

An aerial photograph of a large container yard. In the foreground, there are several stacks of colorful shipping containers (blue, red, green, white) and a few white trucks. A road and a railway track run along the bottom of the yard. The background shows a vast green field under a bright sky with scattered clouds.

**BUSINESS
NSW**

ANNUAL REPORT

2024

Acknowledgment of Country

Business NSW acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands and waterways on which we live and work and recognise their continuing significance and connection to Country. We pay our respects to Elders past and present. We honour the stories, traditions and living cultures of Aboriginal and Torres Strait Islander peoples and commit to building a brighter future together.

Front Cover: Visy Logistics Riverina International Freight and Logistics Hub in Wagga. Visy have been part of the Regional Leaders program since 2023.

Inside Cover: The Northern Rivers Regional Leaders Luncheon Q&A with NSW Premier Chris Minns in May 2024. The event was held at Tropical Fruit World in Duranbah, NSW. Mr Minns (centre front) was joined by Tropical Fruit World Owner and Director Judy Brinsmead AM (immediate left), Business NSW Northern Rivers Regional Director Jane Laverty (immediate right), Business NSW Vice President Greg McNamara (end right), Tweed Nationals MP and Shadow Minister for Flood Recovery Geoff Provest MP (two left and one back from Judy Brinsmead AM) and other distinguished guests.





Welcome to the **BUSINESS NSW** Annual report 2024

In 2024, we celebrated a significant milestone

In August, Akubra celebrated its 100-year anniversary as a valued member of Business NSW. This remarkable achievement highlights Akubra's longstanding commitment to excellence and its integral role within our business community.

For more than a century, Akubra has been synonymous with quality and tradition, renowned for its iconic Australian hats. The company represents exceptional craftsmanship and is well respected in the business sector and community.

Through its membership, Akubra has leveraged the resources and networking opportunities offered by Business NSW to enhance its operations, innovate its product offerings, and maintain its competitive edge.

We deeply value Akubra's loyalty and contributions over the decades. Their partnership has significantly shaped our collective achievements and advanced our shared goals. Here's to celebrating a century of collaboration and looking forward to another 100 years of shared success.



Member since 1924



Contents

Who we are	06
President's report	10
CEO's report	12
Our priorities — creating a sustainable future	15
Supporting our members and customers	
Optimising our commercial businesses	
Delivering on our Environment, Social and Governance (ESG) commitments	
Driving an engaged, high-performing culture	
Governance	36
FY24 financial report	40

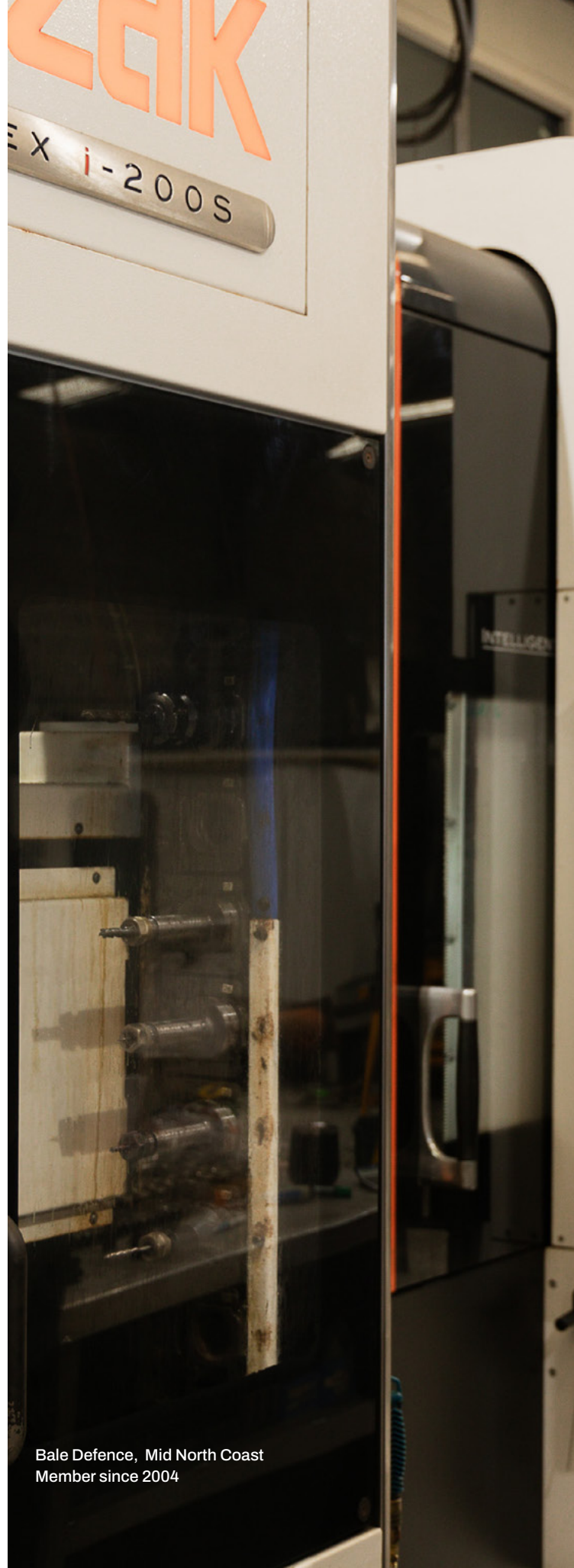
Who we are

Our purpose is to create a better Australia by maximising the outcomes and potential of Australian business.

We do this by being the trusted voice and partner of choice for business, offering products and services to help business owners realise their goals, and advocating for practical policy solutions that help communities thrive.

Being member-owned ensures that everything we do is focused on improving opportunities for all businesses across Australia. As an independent, not-for-profit organisation, our operating surplus goes back into supporting advocacy for our members.

Over 195 years
of supporting
Australian businesses



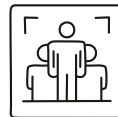
Bale Defence, Mid North Coast
Member since 2004



Facts and figures



34
offices across
Australia



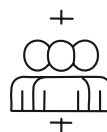
95,506
Members as at
30 June 2024



270+
In-person events
and virtual member
events attracting
21,215
attendees



114,417
inquiries across our
Business NSW, ABLA and
ASA advice and customer
services lines



669 Employees
21 Consultants
8,500+ on-hire
workers deployed to clients

Our strategy



Our values and behaviours



INCLUSIVE

Your voice counts

Seek out, listen to and learn from the perspective of our colleagues, members, customers and clients.

Treat others fairly and with respect.

Support and encourage others.



COLLABORATIVE

Together we achieve more

Share knowledge to help others grow and succeed.

Consider the broader impacts of our decisions.

Celebrate our successes.



CARE

Make a positive impact

Act honestly and ethically.

Look after the safety and wellbeing of ourselves and others.

Find ways to make a positive impact on our planet.



COURAGEOUS

Stay curious

Show initiative by bringing ideas to the table.

Take ownership of actions and see them through from start to finish.

It's okay to make mistakes if we learn from them.

President's report



LYALL GORMAN

President
Business NSW

I am pleased to present our annual report for the 2024 financial year.

This year our Board and Management worked closely to re-set the strategic future pathway for our organisation, embodying a 'one team' mindset that has proven powerful in steering our course forward. Our efforts have delivered a clear and compelling enterprise strategy that not only articulates a strong vision for the future but also lays out a practical roadmap for bringing our ambitions to life.

As we reflect on the past year, I'd like to recognise and thank my departing Board colleagues Brett Manwaring, Ellie Brown and Jenny Dawn for their respective contributions as members of our Board of Directors over many years. Their collective expertise, strategic guidance, and leadership have left a lasting impact on our organisation.

These departures prompted us to reflect on the current skill sets within our Board and what is needed to actualise our strategic plan and ensure we are well-equipped for the future. We have welcomed new Board members, Andrew Vlachos and Joseph Carrozzi, who bring a wealth of experience in commercial and stakeholder relations. Andrew's progression from the Council highlights our commitment to nurturing talent within our ranks and providing strong pathways for aspiring leaders.

To our members, thank you for your trust and commitment to Business NSW.

Our focus remains on ensuring that our Board composition is not only aligned with governance excellence but also with our strategic priorities. This alignment is crucial as we continue to navigate the evolving business and political landscape and seek to capitalise on emerging opportunities.

As always, at the heart of our organisation is our membership. Our members are the reason we exist, and we are deeply committed to a member-first mindset. Being a member-based organisation means we are acutely aware of the issues that matter to Australian businesses. We engage and listen, and we are deliberate and decisive in our actions to support our members.

This year, we have made strides in how we engage with our members, ensuring that their needs and voices are better reflected in our actions. We welcome the opportunity to deepen this engagement further and enhance our advocacy and influence on their behalf. As we continue to work hard to support our members, they too support us. I want to acknowledge and sincerely thank our members for their unwavering commitment to our organisation.

In the realm of government relations, the Minns' Government's openness and willingness to engage with business has allowed us to establish direct lines of

communication, to provide comment on what is working well and where we need to navigate challenges and seize opportunities. This collaborative approach has been mutually beneficial and is something we look forward to continuing.

I commend our CEO, Dan Hunter. His commitment to growth and pursuit of excellence in leadership has been instrumental in pushing our organisation on the journey from good to great. It has been a privilege to share in this journey of mutual growth and collaboration, constantly seeking those incremental improvements that make a difference.

I also want to extend my thanks to our Board of Directors, Executive Leadership Team and all our hardworking Business NSW team. I am immensely proud of the progress we have made this year and I'm excited for what's to come.

FY24 has been a year of growth, reflection, and strategic advancement. As we look to the future, we do so with a strong sense of purpose and a clear vision. I am confident that, together, we will continue to build on our successes and serve our members in new and better ways.

Thank you for your ongoing support and commitment.

CEO's report



DANIEL HUNTER

Daniel Hunter
Chief Executive Officer
Business NSW

In FY24, Australian businesses continued to face significant challenges driven by a combination of rising interest rates, labour market challenges and increasing energy and insurance costs.

Multiple consecutive interest rate rises in response to inflationary pressures have had a double-whammy affect for business; making it more expensive to finance operations, invest in growth, and manage cash flow while subdued consumer spending has eaten away at profit margins.

At the same time, insurance costs, taxes and government charges, and rising energy prices all contributed to a surge in the cost of doing business in our state.

The Australian labour market has struggled to meet the demand for skilled workers, particularly in sectors like construction, healthcare, and technology. This shortage is

not only limiting business capacity to scale but is driving up wages, adding another layer of financial strain for business.

All these challenges underscore the difficult operating environment for Australian businesses in FY24, forcing many to adopt more conservative growth strategies, focus on cost containment, and explore innovative solutions to remain competitive and relevant.

Business is the lifeblood of the NSW economy and wider community. Our commitment to creating a sustainable future for business has seen us advocate for and adopt practices that help business adapt their operations to create a more sustainable and resilient future.

