8,169)</u>	<u>(7,464)</u>
	<u>556</u>	<u>1,486</u>
Furniture, fixtures and equipment - at cost	2,008	3,274
Less: Accumulated depreciation	<u>(964)</u>	<u>(2,200)</u>
	<u>1,044</u>	<u>1,074</u>
Motor vehicles - at cost	145	132
Less: Accumulated depreciation	<u>(94)</u>	<u>(76)</u>
	<u>51</u>	<u>56</u>
	<u>1,651</u>	<u>2,616</u>

Reconciliations

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

Consolidated	Leasehold improve- ments \$'000	Furniture, fixtures and equipment \$'000	Motor vehicles \$'000	Total \$'000
Balance at 1 July 2016	2,362	1,182	-	3,544
Additions	304	278	15	597
Additions through business combinations (note 27)	-	145	65	210
Disposals	(7)	(197)	(13)	(217)
Depreciation expense	<u>(1,173)</u>	<u>(334)</u>	<u>(11)</u>	<u>(1,518)</u>
Balance at 30 June 2017	1,486	1,074	56	2,616
Additions	73	365	29	467
Disposals	(178)	(122)	(14)	(314)
Depreciation expense	<u>(825)</u>	<u>(273)</u>	<u>(20)</u>	<u>(1,118)</u>
Balance at 30 June 2018	<u>556</u>	<u>1,044</u>	<u>51</u>	<u>1,651</u>

Note 13. Non-current assets - intangibles

	Consolidated	
	2018	2017
	\$'000	\$'000
Goodwill - at cost	31,335	31,335
Less: Impairment	<u>(2,000)</u>	<u>(2,000)</u>
	<u>29,335</u>	<u>29,335</u>
Client lists - at cost	839	839
Less: Accumulated amortisation	<u>(775)</u>	<u>(706)</u>
	<u>64</u>	<u>133</u>
Software development - at cost	3,319	3,737
Less: Accumulated amortisation	<u>(3,254)</u>	<u>(3,736)</u>
	<u>65</u>	<u>1</u>
	<u>29,464</u>	<u>29,469</u>

Reconciliations

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

Consolidated	Goodwill	Client	Software	Total
	\$'000	lists	develop-	\$'000
		\$'000	ment	
			\$'000	\$'000
Balance at 1 July 2016	24,459	-	102	24,561
Additions	-	139	-	139
Additions through business combinations (note 27)	4,876	-	-	4,876
Amortisation expense	<u>-</u>	<u>(6)</u>	<u>(101)</u>	<u>(107)</u>
Balance at 30 June 2017	29,335	133	1	29,469
Additions	-	-	80	80
Amortisation expense	<u>-</u>	<u>(69)</u>	<u>(16)</u>	<u>(85)</u>
Balance at 30 June 2018	<u>29,335</u>	<u>64</u>	<u>65</u>	<u>29,464</u>

Impairment testing

Goodwill acquired through business combinations have been allocated to the following cash-generating units:

	Consolidated	
	2018	2017
	\$'000	\$'000
Australian Business Recruitment Solution Group (ABRS)	27,700	27,700
Others	<u>1,635</u>	<u>1,635</u>
	<u>29,335</u>	<u>29,335</u>

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on financial budgets approved by management. The cash flow projections covers a five-year period, together with a terminal value.

Note 13. Non-current assets - intangibles (continued)

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive. The key assumptions were as follows:

Assumption	Description	2018 %	2017 %
Forecast revenue	Projected revenue growth rate for initial five-year period, determined with reference to historical experience.	3.00	3.00
Terminal value growth rate	Terminal value growth rate determined with reference to the industries in which the consolidated entity operates. For ABRS this is the healthcare industry.	3.00	3.00
Post- tax discount rate	Based on weighted average cost of capital which reflects the time value of money and risks specific to the CGU.	15.00	15.00

Based on the value-in-use calculations, the goodwill's recoverable amount exceeded the carrying amount and therefore no impairment was required.

Sensitivity analysis

As disclosed in note 2, the directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:

- Terminal value growth rate would need to decrease by more than 0.7% and the discount rate would be required to increase by 3.3%, before goodwill would need to be impaired, with all other assumptions remaining constant.
- The discount rate would be required to increase by 3.3% before goodwill would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of the cash generating units for which goodwill has been allocated would not cause the carrying amount to exceed its recoverable amount.