As a powerful collective voice for business, I'm proud to say that our advocacy in support of the NSW business community has helped shape legislation and industry standards, ensuring that our members' needs and concerns are heard and addressed.

This has included our advocacy for lower taxes, cheaper energy and a more flexible industrial relations system as well as our work on housing affordability and vocational education and training. We have also leveraged our commercial operations to be influential in shaping skills,

Our values and behaviours form a key part of overall employee performance ratings, highlighting that ‘how’ deliverables are achieved, in addition to ‘what’ is achieved, is key to organisational success.

healthcare and business outcomes that meet the needs of our communities today, for a better future tomorrow.

I am immensely proud of the work our team has done to nurture and grow our membership this year. With over 95,500 members, we are the largest business organisation in the country.

During the year, we made significant progress with the ongoing transformation of our organisation to allow us to better engage with and support our members. I’m confident that as more and more NSW businesses recognise the tangible value and collective strength of Business NSW in driving meaningful change, we are well positioned for future growth.

At the heart of our success is our inclusive and achievement-driven culture. We are dedicated to creating workplaces that are welcoming and enable individuals to make a positive impact. Our efforts to attract and retain high-calibre people, representative of the communities and business environments we operate in, have been integral to our growth and success.

During FY24, we increased the number of women in leadership within our organisation to 42.5%, up from 39%

in FY23. Our focus for the coming year is to increase our gender balance at all levels of the organisation.

Our organisational purpose, values, strategy and enablers remain constant as we strive to be the most influential voice for business, bringing value and experience to businesses and communities. Looking ahead to FY25, we have evolved our strategic targets as we position Business NSW for a sustainable future.

I want to thank our Board of Directors. The collaboration between our leadership team and the Board has been pivotal in accelerating the execution of our strategy, and I am appreciative of the trust and confidence they’ve placed in me and our Business NSW team.

Our achievements this year are a testament to the hard work and dedication of our team, and I would like to thank each and every one of our employees for their commitment and dedication to delivering on our strategy through the work they do every day.

I’d also like to extend my thanks to our loyal and growing membership. Thank you for your ongoing support and trust in our leadership.



Our priorities

Creating a sustainable future

As the most influential voice for business, we're convening industry, government and regulators on the issues that matter for Australia's future prosperity and productivity.

Business NSW advocates to create a better Australia by representing the needs of businesses at the highest levels. We actively promote a healthy business environment and a stable economy, developing evidence-based, future-focused policy solutions and insights that are meaningful for business and workable for government and key decision makers.

With over 95,500 members and over 200 allied local Chambers of Commerce, Business NSW is not only the largest business organisation in the country, but a trusted authority on the challenges, concerns and needs of the Australian business community.

For almost 200 years - across our major metropolitan hubs and throughout the regions - our experience has proven that working together drives productivity and prosperity, creates jobs, and builds better communities for everyone.

Supporting our members and customers

Sustainable practices and policies

Our advocacy for more sustainable practices and policies that support business to thrive is a key part of our strategy to support the growth and success of Australian business.

During FY24, our members told us the cost of doing business in NSW was the most significant barrier to business expansion, with the top three cost concerns identified as insurance costs, taxes and government charges, and energy costs.

Skills shortages came in second on the list of barriers to business expansion, as many industries experience difficulties in finding workers with the necessary skills and qualifications. This shortage is particularly acute in sectors such as healthcare, technology, and engineering.

Our analysis and expert knowledge continued to support businesses and governments in navigating the complexities of the economic landscape while capitalising on opportunities to advance the interests of the NSW business community and our wider society.

Our media and government relations campaign helped to reduce the 2023-24 workers' compensation premiums from insurer icare's desired average of 22 per cent to eight per cent.

Managing energy costs and supporting the transition to net zero are key areas of priority for our organisation. Driven by global market fluctuations and domestic supply constraints, rising energy costs are further squeezing business profit margins.

During the year, we successfully advocated for the extended operation of the Eraring coal-fired power plant, which will help keep power prices down and better guarantee supply as we move through Australia's energy transition.

Business NSW has also continued to take an active role in the housing debate via the establishment of the Housing Now! Alliance which has supported the introduction of more medium-density housing around train stations, as well as the integration of artificial intelligence and pattern-book housing design policies into the planning system.

Making NSW a better place to do business

We actively represent the needs of businesses to influence government policy makers and deliver real-world results for our members.

By listening to our members through regular surveys, group and individual meetings, phone advice lines, policy committees and advisory councils we can track business confidence and identify the issues that really matter for Australian businesses.

During FY24, Business NSW submitted 35 detailed submissions, participated in six parliamentary inquiries, and engaged in about 120 consultative committees spanning energy, skills, infrastructure, environmental protection, workplace safety, and others. Business NSW also represents its members on about 40 government advisory bodies.

We secured significant victories in the past financial year, including:

- Capping average workers compensation increases at 8%, when iCare was recommending 22%.
- No major new taxes on business.
- Prompting a NSW Government review of the Emergency Services Levy, which adds hundreds of dollars to business insurance premiums.
- Successfully advocating for the extended operation of the Eraring coal-fired power plant, which will help keep power prices down and better guarantee supply as we move through Australia's energy transition.
- Increasing investment in Vocational Education and Training (VET) to alleviate skills shortages.
- Securing a commitment from the new Labor State Government to enhance small business procurement. Recent changes increase the threshold for direct engagement with SMEs on government contracts from \$150,000 to \$250,000. Soon businesses will need to be insured only when a contract has been won, not beforehand.
- Securing \$315 energy rebates for 320,000 eligible businesses.
- Helping increase housing supply via the establishment of the Housing Now! Alliance. This has ushered in the creation of NSW Government policy on more medium-density housing around train stations, as well as integrating artificial intelligence and pattern-book housing design policies into the planning system.

See appendix 1 for the full list of BNSW policy and advocacy submissions.

Business Conditions Survey

As our flagship research product, the Business Conditions Survey gauges business confidence in NSW and identifies emerging risks and opportunities. During FY24, the survey attracted an average of about 1,000 business respondents each quarter, generating insights for all regions and companies of all sizes, particularly small business. The survey findings that have informed Business NSW's advocacy directions include:

- The cost of doing business is the largest barrier to expansion, followed by skills shortages.
- The top three business cost concerns have been insurance costs, taxes and government charges, and energy costs.
- 92% of businesses have identified issues related to attracting and retaining skilled workers in their region.
- 46% of businesses observed a decline in workers' productivity over the past two years.
- 95% of businesses are experiencing some impact of the rising cost of living.
- 93% of businesses have experienced barriers accessing NSW Government services, assistance or grants – the most common issue being a lack of awareness of what is available.
- Future investment (public or private) should prioritise energy reliability and cost, followed by transport infrastructure (for Sydney-based businesses) and housing availability (for regional businesses).

Meeting skills needs

Skills shortages continue to pose a significant challenge for NSW employers. This year we conducted and relaunched the Workforce Skills Survey as an annual survey of employers. Preliminary results from the 2024 survey suggest we may be moving into a more dynamic market for skilled workers in NSW, with close to 77% of respondents indicating a skills shortage down from 93% in 2022.

Vocational education and training (VET)

This year several significant reviews and announcements have taken place, including the Skills Passport, Apprenticeship incentives and Australian Apprenticeship Support Services tender.

At a state level, the NSW Government commenced a VET review, with Business NSW playing a prominent role. Our submission emphasised the critical role of VET in meeting current and future workforce needs, highlighting the importance of TAFE as the benchmark provider of quality vocational education and training. We also stressed the need for strategic investment in TAFE, the importance of partnerships between providers and industry, the value of careers advice in schools, and improving pathways and recognition between VET and higher education.

Skilled migration

In December 2023, the Federal Government released its Migration Strategy to rebalance Australia's migration policy settings toward a greater emphasis on skills needs. It outlines a range of measures with the aim of reducing overall net migration by 180,000 over the next five years, reverting to trend following temporary adjustments associated with the COVID-19 pandemic.

Business NSW has been actively engaged in federal consultations on reforms to Australia's skilled migration program in partnership with the Australian Chamber of Commerce and Industry on a range of issues including reforms to both temporary and permanent skilled migration programs and the review of regional migration settings.

The Business NSW 2024 Workforce Skills Survey provided an opportunity for NSW employers to share their experiences of working with Australia's skilled migration program. Findings from this survey will inform current and future contributions on reforms to Australia's skilled migration program.

Wages

Business NSW submitted its annual recommendations for the Annual Wage Review of the National Minimum Wage and rates under Modern Awards. We focused on labour productivity growth – where higher outputs justify higher wages but higher wages without higher outputs can lead to sustained inflation – and the inflation rate, reflecting the rising cost of living for workers and businesses. Due to low productivity growth and falling inflation, we recommended a 2.5% increase, plus a 0.5% increase in the Superannuation Guarantee.

Engagement and events

During FY24, we hosted more than 270 in-person and online events with about 21,215 attendees across metropolitan and regional centres in NSW. These ranged from boardroom lunches and workshops to awards ceremonies, major conferences and summits. We also hosted international trade delegations with business, industry, and community leaders, offering our members valuable insights and expertise on a wide range of topics.

Managing our own event centres allows us to keep many of our events in-house, manage costs and ensure our members receive a premium experience. As part of our member offering, we make our centres available for use at discounted rates.

Regional Leaders Program

During FY24, we expanded our regional advocacy coverage across six NSW regions, with New England North-West and Western NSW launching the program in May 2024.

The program enabled over 240 regional members across diverse sectors to actively engage in priorities championed by Business NSW, with a focus on building the economic capacity of regional NSW and stronger businesses to support jobs and innovation.

The program delivered submissions to the NSW Government on regional challenges including the review of the *NSW Regional Development Act*. Two thought leadership white papers were launched including *Creating the Narrative for Success: Mid North Coast Skills Training and Education* and *Down to the Wire Outcomes Report: Riverina Murray*.

The NSW Premier, Treasurer, and relevant ministers were involved in most of the 123 events delivered across regional towns throughout the financial year. Business NSW sharpened its focus on how regional businesses navigate the economic landscape, housing and planning shortages, skills and labour challenges, regional city development, regional infrastructure gaps, energy transition, and the visitor economy.

We hosted over 270 events, with more than 21,215 attendees, providing our members valuable insights and expertise on a wide range of topics.



Apprenticeship Careers
Australia.



Optimising our commercial businesses

Over the past year, we've made great progress in refining our commercial operations. We have a clear plan for how we can deepen our engagement with, and support our members over the next three years and beyond. This ensures that we are set for growth and well-equipped to continue fulfilling our purpose of creating a better Australia by maximising the outcomes and potential of Australian business.

Ability Plus

In May 2024, Business NSW completed the acquisition of Ability Plus Disability Services Pty Ltd, a Victorian disability home care provider.