Note 14. Current liabilities - trade and other payables

	Consolidated	
	2018 \$'000	2017 \$'000
Trade payables	471	644
Refundable carnet premiums	2,390	2,418
Related party payables	-	101
Other payables	14,672	13,090
	<u>17,533</u>	<u>16,253</u>

Refer to note 20 for further information on financial instruments.

Note 15. Current liabilities - employee benefits

	Consolidated	
	2018	2017
	\$'000	\$'000
Employee benefits	7,203	6,495
Redundancies	653	204
	<u>7,856</u>	<u>6,699</u>

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	Consolidated	
	2018	2017
	\$'000	\$'000
Employee benefits	<u>3,717</u>	<u>2,752</u>

Note 16. Current liabilities - provisions

	Consolidated	
	2018	2017
	\$'000	\$'000
Deferred lease incentives	3,000	1,169
Lease make good	179	199
Long-term incentives	522	591
Short-term incentives	1,509	1,236
	<u>5,210</u>	<u>3,195</u>

Refer to note 19 for explanation and movements in provisions.

Note 17. Current liabilities - other

	Consolidated	
	2018	2017
	\$'000	\$'000
Contingent consideration (Note 27)	-	500
Deferred revenue on workplace employment services	1,664	1,366
Membership fee and subscription fee received in advance	5,468	6,849
Subsidies and grants received in advance	204	500
	<u>7,336</u>	<u>9,215</u>

Note 18. Non-current liabilities - employee benefits

	Consolidated	
	2018	2017
	\$'000	\$'000
Employee benefits	2,052	1,882

Note 19. Non-current liabilities - provisions

	Consolidated	
	2018	2017
	\$'000	\$'000
Long-term incentives	511	574
Lease make good	140	145
	<u>651</u>	<u>719</u>

Deferred lease incentives

The provision represents operating lease incentives received. The incentives are allocated to profit or loss in such a manner that the rent expense is recognised on a straight-line basis over the lease term.

Lease make good

The provision represents the present value of the estimated costs to make good the premises leased by the consolidated entity at the end of the respective lease terms.

Long-term and short-term incentives

The provision represents the estimated value of incentives recommended by management to be paid to employees.

Movements in provisions

Movements in each class of provision (current and non-current) during the current financial year, other than employee benefits, are set out below:

	Deferred lease incentives \$'000	Lease make good \$'000	Long-term incentives \$'000	Short-term incentives \$'000
Consolidated - 2018				
Carrying amount at the start of the year	1,169	344	1,165	1,236
Additional provisions recognised	2,768	31	350	1,435
Amounts used	(937)	(56)	-	-
Payments	-	-	(482)	(1,162)
	<u>3,000</u>	<u>319</u>	<u>1,033</u>	<u>1,509</u>
Carrying amount at the end of the year				

Note 20. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks, market risk (price and interest rate risk), credit risk and liquidity risk. The consolidated entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable and leases. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the long-term financial performance of the consolidated entity.

Note 20. Financial instruments (continued)

Risk management for the consolidated entity is carried out by a centralised finance and treasury function under policies approved by the Board of Directors. An Audit, Risk & Compliance Committee operates under a charter approved by the Board, monitoring the management of operational, financial and business risk in the consolidated entity. Risk management policies are reviewed by the Board on a regular basis.

The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Investment policy

The Investment Committee, a committee of the Board, is responsible for monitoring the performance of the appointed investment consultant, custodian and investment managers. The Investment Committee reviews the investment policy to assess the ability of the portfolio structure to successfully meet the objectives of the portfolio and recommends changes to the Board.

The consolidated entity maintains an investment portfolio for the purpose of providing an annual sustainable distribution to finance ongoing activities, including operational expenses and strategic investments. The investment strategy and asset allocation recognises the tax status of NSW Business Chamber Limited as an employer association which is exempt from Australian income tax and which derives no economic benefit from imputation credits attaching to dividends from investments in shares of Australian companies.

The investment objectives for the portfolio is to generate a total return which, when averaged over the total lifetime of the portfolio, will exceed the rate of inflation, as measured by the consumer price index ('CPI'), by at least 3.5% per annum. Maximisation of this long-term return is subject to preserving the real value of the portfolio in perpetuity, which is dependent on the draw-downs as mentioned below.

The portfolio is diversified by asset class and active management process to reduce the risk from failure of individual investments and managers and to reduce volatility of the portfolio valuation. Diversification is in accordance with asset allocation ranges as set forth in the Strategic Asset Allocation as approved by the Investment Committee.

Investment managers which make use of derivatives within the investment strategy used by the consolidated entity are required to state the purpose of such use and the impact on risk and to provide copies of Risk Management Statements and other relevant documentation approved by the directors of the investment manager regarding use of derivatives of that manager.

Ongoing professional advice is sought in respect of the structure of investment mandates, the performance and continued suitability of externally appointed fund managers, the adequacy of the returns achieved and the continuing suitability of the investment policy. The consolidated entity has appointed a custodian and investment consultant to enhance the security of the consolidated entity's investments, advise on an appropriate investment strategy and to report on the performance of the fund managers.

The Board has implemented a strategy of draw-down from the investment portfolio to finance ongoing activities of the consolidated entity whilst preserving the real value of the portfolio in perpetuity. Currently, the long-term rate of distribution is 3.5%. 70% of the distribution for the financial year is calculated as a composite of the average of previous five years' distributions (adjusted for inflation) and 30% relating to the portfolio value (valued as at 31 March of the previous financial year).

The Board may vary the draw-down for a particular year in exceptional circumstances at its discretion. Such abnormal additional draw-down causes future draw-downs to be adjusted to reflect the changed capital base.

The portfolio of assets at the reporting date is cash and cash equivalents, investments in cash managed trusts and financial assets at fair value through profit or loss, as detailed in the statement of financial position.

Note 20. Financial instruments (continued)

Market risk

Foreign currency risk

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

The investment portfolio held by the consolidated entity and disclosed at fair value through profit or loss does contain securities that have underlying exchange rate exposures, however as any exchange rate fluctuations impact the price of the securities, this risk category is considered to be price risk.

Price risk

The consolidated entity is exposed to equity securities price risk arising from investments held and classified on the statement of financial position at fair value through profit or loss. The consolidated entity is not exposed to commodity price risk. In accordance with the Investment Policy, to manage its price risk arising from investments in equity securities, the consolidated entity diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Board.

Consolidated - 2018	% change	Average price increase		Average price decrease		
		Effect on profit before tax \$'000	Effect on equity \$'000	Effect on profit before tax \$'000	Effect on equity \$'000	
Shares and other investments	10%	<u>19,556</u>	<u>19,556</u>	10%	<u>(19,556)</u>	<u>(19,556)</u>

Consolidated - 2017	% change	Average price increase		Average price decrease		
		Effect on profit before tax \$'000	Effect on equity \$'000	Effect on profit before tax \$'000	Effect on equity \$'000	
Shares and other investments	10%	<u>19,615</u>	<u>19,615</u>	10%	<u>(19,615)</u>	<u>(19,615)</u>

Interest rate risk

The consolidated entity's interest bearing assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis. In accordance with the Investment Policy, a sufficient percentage of the investment portfolio is held in interest bearing securities to enable the consolidated entity to meet its cash flow requirements. These interest bearing securities have underlying fair value interest rate risk exposures; however as any interest fluctuation impacts the price of the securities, this risk category is considered to be price risk. The Investment Committee constantly monitor the diversity of the portfolio mix.

Consolidated - 2018	Basis points change	Basis points increase		Basis points decrease		
		Effect on profit before tax \$'000	Effect on equity \$'000	Effect on profit before tax \$'000	Effect on equity \$'000	
Cash	100	110	110	100	(110)	(110)
Investments in cash managed trusts	100	938	938	100	(938)	(938)
Illawarra First Fund	100	<u>11</u>	<u>11</u>	100	<u>(11)</u>	<u>(11)</u>
		<u>1,059</u>	<u>1,059</u>		<u>(1,059)</u>	<u>(1,059)</u>

Note 20. Financial instruments (continued)