Ability Plus was founded in the suburbs of Melbourne in 2016 and operates two offices in Keilor Park and in Cheltenham, Victoria. Supporting over 215 participants, employing 35 office staff and more than 260 support workers, Ability Plus specialises in providing care and support services under the NDIS and other insurance schemes.

This acquisition enables us to significantly strengthen our community care business within Alliance Australia in the Melbourne metropolitan region.

Home Care

The Australian Government's Homecare program, which ended in June 2024, aimed to invigorate the aged care workforce and address critical skills shortages in the in-home aged care sector.

Apprenticeship Careers Australia (ACA) assisted aged care providers in South Australia and the Northern Territory to attract, train and retain new and existing workers to the sector. At the conclusion of the program, ACA had successfully placed 1,554 trainees from an applicant pool of 15,500 people who were attracted via ACA awareness campaigns.

Apprenticeship Support Australia awarded Australian Government contract

In April 2024, Apprenticeship Support Australia (ASA) – in partnership with the Victorian and West Australian Chambers of Commerce and Industry - was awarded the Australian Government contract to support apprenticeships and traineeships from 2024 – 2026 in New South Wales, Victoria, Western Australia, Tasmania, South Australia and Queensland.

The program plays a pivotal role in supporting apprentices and their employers navigate the complexities and pressures of skills shortages and barriers to starting and taking on apprentices and trainees.

ASA is proud to build on its 26 years of apprenticeship support through enhanced services to further improve retention and completion rates for apprentices and their employers and to be a national contributor to the vital role that the vocational education and training system plays.

Strong Apprenticeship Support Australia reputation results


In FY23, ASA commissioned reputation research, with results reflecting a strong reputation as perceived by NSW businesses. ASA was recognised for a number of key strengths, including:

- concern for apprentices' well-being
- standing behind its service
- fair in the way it does business, and
- positive influence on society.

Mentoring support

Mentoring was provided to more than 3,216 apprentices, trainees and employers who needed some extra support. A total of 1,476 women pursuing traditionally male-dominated trades were mentored or provided career advice.

During FY24, ASA supported 41,298 apprentices and trainees.



Expressway Spares,
Port Macquarie,
Member since 2011

Assisting employers drive better retention and completion outcomes

ASA hosted an event in March 2024, assembling an expert panel to discuss the results of the 2023 ASA non-completions survey, which explored why approximately 1,000 apprentices did not complete their apprenticeship. The results revealed:

- 18 per cent didn't continue with their employer because of poor working conditions.
- 17 percent left because they didn't get on with their boss.
- 31 per cent of those surveyed went on to complete their training with another employer after leaving.
- 22 percent of apprentices said they wanted their employer to be more present or approachable.
- 18 percent said they wanted more open and honest communication.

The panel discussed the findings and strategies employers could implement to address this feedback.

Our customer support centre answered over 100,000 inbound calls from employers.

Skillsroad, our careers information and advisory service, continued to provide quality career information and connect employers, parents, career advisors and job seekers to tips, resources and career advice. During FY24:

- 39,044 new members registered, bringing the total Skillsroad membership to 131,378.
- 32,890 careers seekers completed our Skillsroad Career Quiz to learn about their strengths and skills.
- A further 10,062 people completed our Skillsroad Job Fit Test to assess their suitability for various career pathways.



Keiran Tanner,
Excel Logistics,
Member since 2016

Supporting youth with post-school pathway advice

Our Gateway Support Services assisted more than 3,754 young people with career advice to help them identify pathways for education and training after school, and match them with apprenticeship and traineeship opportunities.

Our online broadcasts and in-person presence at careers expos, trade shows and schools helped thousands more access tools and advice for personalised career direction.

My Business

Empowering Australian businesses

My Business has continued to empower Australian businesses by providing essential resources, information, and tools.

We have enhanced the member experience by migrating to our new Workplace platform at the beginning of the year and refining our flagship product, Workplace, to better address member needs.

We created an online help centre for Cyber, Premium Workplace, and Workplace products, featuring step-by-step user guides and videos to help our members maximise the benefits of our services and improve their overall customer service experience.

During FY24, we increased the variety of content in My Business newsletters. Having separate product newsletters focused on Workplace provided us the opportunity to cover a range of topics such as leadership, business cost savings, and grants and tenders. We sent 3.7 million newsletters with an open rate of 29 per cent for My Business and 34.7 per cent for product newsletters.

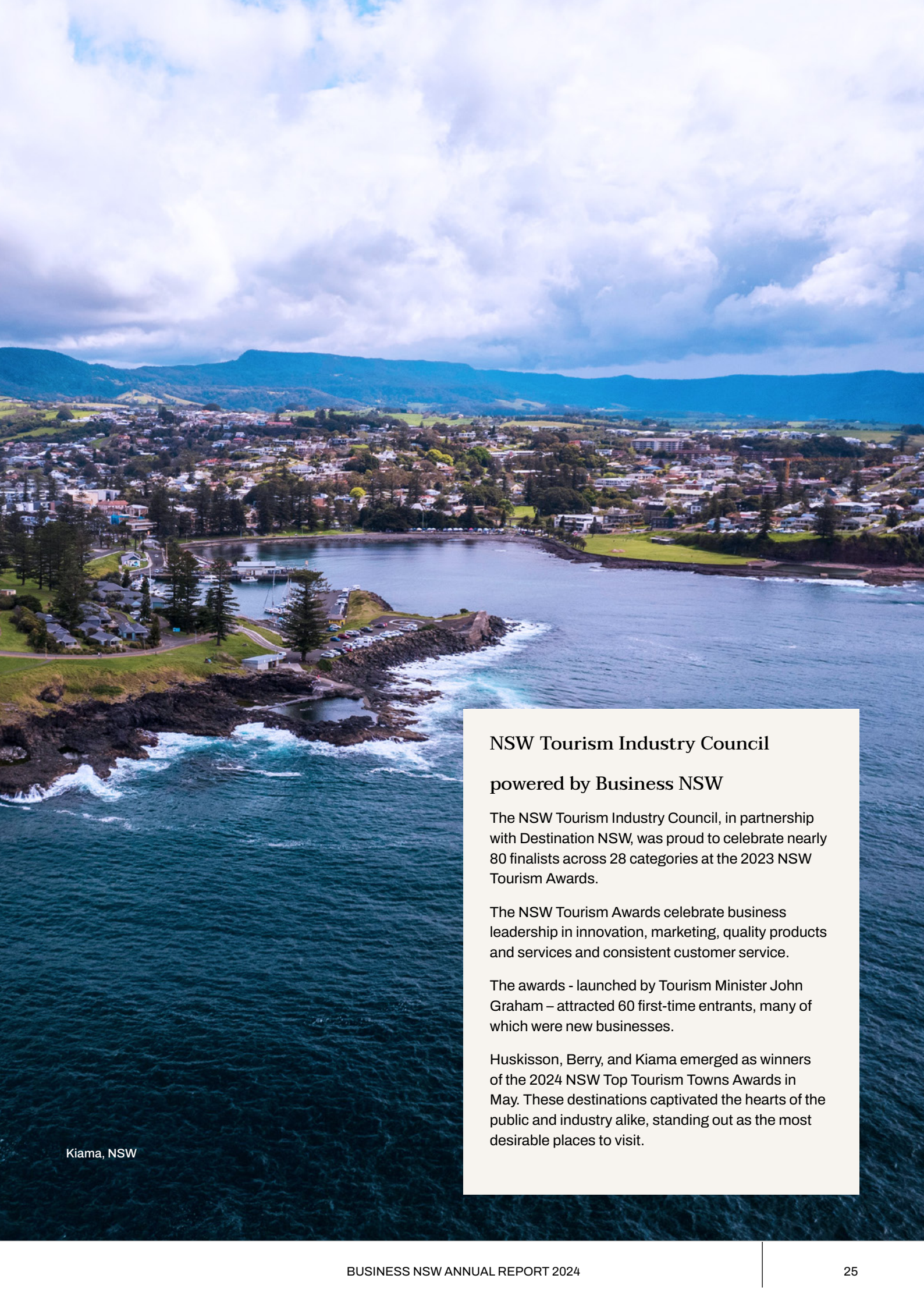
My Business website traffic was generated entirely through organic channels this year, resulting in 1.4 million page views and almost one million unique visitors.

As energy costs remain one of the biggest concerns for Australian businesses, we helped nearly 1000 members review their energy bills and switch to better offers, resulting in average savings of \$1900 per business.

In FY24, we increased our total members and voting members to 95,506, as more businesses across NSW recognise the value of being a Business NSW member.

Our net promoter score increased 3 points to +24. The team also delivered a state-wide program to support businesses with industrial relations changes and increased services to local chambers of commerce (LCC) by successfully piloting the Local Chamber Member+ Product with two local chambers of commerce. There has also been an increased focus on delivering operational support for members via renewed offerings and corporate partnerships.

During the year, our Workplace Advice Unit took 10,599 calls and our Business Hotline took 4,070 calls.



Kiama, NSW

NSW Tourism Industry Council

powered by Business NSW

The NSW Tourism Industry Council, in partnership with Destination NSW, was proud to celebrate nearly 80 finalists across 28 categories at the 2023 NSW Tourism Awards.

The NSW Tourism Awards celebrate business leadership in innovation, marketing, quality products and services and consistent customer service.

The awards - launched by Tourism Minister John Graham – attracted 60 first-time entrants, many of which were new businesses.

Huskisson, Berry, and Kiama emerged as winners of the 2024 NSW Top Tourism Towns Awards in May. These destinations captivated the hearts of the public and industry alike, standing out as the most desirable places to visit.

Providing legal services to support business

Australian Business Lawyers & Advisors

In FY24, the strategic decision by Australian Business Lawyers & Advisors (ABLA) to focus exclusively on workplace relations and employment law resulted in the firm's most successful year in the past decade. This specialisation enabled ABLA to allocate all resources towards leading significant test cases and engaging in critical workplace policy discussions during a period marked by substantial industrial relations reforms.

ABLA took a pioneering role by leading the first multi-employer supported bargaining case under the new laws effective since June 2023, representing the Australian Childcare Alliance and the Australian Chamber of Commerce and Industry. The case exemplifies ABLA's pivotal role in convening unions, employers, and the Government to negotiate equitable industry-wide conditions.

ABLA was the sole law firm to represent employer respondents such as the Aged and Community Care Providers Association and Australian Business Industrial in the industry-wide Aged Care Work Value Case at the Fair Work Commission (FWC). This case established gender undervaluation principles across the Fair Work jurisdiction, marking a significant advancement in workplace equity.

“ABLA's strategic focus on workplace relations and employment law has solidified its position at the forefront of industrial relations reform, delivering exceptional results for clients and contributing to the broader workplace policy landscape in Australia.”

- Nigel Ward ABLA CEO

Continuing its legacy of influential advocacy, ABLA actively participated in the FWC's 2024 award review proceedings, addressing over 100 modern awards impacting conditions across all industries. Key areas of focus included simplifying award terms, accommodating work and care, enhancing job security provisions, and responding to claims for delegates' rights and the right to disconnect. These reforms will shape the regulatory landscape for Australian businesses over the next decade.

ABLA also contributed to several Federal Government Department of Employment and Workplace Relations industrial relations reform consultations on behalf of the Australian Chamber, providing direct feedback to the Government and representing the interests of clients and Business NSW members.

In line with its commitment to ensuring equal access to legal resources for businesses of all sizes across Australia, ABLA offered free comprehensive guides on the latest Federal industrial relations reforms. This included regional forums and online sessions to help businesses understand their new legal obligations.

In FY24, ABLA's success was further underscored by the expansion of its Melbourne office, enhancing the firm's capacity to serve clients more efficiently and effectively. The Workplace Advice Unit continued to support members in navigating new legislation, providing additional support to multiple employer associations' in-house advice teams.



**ABLA continued to be recognised
as a leader in workplace relations
and employment law:**

- Workplace Relations and Employment Law Team of the Year – Finalist Australian Law Awards 2024
- Doyles Guide 2024 – Leading Employment Firm
- Legal 500 Leading Firm 2024

Nigel Ward, ABLA CEO, at official Chifley Square Office opening for ABLA

Planning for a sustainable future

Guided by our purpose of “Creating a better Australia by maximising the outcomes and potential of Australian Business”, our Environment, Social, and Governance (ESG) framework and strategy continues to inform how we do business.

Our goal is to become a leading advocate and adopter in creating a more sustainable future for business both within our organisation and the business community we serve.

Our guiding principles for ESG are:

Environment: we consider climate change risks, we mitigate against climate risks where practicable, we investigate and invest in renewable energy sources where possible, with the aim of achieving Net Zero by 2050.

Social: we enable and encourage diverse, equitable and inclusive working arrangements, we aim to provide a safe and healthy environment for all and look for ways in which we can make a positive difference in the communities in which we operate.

Governance: we direct and manage our business in a responsible and secure manner, addressing key risks; and report with integrity and transparency for positive contribution to the wider community.

ESG by the numbers

In May 2024, we surveyed our employees about our approach to ESG:

- 81% of our employees think Business NSW is taking action to be socially responsible.
- 62% of our employees agreed that Business NSW promotes environmental initiatives and practices (e.g reducing emissions, saving energy, recycling)

Environment

This includes initiatives such as our efforts to reduce our environmental impact, such as carbon footprint reduction, energy efficiency, waste management, and

water conservation. We consider climate change risks, we mitigate against climate risks where practicable, we continuously investigate and invest in opportunities to reduce our organisational carbon footprint with the aim of achieving Net Zero by 2050.

Carbon tracking

Business NSW is seeking a Net Zero Emission Pathway that will be used to guide the business towards net zero by 2050 or earlier, as part of its efforts to support the NSW and Australian economies to reach the 2050 Net Zero target.

We have begun work to establish a carbon accounting and sustainability reporting framework, with diagnostic tools to enable this reporting currently being implemented.

In FY24, we sought to measure our carbon emissions in three categories to establish a clear baseline:

- Direct emissions originate from sources owned or controlled by BNSW eg boilers, furnaces and vehicles.
- Indirect emissions result from the generation of purchased electricity consumed by BNSW.
- Other indirect emissions arise as a consequence of BNSW activities but occur from sources not owned or controlled by BNSW, such as waste and employee commuting.

This highlighted that almost 95% of BNSW emissions were in the category of other indirect emissions and our key emission areas included:

- Professional services
- ICT services and equipment
- Employee commute
- Transport (air)
- Electricity

We are taking action to reduce our impact on three major sources – road travel, air transport (flights) and buildings. One of our key initiatives to start this journey is our Electric Vehicle (EV) fleet pilot (see case study).



NSW Government-funded electric vehicle pilot program

Last year, we secured funding from the NSW Government under the EV Fleets Incentive NSW Program to start transitioning our fleet to electric vehicles, supporting our aspiration to achieve net zero carbon emissions by 2050.

Run in partnership with our fleet provider, Mercurien, this initiative has seen ten Business NSW employees transfer their company cars to electric vehicles in FY24.

During the four months the pilot has been running, drivers have travelled over 50,000km, reducing 8.9 tonnes of CO2 gases released into the atmosphere, and saving on average \$1300 in fuel costs per vehicle.

The EV pilot is already facilitating significant learnings within our organisation that we can leverage to support the wider business community, helping our members understand the benefits and practical considerations of implementing electric vehicles in their fleets.

Social

This comprises the impact we're having as an employer, how we support our members, customers, and clients, and the positive impact we have in the communities in which we operate.

The very reason we exist as an organisation is geared towards making a positive social impact. It's in our organisational purpose, it's in our DNA, and we've been supporting business in NSW for over 195 years. Social conscience really guides us as an organisation and is embedded in our values and behaviours.

Earlier this year we conducted an audit of our social impact activities, including:

- The work we do with apprenticeships to support skills development.
- Fostering a culture of inclusion and providing opportunities for people from all backgrounds, e.g. promoting job opportunities, education, and awareness through internal and external events.
- Providing free educational content e.g. ABLA webinars.
- Volunteering, such as disaster recovery support during natural disasters e.g. floods, bushfires etc.
- Our Reconciliation Action Plan.

Everyone in our organisation plays a part in supporting positive social outcomes.



Sharon Windsor,
IndigiEarth
MyBusiness member
since 2013

Our commitment to reconciliation

Business NSW is committed to its ongoing journey towards reconciliation.

During FY24, Business NSW received formal endorsement of our Innovate Reconciliation Action Plan (RAP) from Reconciliation Australia, marking a significant milestone in our journey towards reconciliation.

Our Innovate RAP lays the foundation for our organisation's commitment to relationships, respect, opportunities and governance for October 2023 – October 2025.

Our vision for reconciliation

Our Vision for reconciliation is to support economic prosperity for all Australians. To enable a more just and equitable future for all Australians through partnering with First Nations peoples and businesses to support a society where we can prosper together.

We are committed to listening to and learning from First Nations' voices, whilst also taking concrete actions towards reconciliation, such as promoting understanding and awareness of First Nations' histories and cultures.

First Nations representation

As at 30 June 2024, 2% of our workforce identify as Aboriginal and Torres Strait Islander. We are working towards an organisational target of 3%.

KARI Foundation partnership

During FY24, Business NSW sub-organisation, Business Sydney held its annual First Nations forum in partnership with KARI Foundation. The event, which was attended by 100 business leaders, showcased how collaborative efforts, dedication to Indigenous engagement, and impactful Reconciliation Action Plans (RAPs) can drive positive change and promote economic opportunities, cultural preservation, and resilience through Indigenous procurement.



Governance

We aim to ensure the enterprise is well governed and is run in a socially responsible way.

We have robust organisational structures with clear accountabilities, supported by enterprise-level support functions and underlying technology, tools and systems. At the apex of this structure, is our Board and associated committees, each governed by clear charters setting out their purpose, roles and responsibility for oversight of the organisation. You can read more about our approach to governance on page 36.

An internal and external audit program also supports independent verification of our compliance against applicable standards.

City scapes

Driving an engaged, high-performance culture

Leadership in focus

As our organisation grows, we continue to prioritise investment in talent development to enhance the capability and capacity of our people and support our leaders to deliver on our strategy.

Leadership capability framework

Leadership was a key focus for FY24 and saw the launch of our new Leadership Capability Framework. This Framework outlined the capabilities required of leaders at all levels of the organisation to be successful at Business NSW whether they are an Individual Contributor (self-leadership), People Leader, Enterprise Leader or Executive Leader.

Leadership forums

A number of leadership forums were held across the year. These forums were specifically designed for those with people leadership responsibility to enhance their skills and expertise and connect with their peers. Enhancing and maximising capability in our leadership cohort is a key factor in effective delivery of business initiatives, employee engagement and employee retention. These forums were delivered with great success with many leaders looking forward to next year's forums already.

Mentoring

In FY24, we launched a new Mentoring program, *Mentoring@BNSW*, giving enterprise leaders and people leaders across the organisation the opportunity to be mentored by senior leaders.

Diversity, equity and inclusion

Business NSW is committed to creating a workplace where people from all backgrounds feel welcome and can thrive. It is important to us that our organisation represents the communities we serve.

We are proud to have a diverse employee base, with one-fifth of employees identifying as having a culturally and linguistically diverse background.

First Nations representation

- Six per cent of our Apprenticeships Support Australia employees identify as First Nations Peoples, up from 1% three years ago.

Women in leadership

In FY24, 42.5% of Business NSW leadership positions were held by women, up from 39% in FY23.

In FY24, key events were held throughout the year as part of our Diversity, Equity & Inclusion (DEI) calendar. Events were selected based on employee feedback, Business NSW's enterprise values, and alignment with our broader People, Culture and Workplace Plan.

Our key focus areas for FY24 were:

- Recognising and celebrating our First Nations peoples: National Reconciliation Week and NAIDOC Week events.
- Physical and mental wellbeing events: creating awareness of the importance of looking after your own health and wellbeing and the health and wellbeing of others. Events included R U OK? Day, Jeans4Genes Day, One Foot Forward, Australia's Biggest Morning Tea, and an educational webinar on Financial Wellbeing.
- Gender, gender orientation and culturally and linguistically diverse events: events included celebrations and awareness around Mardi Gras, International Women's Day and International Day for the Elimination of Racial Discrimination.

These events were primarily delivered in-house by the organisation's DEI Committee and received a high level of participation and engagement from employees over the course of the year.



Southern Cotton at Whitton,
Riverina region,
Member since 2022

Employee engagement

Business NSW conducted employee surveys in November 2023 and May 2024. Employee engagement results are positive and have remained steady since November 2022, with 70% of employees feeling engaged at work.

The organisation performed well in areas relating to management, wellbeing, psychological safety, inclusion and ethics, with many questions scoring above external benchmarks. Work is already underway on areas scoring lower than benchmark, including increasing transparency about how pay is set and reviewed, promoting organisational benefits, increasing cross-business collaboration, and regularly communicating with employees about how feedback is being addressed.

- 81% of employees agree the organisation is taking action to be socially responsible.
- 80% of employees agree that people from all backgrounds have equal opportunities to succeed at the organisation.
- 81% of employees agree that they can be their authentic self at work.

Celebrating success

Our Employee Recognition Awards continue to be a fantastic way to celebrate individuals or teams who have made a positive impact by living our company values. Our biannual Employee Recognition Awards include both individual and team awards. Winners are chosen by our peer-based Employee Recognition Committee and team awards are selected by the CEO.

Digital transformation

Business NSW has improved operational efficiency and end-user experience for its people with the introduction of a new Human Capital Management System for payroll, workforce management and other people-related processes from leave applications and timesheets to onboarding, performance reviews, learning, succession planning and remuneration.