Consolidated - 2017	Basis points increase			Basis points decrease		
	Basis points change	Effect on profit before tax \$'000	Effect on equity \$'000	Basis points change	Effect on profit before tax \$'000	Effect on equity \$'000
Cash	100	119	119	100	(119)	(119)
Investments in cash managed trusts	100	913	913	100	(913)	(913)
Illawarra First Fund	100	12	12	100	(12)	(12)
		<u>1,044</u>	<u>1,044</u>		<u>(1,044)</u>	<u>(1,044)</u>

Credit risk

Credit risk primarily arises from investments in debt securities. None of these assets are impaired nor past due but not impaired. The consolidated entity invests in debt securities which have an investment grade as rated by reputable independent rating agencies. At the time of the initial investment, all debt securities must have a minimum rating of 'A'. The Investment Committee approves the investment in any debt securities before any investment is undertaken and monitors the ongoing performance of the security.

Other credit risks arise from cash and cash equivalents, as well as credit exposures to members, non-members and government organisations, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted for initial investments. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

The credit risk of members and non-members are regularly monitored by line management. The provision of member services is withdrawn to members who are un-financial for more than 90 days. For non-member entitlements, goods and services are not generally rendered until full payment is received. For some receivables the consolidated entity may also obtain security in the form of guarantees which can be called upon if the counterparty is in default under the terms of the agreement.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings, if available, or to historical information about counterparty default rates. The maximum exposure for investments is the carrying amount of the financial assets at the reporting date.

	Consolidated	
	2018 \$'000	2017 \$'000
Credit quality of financial assets held at the reporting date, net of impairment:		
A rated cash and cash equivalents	10,998	11,923
Trade receivables counterparties without credit rating	25,384	22,792
Current unsecured other receivables without external credit rating	5,570	5,829
Financial assets at fair value through profit or loss	195,557	196,150
Investments in cash managed trusts	93,795	91,302
Illawarra First Fund	1,122	1,218
	<u>332,426</u>	<u>329,214</u>

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

Note 20. Financial instruments (continued)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of available cash equivalents. The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. Further, the Board has adopted a distribution policy to finance the short-term cash flow requirements of the consolidated entity.

Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets. The consolidated entity does not have any exposure to borrowings or finance leases.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
Consolidated - 2018					
Non-derivatives					
Non-interest bearing					
Trade payables	471	-	-	-	471
Other payables	14,672	-	-	-	14,672
Total non-derivatives	15,143	-	-	-	15,143

	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
Consolidated - 2017					
Non-derivatives					
Non-interest bearing					
Trade payables	644	-	-	-	644
Other payables	13,090	-	-	-	13,090
Related party payables	101	-	-	-	101
Contingent consideration	500	-	-	-	500
Total non-derivatives	14,335	-	-	-	14,335

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

Note 21. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Consolidated - 2018				
<i>Assets</i>				
Investments in cash managed trusts	-	93,795	-	93,795
Illawarra First Fund	-	1,122	-	1,122
Financial assets at fair value through profit or loss	114,268	81,289	-	195,557
Total assets	114,268	176,206	-	290,474
Consolidated - 2017				
<i>Assets</i>				
Investments in cash managed trusts	-	91,302	-	91,302
Illawarra First Fund	-	1,218	-	1,218
Financial assets at fair value through profit or loss	111,425	84,725	-	196,150
Total assets	111,425	177,245	-	288,670
<i>Liabilities</i>				
Contingent consideration	-	-	500	500
Total liabilities	-	-	500	500

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Valuation techniques for fair value measurements categorised within level 2 and 3

The fair value of financial assets and liabilities that are not traded in an active market are recorded at their net realisable value, or redemption value per unit, as reported by the investment managers of such investments.

Contingent consideration was valued based on the probability that the necessary hurdles will be met and the maximum payment will be made under the sale and purchase contract of CQ Nurse Pty Ltd, which was acquired in the previous financial year. The payment has been made to the vendor during the year.