The Business NSW events centre at 8 Chifley Square in Sydney.

Introducing our paid parental leave program

In line with our commitment to creating an inclusive and flexible workplace where parents are both encouraged and supported to take an active role in caring for their family, Business NSW introduced a paid parental leave program from 1 July 2023.

In Australia, workers can access government parental leave payments if they meet the relevant criteria however, these payments are only paid at the national minimum wage and capped at 20 weeks at the time (with 2 weeks reserved for each parent). To ensure eligible employees are not financially disadvantaged during this period, Business NSW provides “top-up payments” to match the employee’s ordinary base rate of pay. This adds to the peace of mind for employees and their families during a time of change.

The Business NSW program is ahead of the government timetable which will increase parental leave pay progressively up to a total of 26 weeks in 2026. Business NSW fully funds an additional eight weeks’ pay for coupled employees and an additional six weeks’ pay for single employees, so that parents can give their children the best possible start in life.

Business NSW also offers eligible employees additional benefits such as employer superannuation on parental leave payments, the option to take parental leave at half-pay rather than full pay and allowing employees to apply for up to two years of leave in total, incorporating paid

and unpaid parental leave. Business NSW also supports employees who may be ineligible for government paid parental leave to access employer funded payments. This is essential in supporting and attracting women into senior leadership roles.

The policy is designed to support all parents regardless of their relationship status, sexual orientation, adopting or fostering, or entering a surrogacy arrangement.

“We recognise that a generous parental leave policy is a competitive advantage for us as an employer, particularly for retaining women in senior leadership roles. This is one way that we can positively influence equality of outcomes for men and women in the workplace. The changes to parental leave have been met with a lot of excitement.”

-Executive Director, People, Culture and Workplace, Zaklina Craig.

Business NSW also offers other leave benefits for employees such as Birthday Leave, which allows employees to enjoy a day off during their birthday month and Chamber Day. Chamber Day is a long-standing benefit, which is an extra day of leave between Christmas and New Year as a nod to the almost 200-year history of our organisation as a business chamber.

Governance

Business NSW is committed to maintaining robust governance and risk management practices that protect our people, members, clients and the communities in which we operate.



Lyall Gorman
President



Greg McNamara
Vice President
Vice Presidency
Commenced 29/2/24



Nola Watson
Board Director



Judith Field
Board Director



Natalie Mitchell
Board Director



Ian Ward-Ambler
Board Director



Andrew Vlachos
Board Director
Commenced 22/2/24



Joseph Carrozzi AM
Board Director
Commenced 29/2/24



Brett Manwaring
Vice President
Term Ended 22/2/24



Jenny Dawn
Board Director
Term Ended 12/3/24



Ellie Brown
Board Director
Term Ended 22/2/24

The Board

The Board comprises up to ten directors. Six positions on the Board are reserved for directors elected from and by the State Council (Elected Directors). Two positions on the Board are reserved for directors appointed by the Board (Appointed Directors). The remaining two positions on the Board may be occupied by two Elected Directors, two Appointed Directors or both an Elected Director and Appointed Director (as determined by the Board from time to time). The President and Vice President are elected by the Board. The Board has established three committees to assist it in the discharge of its responsibilities:

- Investment Committee
- Audit, Risk & Compliance Committee
- People, Remuneration and Culture Committee

State Council

The State Council comprises up to 40 representatives of voting members that are elected directly and indirectly by the membership base across the metropolitan and regional areas of New South Wales. The State Council's principal functions include electing the majority of directors on the Board and advising management and the Board in relation to policy and membership matters.

Policy Committees

Management has established a number of policy committees, comprising board directors, councillors, members and industry experts to support the enterprise in its policy and advocacy activities. These are the:

- Skills and Training Committee
- Infrastructure and Energy Committee
- Productivity Committee
- WHS Committee

Councillors

<i>Mr Lyall Gorman (President)</i>	<i>Mr Brett Manwaring</i>	<i>Ms Nola Watson</i>
<i>Mr Omar Ajiouni</i>	<i>Ms Barbara Ketley</i>	<i>Ms Ellie Brown</i>
<i>Ms Judith Field</i>	<i>Ms Janine Cullen OAM</i>	<i>Mr Ryan Aitchison</i>
<i>Ms Amy Harper</i>	<i>Ms Alexandra Rose</i>	<i>Mr Scott Emerson</i>
<i>Mr Luke Magee</i>	<i>Mr Simon Harrop</i>	<i>Mr Darrell Weekes</i>
<i>Ms Sue-Ellen Hogan</i>	<i>Mr Alan Sherry</i>	<i>Mr Ben Lee</i>
<i>Ms Shefali Paul</i>	<i>Mr Greg McNamara</i>	<i>Mr Andrew Cottrill</i>
<i>Ms Anne Parnham</i>	<i>Mr Brian Millar</i>	<i>Mr Michael Mekhitarian</i>
<i>Mr Andrew Vlachos</i>	<i>Mr David Mumford</i>	<i>Ms Natalie Mitchell</i>
<i>Mr Tim Coates</i>	<i>Mr John Wakeling</i>	<i>Mr Grahame Nash</i>
<i>Ms Anna-Maria Wade</i>	<i>Ms Lauren Eyles</i>	<i>Mr Gary Scott</i>
<i>Mr Andrew Vidler</i>	<i>Ms Kerrie Sheaves</i>	<i>Mr Matthew Irvine</i>

Regional Advisory Councils (RACs)

Our RACs advise the State Council on policy issues that affect our regional members. They also provide a direct line of communication from our members to our management team and the Board.

Executive Leadership Team

Chief Executive Officer – Daniel Hunter

Chief Financial Officer – Ben Pearce

General Counsel and Company Secretary – Chris Burubu

Executive Director, Corporate Strategy and Office of the CEO – Shefali Amin

Executive Director, People Culture & Workplace – Zaklina Craig

Executive Director, Policy and Advocacy – David Harding

Executive Director, Commercial – David Stewart

CEO, Alliance Australia – James Munro-Ford

CEO and Director, ABLA – Nigel Ward

Appendix 1

Business NSW advocates for its members

During FY24 Business NSW prepared the following submissions to Government and Regulatory Authorities:

1. Fels Review of Road Tolling
2. Industry Growth Program
3. AEMC Transmission Financeability Rule Changes ERC0348 and ERC0349
4. Pre-Budget Submission to the NSW Government (2023)
5. NSW Legislative Council's Standing Committee on Law & Justice - 2022 review
6. NSW Parliamentary Inquiry - Public Transport in Western Sydney
7. NSW Parliamentary Inquiry - Metro West
8. Inquiry into Artificial Intelligence in NSW
9. Climate Change (Net Zero Future) Bill 2023
10. Inquiry into the planning system and the impacts of climate change on the environment
11. and communities
12. Future Gas Strategy
13. Select Committee on the Feasibility of Undergrounding the Transmission Infrastructure
14. for Renewable Energy Projects
15. Proposed reforms to outdoor dining on private land and live music venues
16. A new direction for on-street transit
17. NSW VET Review 2023
18. Inquiry into insurers' responses to 2022 major floods claims
19. Manufactured Home Estates, Caravan Parks, Camping Grounds and Movable Dwellings
20. Pre-Budget Submission to the Commonwealth Government (January 2024)
21. Review of the Regional Development Act 2004
22. National Skills Passport Consultation Paper
23. Procurement practices of government agencies in New South Wales and its impact on
24. the social development of the people of New South Wales
25. Better Delivery of Universal Services
26. Pre-Budget Submission to the NSW Government (2024)
27. Pre-Budget Submission to the NSW Government (2024)
28. Submission on Short- and Long-Term Rental Accommodation
29. Industrial Manslaughter
30. Annual Wage Review
31. NSW Innovation Blueprint
32. Ability of local governments to fund infrastructure and services
33. Portable Long Service Leave
34. Inquiry into the Ability of local governments to fund infrastructure and services
35. Strategic Review of the Australian Apprenticeship Incentive System
36. NSW Visitor Economy Strategy Review
37. NSW Freight Policy Reform Program



BUSINESS NSW

Financial report
30 June 2024

NSW Business Chamber Limited
Trading as Business NSW

ABN 63 000 014 504

Cassegain Winery, Port Macquarie,
Member since 2008

NSW Business Chamber Limited
Trading as Business NSW
Directors' Report
30 June 2024

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 2024.

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:

L N Gorman - (President)
G J McNamara - (Vice President)
N Watson
J R Field
N Mitchell
I Ward-Ambler
A Vlachos (appointed 22 February 2024)
J Carrozzi AM (appointed 22 February 2024)
J Dawn (resigned on 12 March 2024)
B A Manwaring (resigned on 22 February 2024)
E T Brown (resigned on 22 February 2024)

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 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 the 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 the manufacturing industry and trade and commerce in Australia through the provision of business services, support and advocacy.

Review of operations

During the financial year, the consolidated entity remained focused on its principal activity as an employer association, dedicated to promoting, encouraging, and supporting the manufacturing industry, trade, and commerce in Australia through the provision of business services, support, and advocacy.

Significant events

On 1 June 2024 the consolidated entity acquired Ability Plus Disability Services Pty Ltd for the sum of \$34,019,000. Refer to note 29 for details of the acquisition.

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

NSW Business Chamber Limited
Trading as Business NSW
Directors' Report
30 June 2024

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 and acquisition;
- Client satisfaction;
- Employee engagement;
- Policy and advocacy outcomes;
- Media effectiveness; and
- Various operational metrics appropriate to specific business activities.

Information on directors

Name:	Lyall N Gorman
Title:	President
Qualifications:	Dip Teach, BEd, MEd Admin
Experience and expertise:	Lyall Gorman is the President of the company, having served as a Board Director for the past nine years and formerly as Deputy President. He is also a Director of the Australian Chamber of Commerce and Industry (ACCI). A former Executive Director of an ASX listed Merchant Bank and Corporate Finance and Advisory company, Lyall joined one of Australia's largest community house providers, Evolve Housing in May 2019 as CEO. He has over 35 years' experience in senior management, project management and administration, in both the public and private sectors. He holds a Master's Degree in Administration (UNSW) with majors in Finance, Organisational Culture and Change, Organisational Behaviour, Statistics and Marketing. He was the founding Chairman of the Western Sydney University Centre for Research Advisory Board, served as a Director of Cricket NSW for five years and has a distinguished career in sports administration, having been the founding CEO and Executive Chairman of two Hyundai A-League Clubs, the Central Coast Mariners and Western Sydney Wanderers, the Head of the Hyundai A-League, Group CEO of the Cronulla Sharks and CEO of Manly Warringah Sea Eagles in the NRL while also sitting on the Asian Football Confederation for a five year period. Lyall was born in Griffith, NSW and has a passion for small business, mentoring emerging business leaders and aspirational youth while also figuring on the public speaking circuit in areas including leadership, building a winning culture, high performance, brand, development and consumer engagement.
Special responsibilities:	Member of all Board Committees.
Name:	Gregory J McNamara
Title:	Vice President
Qualifications:	MAICD
Experience and expertise:	Greg joined 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 450-strong dairy herd in partnership with his wife Sue and sons Todd and Andrew at Goolmangar, near Lismore. Greg was a Director of Norco Co-operative Limited between 1996 and 2020 and was Chairman of Norco's Board between 1999 and July 2020 and Interim CEO from 2018 and 2019. Until recently, Greg was also a member of the Northern Rivers Cooperatives Alliance and Chair of Australian Organic Industries.
Special responsibilities:	Member of Audit, Risk & Compliance Committee and Member of Investment Committee.

NSW Business Chamber Limited
Trading as Business NSW
Directors' Report
30 June 2024

Name: Nola Watson FAICD
 Title: Non-executive director
 Qualifications: BA (Syd), Master Public Policy (ANU), Advanced Management Program (INSEAD), Advanced Risk Management Program (Wharton)
 Experience and expertise: Nola has been a Director since 2014 and is the immediate past President. She is also the immediate Past President of the Australian Chamber of Commerce and Industry. She is currently a Director on the boards of Care Super and Marine Rescue NSW. She is the Principal of Indar business consultancy. For over a decade, she held executive leadership roles in Insurance Australia Group ('IAG'). Prior to this, Nola held senior executive positions within the Commonwealth and NSW 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: Chair of Australian Business Lawyers & Advisors ('ABLA').

Name: Judith R Field
 Title: Non-executive director
 Qualifications: Dip Teach: Early Childhood Education, MAICD
 Experience and expertise: Judith has been a Councillor since 2005 and a Director since 2016. She chaired the Workforce Skills Committee from 2006 to 2018 and was a member of the Board's Investment Committee from 2016 to 2018. She is currently a Senior Consultant with JBA Corporate Consultants. In 2002, Judith joined Lendlease and had a 20 year career with various roles within the Development and Building businesses with a strong focus on workforce participation, economic and social sustainability across Australia. Prior to Lendlease, Judith worked for 11 years at the University of Western Sydney (now WSU) in business development and research commercialisation and was an elected representative on the Board of Trustees. Her career has included early childhood teaching, retail and marketing experience as buyer/senior buyer with the Myer Group, and operation of her own successful marketing consultancy company for six years. Judith has been active in the Western Sydney region for over 30 years through several 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 from 2018 to 2020. She is currently Vice Chairperson on the Board of Cancer Wellness Support.
 Special responsibilities: Chair of the People, Remuneration and Culture Committee and Chair of Business Environment and Economics Committee. Director of Hunter Business Chamber Limited.

Name: Natalie Mitchell
 Title: Non-executive director
 Qualifications: M.Comm (Professional Accounting), GAICD
 Experience and expertise: Natalie was elected to the Council in 2015 and was elected to the Board in February 2020. Natalie's 25-year career in business management began with accounting and finance roles with Arthur Andersen, AGL and Dairy Farmers. These roles led to involvement in business management and inventory control software, taking her overseas to lead sales and software design and implementation teams in Tokyo, Singapore and Chicago. Upon returning to Australia, Natalie founded her own business, Capital Office Business Solutions, which provides business advisory services to businesses in the mid and north coast of NSW, including risk management, financial modelling, strategic planning, management accounting and systems implementation services. Natalie is passionate about promoting and developing businesses in regional Australia and was the Chair of Business NSW's Regional Presidents' Forum.
 Special responsibilities: Chair of the Audit, Risk and Compliance Committee and Member of the People, Remuneration and Culture Committee.

NSW Business Chamber Limited
Trading as Business NSW
Directors' Report
30 June 2024

Name: Ian Ward-Ambler
Title: Non-executive director
Qualifications: BA (Melbourne), Advanced Management Program (INSEAD)
Experience and expertise: Ian was appointed to the Board in March 2020. He has spent most of his career in financial services, initially with JBWere/Goldman Sachs where he served as a director and member of the Management Committee and Risk Committee. He was President of JBWere's Securities Division in New York from 1995 to 2000. Ian was a director of the Financial Services Council, the industry peak body from 2010 to 2012. His final executive role was Chief Executive Officer of Goldman Sachs Asset Management in Australasia, which had \$12 billion in assets under management. Ian is also a member of the following boards: CBA Group Superannuation Board (Chair, Investment Committee); Melbourne Grammar School (Chair, Investment Management Committee); Trinity College, University of Melbourne (Member, Investment Committee); Melbourne University Advisory Board – Indigenous Leadership, Excellence and Achievement Program; The Man Cave Global (Chair). Ian's previous board roles included Deputy Chair of Voyager Indigenous Tourism (Ayers Rock Resort), Deputy Chair of Australia's National Research Organisation for Women's Safety and Chair of the Indigenous Land Corporation's Board's Finance & Legal Committee. Ian is also an experienced executive coach.

Special responsibilities: Member of the Investment Committee. Chair and Director of Australian Business Solutions Group Pty Ltd (ABSG), Recruitment Solutions Group Australia Pty Ltd (RSGA) and Alliance Health Services Group Pty Ltd (AHSG) (Alliance Subsidiary Boards).

Name: Andrew Vlachos
Title: Non-executive Director
Qualifications: Bachelor of Laws (UTS) with current unrestricted practising certificate. Member of Law Society of NSW. Bachelor of Arts (UNSW). Australian Institute of Company Directors. Harvard Business School – Strategy & Finance. UCLA Anderson School of Management – Directors Governance Programme.

Experience and expertise: Andrew's first involvement with Business NSW was in 2016 when Andrew was appointed to join Australian Business Industrial (the registered employer organisation of Business NSW) as a Councillor, a position he held until 2021. In 2019 Andrew became a Member Elected Councillor of Business NSW. In 2024, Andrew was appointed a Director of Business NSW. In 2015, Andrew established his own incorporated legal practice called Stimulus Legal & Consulting Pty Ltd, which helps clients with their strategic and commercial objectives. Prior to this Andrew has 30 years of professional experience in major Australian and international public companies, in a wide variety of roles, including General Counsel, Company Director, General Management, Company Secretary, and Human Resources & Employment/Industrial Law.

Special responsibilities: Andrew is also an experienced Company Director who holds directorships with various private companies
Member of the People, Remuneration & Culture Committee
Director of Australian Business Lawyers Association

NSW Business Chamber Limited
Trading as Business NSW
Directors' Report
30 June 2024

Name:	Joseph Carrozzi AM
Title:	Non-executive Director
Qualifications:	Bachelor of Commerce, UNSW (1984), Bachelor of Laws, UNSW (1986), Barrister of the NSW Supreme Court
Experience and expertise:	<p>He was appointed to the Board in 2024. Previously for over 20 years he was a Managing Partner for several of the 'Big 4' professional services firms until he moved into a portfolio of roles in 2021. In this role he was responsible for leading the Tax & Legal Practice (Andersens and EY) for many years as well as the National Markets Strategy (EY & PwC) and the Sydney Office (EY and PwC). His expertise extends to advising major listed and private corporations, as well as the government sector and government business enterprises in transport and infrastructure projects.</p> <p>Joseph also has a long standing commitment to the community and 'for purpose' entities – he was Chair of the Italian Chamber of Commerce; Chair of the Sydney Harbour Federation Trust; Board member of the European Australian Business Council; Deputy Chair of GWS Giants and the NSW Institute of Sport and a Board Member of Athletics Australian and Western Sydney University.</p>
Special responsibilities:	<p>He currently holds positions on boards such as: Chair, Health Co Healthcare & Wellness REIT (ASX:HCW), Chair, Centenary Institute for Medical Research, Chair, Angus Knight Group, Board Member, National Intermodal Corporation, Board Member, Football Australia (FA), Ambassador, Business Events Sydney (NSW), Honorary Consul, Grand Duchy of Luxembourg.</p> <p>Member of Investment Committee and Member of the Audit, Risk and Compliance Committee. Director of Australian Business Solutions Group Pty Ltd (ABSG), Recruitment Solutions Group Australia Pty Ltd (RSGA) and Alliance Health Services Group Pty Ltd (AHSG) (Alliance Subsidiary Boards).</p>

NSW Business Chamber Limited
Trading as Business NSW
Directors' Report
30 June 2024

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 2024, and the number of meetings attended by each director were:

	Full Board		Investment	
	Attended	Held	Attended	Held
L N Gorman (President) *	11	11	4	4
G J McNamara	11	11	4	4
N Watson	11	11	3	3
J R Field	11	11	-	-
N Mitchell	9	11	-	-
I Ward-Ambler	10	11	4	4
A Vlachos	3	4	-	-
J Carrozzi AM	4	4	1	1
J Dawn	6	8	-	-
B A Manwaring	7	7	2	2
E T Brown	6	7	-	-

	Audit, Risk & Compliance		People, Remuneration and Culture	
	Attended	Held	Attended	Held
L N Gorman (President) *	3	3	3	3
G J McNamara ***	2	2	2	2
N Watson **	1	-	-	-
J R Field	-	-	3	3
N Mitchell ***	3	3	2	1
I Ward-Ambler **	1	-	1	-
A Vlachos	-	-	2	1
J Carrozzi AM	2	2	-	-
J Dawn	1	1	-	-
B A Manwaring	1	1	-	-
E T Brown **	-	-	1	1

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

* The President is an ex officio member of all committees.

** Attended meetings but not a member of the committee.

*** G McNamara and N Mitchell each attended one People, Remuneration & Culture Committee meeting as a non-member during the year ended 30 June 2024.

Company secretary

Chris Burubu (LLB (Hons), BA, GAICD) was appointed to the role of General Counsel & Company Secretary in 2017. Chris has 20 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 senior 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.

NSW Business Chamber Limited
Trading as Business NSW
Directors' Report
30 June 2024

Contributions on winding up

In the event of the company being wound up, 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 \$965,060 (2023: \$895,780) based on 96,506 (2023: 89,578) 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 immediately after this directors' report.

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



L N Gorman
Director



N Mitchell
Director

26 September 2024
Sydney



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www.bdo.com.au

Level 11, 1 Margaret Street
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY STEPHEN MAY TO THE DIRECTORS OF NSW BUSINESS CHAMBER LIMITED

As lead auditor of NSW Business Chamber Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. 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.