Note 21. Fair value measurement (continued)

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	Contingent consider- ation \$'000
Balance at 1 July 2016	-
Additions	500
Balance at 30 June 2017	500
Amount paid	(500)
Balance at 30 June 2018	-

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by PricewaterhouseCoopers, the auditor of the company:

	Consolidated	
	2018	2017
	\$	\$
Audit services - PricewaterhouseCoopers		
Audit of the financial statements	320,325	237,000
Other services - PricewaterhouseCoopers		
Other accounting services	331,070	99,238
Taxation compliance services	34,750	27,652
	365,820	126,890
	686,145	363,890

It is the consolidated entity's policy to employ PricewaterhouseCoopers ('PwC') on assignments additional to their statutory audit duties where PwC's expertise and experience with the consolidated entity are important. These assignments are principally tax advice and consulting services. PwC is awarded assignments on a competitive basis. It is the consolidated entity's policy to seek competitive tenders for all major consulting work.

Note 23. Contingent liabilities

Potential redundancies upon the non-renewal of the apprenticeship placement contracts

The consolidated entity has a contingent liability of \$5,143,000 (2017: \$4,803,000) as at 30 June 2018, in respect of potential redundancies payable upon the non-renewal of the apprenticeship placement contracts held by NSW Business Chamber Limited with the Commonwealth Government of Australia.

The existing contracts have terms until June 2019, at which time the consolidated entity intends to retender for contracts. The consolidated entity has been successful on a number of occasions with past tenders. It is not practical to estimate the potential effect of this contingency as at 30 June 2018 in the event that the contracts are not renewed or new contracts awarded, as it cannot be determined how many current employees will remain in employment at that time.

Note 23. Contingent liabilities (continued)

Productivity Bootcamp contingent expenses

The consolidated entity holds 50% of the share capital of Productivity Force Holdings Pty Limited. The remaining shares are held by interests associated with Productivity Bootcamp, a construction training organisation. Productivity Force Holdings Pty Limited places graduates of Productivity Bootcamp into work crews for the construction industry.

Contingent on the accumulation of sufficient retained earnings and cash surpluses, payments will be made to interests associated to Productivity Bootcamp to contribute towards the direct establishment and ongoing operating costs of the youth training project run by Productivity Bootcamp.

The establishment payment is \$428,000 as specified in the Productivity Force Pty Limited shareholders agreement. Ongoing contributions towards operating costs will be determined annually based on financial reports produced by Productivity Bootcamp.

Note 24. Commitments

	Consolidated	
	2018	2017
	\$'000	\$'000
<i>Lease commitments - operating</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	7,502	6,552
One to five years	13,461	4,732
	20,963	11,284

The consolidated entity leases various offices under non-cancellable operating leases expiring within one to five years. The leases are for varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are negotiable.

The consolidated entity leases various motor vehicles, office and computer equipment under non-cancellable operating leases expiring within one to three years. These leases are for varying terms. On renewal, the terms of the leases are negotiable.

Note 25. Related party transactions

Parent entity

NSW Business Chamber Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 28.

Associates

Interests in associates are set out in note 29.

Key management personnel

Disclosures relating to key management personnel are set out in note 26.

Note 25. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2018	2017
	\$	\$
Sale of goods and services:		
Provision of office support services to Chambers Apprenticeship Support Australia Pty Ltd	111,000	111,000
Provision of marketing services to Chambers Apprenticeship Support Australia Pty Ltd	90,000	90,000
Provision of filming services from Currawong Productions Pty Ltd	24,856	-
Provision of consultancy services from Breen Global Pty Ltd	90,000	52,500
Provision of labour hire to Productivity Force Pty Ltd	403,948	-
Provision of labour hire from Productivity Boot Camp Pty Ltd	-	59,554
Provision of office support services to Australian Chamber of Commerce and Industry	329,187	340,244
Provision of membership fees from Australian Chamber of Commerce and Industry	629,000	613,500
Provision of trade documentation services from Australian Chamber of Commerce and Industry	135,558	175,377
Provision of premises from Australian Chamber of Commerce and Industry	42,465	48,750

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2018	2017
	\$	\$
Current receivables:		
Trade receivables from Chambers Apprenticeship Support Australia Pty Ltd	69,617	100,445
Trade receivables from Productivity Force Pty Ltd	118,817	-
Trade receivables from Australian Chamber of Commerce and Industry	8,783	12,521
Current payables:		
Trade payables to Breen Global Pty Ltd	24,750	-
General accruals to Breen Global Pty Ltd	22,500	52,500