Stephen May
Director

BDO Audit Pty Ltd

Sydney 26 September 2024

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

NSW Business Chamber Limited
Trading as Business NSW
Contents
30 June 2024

Statement of profit or loss and other comprehensive income	49
Statement of financial position	50
Statement of changes in equity	51
Statement of cash flows	52
Notes to the financial statements	53
Directors' declaration	87
Independent auditor's report to the members of NSW Business Chamber Limited	88

NSW Business Chamber Limited
Trading as Business NSW
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

		Consolidated	
	Note	2024	2023
		\$'000	\$'000
Revenue	4	266,973	306,110
Gains and investment income	5	13,975	16,895
Interest revenue calculated using the effective interest method		167	218
Expenses			
Advertising and marketing expense		(2,003)	(4,076)
Direct salary and other costs of providing services		(166,991)	(191,344)
Consultants, governance, legal and professional expenses		(4,248)	(5,863)
Employee benefits expense		(89,540)	(87,514)
Events and training		(4,311)	(3,363)
Depreciation and amortisation expense	6	(8,615)	(10,473)
Finance and investment costs		(1,893)	(1,843)
Impairment of receivables	9	(135)	(73)
Information technology expense		(13,233)	(13,342)
Motor vehicle expense		(2,160)	(1,967)
Building and occupancy costs		(2,248)	(2,397)
Telecommunication expense		(1,429)	(1,936)
Travel and entertaining expense		(1,868)	(2,406)
Other expenses		(2,749)	(2,914)
Finance costs	6	(1,538)	(1,182)
Deficit before income tax expense		(21,846)	(7,470)
Income tax expense	7	(780)	(803)
Deficit after income tax expense for the year		(22,626)	(8,273)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>(22,626)</u>	<u>(8,273)</u>
Deficit for the year is attributable to:			
Non-controlling interest		94	1,640
Members of NSW Business Chamber Limited		(22,720)	(9,913)
		<u>(22,626)</u>	<u>(8,273)</u>
Total comprehensive income for the year is attributable to:			
Non-controlling interest		94	1,640
Members of NSW Business Chamber Limited		(22,720)	(9,913)
		<u>(22,626)</u>	<u>(8,273)</u>

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

NSW Business Chamber Limited
Trading as Business NSW
Statement of financial position
As at 30 June 2024

	Note	Consolidated 2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	8	12,817	10,703
Trade and other receivables	9	30,050	32,186
Contract assets	10	6,518	5,050
Financial assets at fair value through profit or loss	11	144,256	176,845
Investments in cash managed trusts	12	49,529	68,776
Other assets	13	1,723	2,067
Total current assets		<u>244,893</u>	<u>295,627</u>
Non-current assets			
Property, plant and equipment	14	4,689	5,271
Right-of-use assets	15	16,921	20,082
Intangibles	16	74,368	36,853
Other assets	13	5,609	3,772
Total non-current assets		<u>101,587</u>	<u>65,978</u>
Total assets		<u>346,480</u>	<u>361,605</u>
Liabilities			
Current liabilities			
Trade and other payables	17	23,703	17,770
Lease liabilities	18	4,651	1,877
Contract liabilities	19	7,995	13,874
Income tax payable	7	848	110
Employee benefits	20	7,907	7,556
Provisions	21	1,351	1,369
Total current liabilities		<u>46,455</u>	<u>42,556</u>
Non-current liabilities			
Lease liabilities	18	16,446	19,373
Deferred tax	7	6,593	-
Employee benefits	20	2,247	2,296
Provisions	21	873	888
Total non-current liabilities		<u>26,159</u>	<u>22,557</u>
Total liabilities		<u>72,614</u>	<u>65,113</u>
Net assets		<u>273,866</u>	<u>296,492</u>
Equity			
Retained surpluses		273,212	295,932
Equity attributable to the members of NSW Business Chamber Limited		273,212	295,932
Non-controlling interest		654	560
Total equity		<u>273,866</u>	<u>296,492</u>

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

NSW Business Chamber Limited
Trading as Business NSW
Statement of changes in equity
For the year ended 30 June 2024

Consolidated	Retained surpluses \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2022	305,845	(1,080)	304,765
(Deficit)/surplus after income tax expense for the year	(9,913)	1,640	(8,273)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive (deficit)/income for the year	(9,913)	1,640	(8,273)
Balance at 30 June 2023	<u>295,932</u>	<u>560</u>	<u>296,492</u>

Consolidated	Retained surpluses \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2023	295,932	560	296,492
(Deficit)/surplus after income tax expense for the year	(22,720)	94	(22,626)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive (deficit)/income for the year	(22,720)	94	(22,626)
Balance at 30 June 2024	<u>273,212</u>	<u>654</u>	<u>273,866</u>

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

NSW Business Chamber Limited
Trading as Business NSW
Statement of cash flows
For the year ended 30 June 2024

		Consolidated	
	Note	2024	2023
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		283,869	334,558
Payments to suppliers and employees (inclusive of GST)		(314,461)	(357,435)
Receipts from members (inclusive of GST)		7,040	6,591
Interest paid		(1,538)	(1,182)
Income taxes paid		(249)	(110)
Interest received		83	218
Net cash used in operating activities	32	(25,256)	(17,360)
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	29	(31,006)	-
Proceeds from/(payments for) investments		50,236	4,615
Payments for property, plant and equipment	14	(854)	(4,466)
Payments for intangibles	16	(414)	(234)
Dividends and investment income		12,140	18,707
Net cash from investing activities		30,102	18,622
Cash flows from financing activities			
Repayment of lease liabilities		(2,732)	(6,494)
Net cash used in financing activities		(2,732)	(6,494)
Net increase/(decrease) in cash and cash equivalents		2,114	(5,232)
Cash and cash equivalents at the beginning of the financial year		10,703	15,935
Cash and cash equivalents at the end of the financial year	8	12,817	10,703

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

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 1. 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 public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 7
8 Chifley Square
Sydney NSW 2000

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 26 September 2024. 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's websites:
www.businessnsw.com

Note 2. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The 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.

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.

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 35.

Revenue recognition

The company recognises revenue as follows:

Fee for services and other related income

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

Other products' income is recognised at a point in time, when goods are despatched to a customer.

Recruitment services

Recruitment services income are recognised as revenue over time when on-hire staff provide services in accordance with the recruitment contract.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

Membership fees

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

Other revenue

Other revenue is recognised at the point in time when it is received or when the right to receive payment is established.

Income tax

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

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

Grant revenue is recognised in profit or loss when the consolidated entity satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the consolidated entity is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Volunteer services

The consolidated entity has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Cash and cash equivalents

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

Trade and other receivables

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

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

Investments and other financial assets

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

Financial assets 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.

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 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.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

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. 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 twenty 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.

Trade and other payables

Trade and other payables 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.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

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.

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.

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.

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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 2. Material accounting policy information (continued)

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 2024. 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.

Amending accounting standards issued but not mandatory are not expected 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 3. 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.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 9, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

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 2. 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 16).

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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

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

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision

As discussed in note 2, 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.

Control of entities where less than half of voting rights held

Management has 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 has 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 has 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 Business Australia, which are all companies limited by guarantee. Control is established via sole membership and voting rights that the parent entity has in these entities.

Note 4. Revenue

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Revenue from contracts with customers</i>		
Fee for service and other related income	44,271	66,509
Recruitment services	216,076	233,887
Membership fees	6,541	5,653
	<u>266,888</u>	<u>306,049</u>
<i>Other revenue</i>		
Rents and sub-lease rentals	85	61
Revenue	<u>266,973</u>	<u>306,110</u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 4. Revenue (continued)

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Geographical regions</i>		
Australia	<u>266,888</u>	<u>306,049</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	11,370	11,406
Services transferred over time	<u>255,518</u>	<u>294,643</u>
	<u>266,888</u>	<u>306,049</u>

Note 5. Gains and investment income

	Consolidated	
	2024	2023
	\$'000	\$'000
Net fair value loss on investments	(1,405)	(2,377)
Net gain/(loss) on disposal of assets	2,953	(535)
Dividend income	12,138	19,474
Interest income from managed investments	<u>289</u>	<u>333</u>
Gains and investment income	<u>13,975</u>	<u>16,895</u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 6. Expenses

	Consolidated	
	2024	2023
	\$'000	\$'000
Deficit before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Leasehold improvements	943	1,240
Furniture, fixtures and equipment	523	995
Motor vehicles	1	22
Buildings right-of-use assets	4,346	5,218
Motor vehicles right-of-use assets	1,702	1,293
Computer equipment right-of-use assets	156	156
Total depreciation	7,671	8,924
<i>Amortisation</i>		
Client lists	92	-
Software development	852	1,549
Total amortisation	944	1,549
Total depreciation and amortisation	8,615	10,473
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	1,538	1,182
<i>Leases</i>		
Short-term lease payments	731	872
<i>Superannuation expense</i>		
Defined contribution superannuation expense	21,345	22,889

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 7. Income tax

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Income tax expense</i>		
Current tax	807	803
Deferred tax - origination and reversal of temporary differences	(27)	-
Aggregate income tax expense	<u>780</u>	<u>803</u>
Deferred tax included in income tax expense comprises:		
Decrease in deferred tax liabilities	(27)	-
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Deficit before income tax expense	(21,846)	(7,470)
Tax at the statutory tax rate of 30%	(6,554)	(2,241)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Tax exempt loss	7,288	4,308
Tax loss/(income)	46	(261)
	<u>780</u>	<u>1,806</u>
Prior year tax losses not recognised now recouped	-	(1,003)
Income tax expense	<u>780</u>	<u>803</u>
	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	12,935	14,434
Potential tax benefit @ 30%	<u>3,881</u>	<u>4,330</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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 7. Income tax (continued)

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Deferred tax liability</i>		
Deferred tax liability comprises temporary differences attributable to:		
Intangible assets	6,593	-
Deferred tax liability	<u>6,593</u>	<u>-</u>
Movements:		
Opening balance	-	-
Credited to profit or loss	(27)	-
Additions through business combinations (note 29)	6,620	-
Closing balance	<u>6,593</u>	<u>-</u>
	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Provision for income tax</i>		
Provision for income tax	<u>848</u>	<u>110</u>

Note 8. Cash and cash equivalents

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Cash at bank	<u>12,817</u>	<u>10,703</u>

Note 9. Trade and other receivables

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	28,305	30,616
Less: Allowance for expected credit losses	(574)	(747)
	<u>27,731</u>	<u>29,869</u>
Other receivables	<u>2,319</u>	<u>2,317</u>
	<u>30,050</u>	<u>32,186</u>

Allowance for expected credit losses

The consolidated entity has recognised a loss of \$22,000 (2023: \$73,000) in profit or loss in respect of impairment of receivables for the financial year ended 30 June 2024.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 9. Trade and other receivables (continued)

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2024 %	2023 %	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Consolidated						
Not overdue	0.16%	0.14%	15,956	15,113	26	21
30 days overdue	0.57%	0.46%	5,445	8,190	31	38
60 days overdue	2.21%	1.72%	2,085	2,461	46	42
Over 90 days overdue	9.78%	13.31%	4,819	4,852	471	646
			<u>28,305</u>	<u>30,616</u>	<u>574</u>	<u>747</u>

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2024 \$'000	2023 \$'000
Opening balance	747	1,185
Additional provisions recognised	135	73
Receivables written off during the year as uncollectable	(308)	(511)
Closing balance	<u>574</u>	<u>747</u>

Note 10. Contract assets

	Consolidated	
	2024 \$'000	2023 \$'000
<i>Current assets</i>		
Contract assets	<u>6,518</u>	<u>5,050</u>

Reconciliation

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

Opening balance	5,050	9,023
Additions	246,608	267,822
Transfer to trade receivables	(245,140)	(271,795)
Closing balance	<u>6,518</u>	<u>5,050</u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 11. Financial assets at fair value through profit or loss

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Shares and units in public entities	100,793	127,347
Shares and units in unrelated entities (including equity and pool trusts)	33,928	38,244
Other investments (including corporate bonds and investment trusts)	9,535	11,254
	<u>144,256</u>	<u>176,845</u>

Refer to note 23 for further information on fair value measurement.