Note 25. Related party transactions (continued)

- Chambers Apprenticeship Support Australia Pty Ltd is an entity formed to administer the apprenticeship placements contracts with the Commonwealth Government of Australia on behalf of its shareholders which includes the NSW Business Chamber Limited and other state based business chambers. Income earned by the shareholders from this contract is co-ordinated by Chambers Apprenticeship Support Australia Pty Ltd. Shareholders contribute to cover its operating expenses, for services provided by the NSW Business Chamber Limited.
- Currawong Productions Pty Ltd is operated by an immediate family member of J Nichols, a key management personnel of the consolidated entity. Transactions were at commercial rates and approved by the Board.
- Australian Chamber of Commerce and Industry (ACCI) is a director related entity with S M Cartwright, N Watson and T C Wetherall being current directors of ACCI. T H Cairney resigned as a director of ACCI on 16th March 2018, with N Watson appointed as a director of ACCI on 16th March 2018. All transactions were at arm's length and on commercial terms and conditions.
- Paul Breen is a director of Productivity Force Holdings Pty Ltd, Breen Global Pty Ltd, Productivity Boot Camp Pty Ltd and Productivity Force Pty Ltd. Breen Global Pty Ltd holds shares in Productivity Force Holdings Pty. All transactions with these entities were at arm's length and on commercial terms and conditions. Productivity Force Pty Ltd is a significant customer of Productivity Force Holdings Pty Ltd.

Loans to/from related parties

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

Terms and conditions

All transactions were made on normal commercial terms and conditions. Outstanding balances are unsecured and are repayable in cash.

Note 26. Key management personnel disclosures

Directors

The following persons were directors of NSW Business Chamber Limited during the financial year:

N Watson *	President - non-executive
L N Gorman *	Vice President - non-executive
E T Brown	Non-executive director
T H Cairney *	Non-executive director
J R Field	Non-executive director
B A Manwaring	Non-executive director
W McLean (appointed on 15 February 2018)	Non-executive director
G J McNamara	Non-executive director
I B Penfold	Non-executive director
T C Wetherall	Non-executive director
A F Dormer (resigned on 15 February 2018)	Non-executive director

- * T H Cairney completed his term of presidency on 15 February 2018 and N Watson completed her term of vice presidency on 15 February 2018. N Watson was appointed president and L N Gorman vice president on 15 February 2018.

Note 26. Key management personnel disclosures (continued)

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

S M Cartwright	Chief Executive Officer
S P Spicer	Director, Finance and Strategy
J Nicholls	Chief Operating Officer - NSW Business Chamber
D J Cocks	Chief Operating Officer - Human Capital Solutions
C Burubu	General Counsel & Company Secretary
C Lamont	Director, Policy & Advocacy (appointed on 29 January 2018)
C A Mackenzie	Chief Digital Officer (appointed on 18 September 2017)
D M Stewart	Director, Recruitment Solutions
G M Haffenden	General Manager, Finance
J Spencer	General Manager, Member Services
M Koon	General Manager, Marketing and Communications
N J Ward	CEO and Director, Australian Business Lawyers & Advisors
P A Martin	General Manager, Australian Business Consulting & Solutions
P Forsythe	Executive Director, Sydney Business Chamber
P Gilchrest	General Manager, Australian Business Apprenticeships Centre
R S Millar	General Manager, ICT
T J Haddow	Director, Australian Business Consulting & Solutions (appointed on 25 September 2017)
Z Diab	General Manager, Human Resources
P H Orton	Director, Policy and Advocacy (resigned on 19 January 2018)

Compensation

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

	Consolidated	
	2018	2017
	\$	\$
Short-term employee benefits	5,801,006	5,627,310
Post-employment benefits	483,725	372,829
Long-term benefits	429,196	373,468
Termination benefits	-	130,859
	<u>6,713,927</u>	<u>6,504,466</u>

The specific banding of directors and other members of key management personnel remuneration from the consolidated entity are as follows:

Note 26. Key management personnel disclosures (continued)

	Consolidated	
	2018	2017
\$'000		
under \$100	9	11
\$100 to \$200	4	4
\$200 to \$300	10	7
\$300 to \$400	3	4
\$400 to \$500	1	1
\$500 to \$600	2	2
\$700 to \$800	1	1
	30	30

Note 27. Business combinations

No businesses were acquired in the current financial year. Details of businesses acquired in the previous financial year are as follows:

Automotive Group Training (N.S.W.) ('AGT') (prior period acquisition)

On 22 August 2016, the consolidated entity became the sole member of ACN 050 611 268 Limited, trading as Automotive Group Training (NSW), one of Australia's main employers of apprentices in the automotive industry. AGT is a membership based not-for-profit entity. No consideration was paid and the fair value of net assets acquired of \$990,000 was recognised as income in profit or loss for the year ended 30 June 2017. The acquired business contributed revenues of \$6,396,000 and loss after tax of \$727,000 to the consolidated entity for the period from acquisition to 30 June 2017. If the acquisition occurred on 1 July 2016, the full year contributions would have been revenues of \$7,831,000 and loss after tax of \$771,000. The values identified in relation to the acquisition are final as at 30 June 2018.

Details of the acquisition are as follows:

	Fair value \$'000
Cash and cash equivalents	1,647
Trade receivables	335
Plant and equipment	133
Other payables	(247)
Employee benefits	(878)
	990
Discount on acquisition	(990)
	-
Acquisition-date fair value of the total consideration transferred	-
Acquisition costs expensed to profit or loss	19
	-
Cash used to acquire business, net of cash acquired:	
Less: cash and cash equivalents	(1,647)

Note 27. Business combinations (continued)

CQ Nurse Pty Ltd ('CQ Nurse') (prior period acquisition)

On 1 February 2017, the consolidated entity acquired 100% of the share capital of CQ Nurse Pty Ltd, a nursing agency specialising in rural and remote area nurse recruitment. The total consideration was \$5,648,000. The acquired business contributed revenues of \$5,903,000 and profit after tax of \$277,000 to the consolidated entity for the period from acquisition to 30 June 2017. If the acquisition occurred on 1 July 2016, the full year contributions would have been revenues of \$15,037,000 and profit after tax of \$463,000. The values identified in relation to the acquisition are final as at 30 June 2018.

Details of the acquisition are as follows:

	Fair value \$'000
Cash and cash equivalents	55
Trade receivables	1,939
Plant and equipment	77
Trade payables	(18)
Other payables	(977)
Employee benefits	<u>(304)</u>
Net assets acquired	772
Goodwill	<u>4,876</u>
Acquisition-date fair value of the total consideration transferred	<u>5,648</u>
Acquisition costs expensed to profit or loss	<u>174</u>
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	5,648
Less: cash and cash equivalents	(55)
Less: contingent consideration (Note 17)	<u>(500)</u>
Net cash used	<u>5,093</u>

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2018 %	2017 %
Australian Apprenticeship Alliance Pty Limited	Australia	100%	100%
Australian Business Limited Apprenticeship Centre Pty Limited	Australia	100%	100%
Australian Business Foundation Limited (a)	Australia	-	-
Australian Business Lawyers & Advisors Pty Limited	Australia	100%	100%
Australian Business Pty Limited	Australia	100%	100%
Australian Business Training Solutions Group Pty Limited	Australia	100%	100%
Australian Chambernet Pty Limited	Australia	100%	100%
Australian Business Solutions Group Pty Ltd	Australia	100%	100%
First People HR Pty Limited	Australia	100%	100%
Hunter Business Chamber Limited (b)	Australia	-	-
Illawarra Business Chamber Limited (a)	Australia	-	-
Recruitment Solutions Group Australia Pty Limited	Australia	100%	100%
Sydney Chamber of Commerce (a)	Australia	-	-
Workplaceinfo Pty Limited	Australia	100%	100%
Amaroo Business Centre Pty Limited	Australia	100%	100%
Amaroo (Shanghai) Trading Co. Ltd	China	100%	100%
Workplace Assured Pty Limited (c) (e)	Australia	51%	51%
CBD Sydney Chamber of Commerce Limited (a)	Australia	-	-
Alliance Health Services Group Pty Limited	Australia	100%	100%
ACN 050 611 268 Limited (a)	Australia	-	-
CQ Nurse Pty Ltd	Australia	100%	100%
Productivity Force Holdings Pty Ltd (d) (e)	Australia	50%	50%

- (a) Australian Business Foundation Limited, CBD Sydney Chamber of Commerce Limited, Illawarra Business Chamber Limited, Sydney Chamber of Commerce and ACN 050 611 268 Limited are companies limited by guarantee in which the parent entity owns a special membership in each entity which entitles it to control them.
- (b) The parent entity has agreements with Hunter Business Chamber Limited that enabled it control of this Chamber, without holding an equity interest.
- (c) 49% of the share capital in Workplace Assured Pty Limited is held by the Victorian Chamber of Commerce & Industry.
- (d) 50% of the share capital in Productivity Force Holdings Pty Limited. is held by interests associated with Productivity Boot Camp Pty Ltd, a construction training organisation.
- (e) The interest that non-controlling interests have in the group are not material and their summarised financial information hence not provided.

Note 29. Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2018 %	2017 %
Australian Chamber Alliance Pty Ltd	Australia	14%	14%
Chambers Apprenticeship Support Australia Pty Ltd	Australia	25%	25%
Campaign for Small Business Pty Ltd	Australia	17%	17%

Summarised financial information for the associates has not been provided as they are not material to the consolidated entity.

Note 30. Reconciliation of surplus after income tax to net cash from operating activities

	Consolidated	
	2018 \$'000	2017 \$'000
Surplus after income tax expense for the year	4,242	6,560
Adjustments for:		
Depreciation and amortisation	1,203	1,625
Net loss on disposal of property, plant and equipment	203	209
Net assets acquired on merger of ACN 050 611 268 Limited	-	(990)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(2,333)	(4,363)
Increase in other operating assets	(6,479)	(6,006)
Increase in trade and other payables	1,280	4,324
Increase in other provisions	1,895	1,341
Net cash from operating activities	<u>11</u>	<u>2,700</u>

Note 31. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2018 \$'000	2017 \$'000
Surplus after income tax	<u>6,538</u>	<u>2,706</u>
Total comprehensive income	<u>6,538</u>	<u>2,706</u>

Note 31. Parent entity information (continued)

Statement of financial position

	Parent	
	2018	2017
	\$'000	\$'000
Total current assets	348,492	332,072
Total assets	355,722	339,810
Total current liabilities	25,950	23,107
Total liabilities	28,322	25,386
Equity		
Retained surpluses	327,400	314,424
Total equity	327,400	314,424

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2018 and 30 June 2017.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2018 and 30 June 2017, except for as disclosed in note 23.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2018 and 30 June 2017.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries and associates are recognised as other income by the parent entity and their receipt may be an indicator of an impairment of the investment.

Note 32. Events after the reporting period

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

NSW Business Chamber Limited
Directors' declaration
30 June 2018

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and other mandatory professional reporting requirements
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors made pursuant to section 295(5)(a) of the Corporations Act 2001 and section 60.15 of the Australian Charities and Not-for-profits Commission Regulations 2013.



N. Watson
Director



B A Manwaring
Director

11 September 2018
Sydney



Independent auditor's report

To the members of NSW Business Chamber Limited

Our opinion

In our opinion:

The accompanying financial report of NSW Business Chamber Limited (the Company) and its controlled entities (together the Group) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2018
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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

Independence

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

PricewaterhouseCoopers, ABN 52 780 433 757

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Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, including the Directors' 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

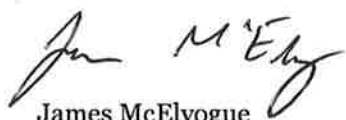
A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.



Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of NSW Business Chamber Limited for the year ended 30 June 2018 included on NSW Business Chamber Limited's web site. The directors of the Company are responsible for the integrity of NSW Business Chamber Limited's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.


PricewaterhouseCoopers


James McElvogue
Partner

Sydney
11 September 2018

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10th World Chamber Congress



Keeping NSW Number 1



CEO Club Event



Networking @ Night



Old School New School Launch



Workplace Assured Member,
Doorstep Organics



10th World Chambers Congress



Member, Zealous hospitality



10th World Chambers Congress

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