Note 12. Investments in cash managed trusts

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Investments in cash managed trusts	48,688	67,855
Illawarra First Fund	841	921
	<u>49,529</u>	<u>68,776</u>

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

Refer to note 23 for further information on fair value measurement.

Note 13. Other assets

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Prepayments	1,535	1,882
Employee insurance related deposits	188	185
	<u>1,723</u>	<u>2,067</u>
<i>Non-current assets</i>		
Term deposits	<u>5,609</u>	<u>3,772</u>
	<u>7,332</u>	<u>5,839</u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 14. Property, plant and equipment

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Leasehold improvements - at cost	9,049	8,407
Less: Accumulated depreciation	(5,191)	(4,263)
	<u>3,858</u>	<u>4,144</u>
Furniture, fixtures and equipment - at cost	5,643	5,530
Less: Accumulated depreciation	(4,835)	(4,403)
	<u>808</u>	<u>1,127</u>
Motor vehicles - at cost	107	43
Less: Accumulated depreciation	(84)	(43)
	<u>23</u>	<u>-</u>
	<u><u>4,689</u></u>	<u><u>5,271</u></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 improvements \$'000	Furniture, fixtures and equipment \$'000	Motor vehicles \$'000	Total \$'000
Balance at 1 July 2022	1,087	1,974	78	3,139
Additions	4,297	169	-	4,466
Disposals	-	(21)	(56)	(77)
Depreciation expense	(1,240)	(995)	(22)	(2,257)
Balance at 30 June 2023	4,144	1,127	-	5,271
Additions	657	173	24	854
Additions through acquisition	-	40	-	40
Disposals	-	(9)	-	(9)
Depreciation expense	(943)	(523)	(1)	(1,467)
Balance at 30 June 2024	<u><u>3,858</u></u>	<u><u>808</u></u>	<u><u>23</u></u>	<u><u>4,689</u></u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 15. Right-of-use assets

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Land and buildings - right-of-use	24,497	24,509
Less: Accumulated depreciation	(9,038)	(6,437)
	<u>15,459</u>	<u>18,072</u>
Motor vehicles - right-of-use	4,009	3,861
Less: Accumulated depreciation	(2,547)	(2,007)
	<u>1,462</u>	<u>1,854</u>
Computer equipment - right-of-use	-	468
Less: Accumulated depreciation	-	(312)
	<u>-</u>	<u>156</u>
	<u><u>16,921</u></u>	<u><u>20,082</u></u>

The consolidated entity leases land and buildings for its offices under agreements of between one to seven years with, in some cases, options to extend. The leases have various escalation clauses. The consolidated entity also leases motor vehicles and computer equipment under agreements of between one to two years. On renewal, the terms of the leases are negotiable.

The consolidated entity leases office equipment, under leases that are either short-term or low-value, so these have been expensed as incurred and not capitalised as right-of-use assets.

Reconciliations

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

Consolidated	Land and buildings \$'000	Motor vehicles \$'000	Computer equipment \$'000	Total \$'000
Balance at 1 July 2022	8,598	2,143	316	11,057
Additions	14,692	1,004	-	15,696
Transfers in/(out)	-	-	(4)	(4)
Depreciation expense	(5,218)	(1,293)	(156)	(6,667)
Balance at 30 June 2023	18,072	1,854	156	20,082
Additions	1,602	1,338	-	2,940
Additions through business combinations (note 29)	216	-	-	216
Disposals	(85)	(28)	-	(113)
Acquisition	-	-	-	-
Depreciation expense	(4,346)	(1,702)	(156)	(6,204)
Balance at 30 June 2024	<u><u>15,459</u></u>	<u><u>1,462</u></u>	<u><u>-</u></u>	<u><u>16,921</u></u>

For other lease-related disclosures refer to the following:

- note 6 for details of interest on lease liabilities and other lease expenses;
- note 18 for lease liabilities at the end of the reporting period;
- note 22 for the maturity analysis of lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 16. Intangibles

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Goodwill - at cost	54,042	38,065
Less: Impairment	(2,000)	(2,000)
	<u>52,042</u>	<u>36,065</u>
Client lists - at cost	22,068	-
Less: Accumulated amortisation	(92)	-
	<u>21,976</u>	<u>-</u>
Software development - at cost	11,182	10,768
Less: Accumulated amortisation	(10,832)	(9,980)
	<u>350</u>	<u>788</u>
	<u><u>74,368</u></u>	<u><u>36,853</u></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 \$'000	Client lists \$'000	Software development \$'000	Total \$'000
Balance at 1 July 2022	36,065	-	2,103	38,168
Additions	-	-	234	234
Amortisation expense	-	-	(1,549)	(1,549)
Balance at 30 June 2023	36,065	-	788	36,853
Additions	-	-	414	414
Additions through business combinations (note 29)	15,977	22,068	-	38,045
Amortisation expense	-	(92)	(852)	(944)
Balance at 30 June 2024	<u><u>52,042</u></u>	<u><u>21,976</u></u>	<u><u>350</u></u>	<u><u>74,368</u></u>

Impairment testing

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

	Consolidated	
	2024	2023
	\$'000	\$'000
Australian Business Recruitment Solution Group ('ABRS')	34,430	34,430
Ability Plus Disability Services Pty Ltd *	15,977	-
Others	1,635	1,635
	<u><u>52,042</u></u>	<u><u>36,065</u></u>

- * The goodwill and other intangibles acquired through the Ability Plus Disability Services Pty Ltd acquisition have not yet been allocated to CGU's as the accounting treatment is "preliminary" as at 30 June 2024. These assets are not included in the impairment testing that follows.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 16. Intangibles (continued)

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.

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	2024 %	2023 %
Forecast revenue	Projected average revenue growth rate for initial five-year period, determined with reference to historical experience.	8.60	10.50
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.	2.00	0.50
Pre-tax discount rate	Based on weighted average cost of capital which reflects the time value of money and risks specific to the CGU.	16.44	15.92

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 3, 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:

- Average 5-year growth rate would need to decrease by more than 1.75%, with all other assumptions remaining constant.
- The discount rate would be required to increase by 8.4% before goodwill would need to be impaired, with all other assumptions remaining constant.

Management consider 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 17. Trade and other payables

	Consolidated	
	2024 \$'000	2023 \$'000
<i>Current liabilities</i>		
Trade payables	1,209	1,295
Refundable carnet premiums	1,158	1,669
Accrued expenses	13,367	5,397
GST payable	2,304	3,515
Other payables	5,665	5,894
	<u>23,703</u>	<u>17,770</u>

Refer to note 22 for further information on financial instruments.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 18. Lease liabilities

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Lease liability	4,651	1,877
<i>Non-current liabilities</i>		
Lease liability	16,446	19,373
	<u>21,097</u>	<u>21,250</u>

Refer to note 22 for the maturity analysis of lease liabilities.

Note 19. Contract liabilities

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Deferred revenue on workplace employment services	2,125	7,015
Membership fee and subscription fee received in advance	5,870	6,814
Subsidies and grants received in advance	-	45
	<u>7,995</u>	<u>13,874</u>

Reconciliation

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

Opening balance	13,874	17,883
Payments received in advance	14,386	34,216
Additions through business combinations (note 29)	15	-
Transfer to revenue	(20,280)	(38,225)
Closing balance	<u>7,995</u>	<u>13,874</u>

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$7,995,000 as at 30 June 2024 (\$13,874,000 as at 30 June 2023) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	2024	2023
	\$'000	\$'000
Within 6 months	4,567	10,035
6 to 12 months	3,343	3,815
12 to 18 months	85	24
	<u>7,995</u>	<u>13,874</u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 20. Employee benefits

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Employee benefits	7,907	7,361
Redundancies	-	195
	<u>7,907</u>	<u>7,556</u>
<i>Non-current liabilities</i>		
Employee benefits	<u>2,247</u>	<u>2,296</u>
	<u>10,154</u>	<u>9,852</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	
	2024	2023
	\$'000	\$'000
Employee benefits	<u>3,774</u>	<u>3,423</u>

Note 21. Provisions

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Lease make good	3	3
Reorganisation	189	-
Long-term incentives	366	275
Short-term incentives	<u>793</u>	<u>1,091</u>
	<u>1,351</u>	<u>1,369</u>
<i>Non-current liabilities</i>		
Lease make good	727	684
Long term incentives	<u>146</u>	<u>204</u>
	<u>873</u>	<u>888</u>
	<u>2,224</u>	<u>2,257</u>

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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 21. Provisions (continued)

Reorganisation

The provision represents the estimated costs to sell or terminate a line of business, close or relocate a business location, change the management structure or other fundamental reorganisations that has a material effect on the consolidated entity. The provision is recognised once the detailed reorganisation plan has been drawn up by management and communicated to the public and those affected by the plans.

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 during the current financial year, other than employee benefits, are set out below:

Consolidated - 2024	Lease make good \$'000	Reorganisation \$'000	Long term incentives \$'000	Short-term incentives \$'000
Carrying amount at the start of the year	687	-	479	1,091
Additional provisions recognised	253	189	290	754
Payments	(210)	-	(257)	(1,052)
Carrying amount at the end of the year	<u>730</u>	<u>189</u>	<u>512</u>	<u>793</u>

Note 22. 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.

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 and 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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 22. Financial instruments (continued)

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.

Market risk

Foreign currency risk

The consolidated entity does not have any material 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 - 2024	% change	Average price increase		% change	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>14,426</u>	<u>14,426</u>	10%	<u>(14,426)</u>	<u>(14,426)</u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 22. Financial instruments (continued)

Consolidated - 2023	% change	Average price increase		% change	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>19,603</u>	<u>19,603</u>	10%	<u>(19,603)</u>	<u>(19,603)</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 - 2024	Basis points change	Basis points increase		Basis points change	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	128	128	100	(128)	(128)
Investments in cash managed trusts	100	487	487	100	(487)	(487)
Illawarra First Fund	100	<u>8</u>	<u>8</u>	100	<u>(8)</u>	<u>(8)</u>
		<u>623</u>	<u>623</u>		<u>(623)</u>	<u>(623)</u>

Consolidated - 2023	Basis points change	Basis points increase		Basis points change	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	107	107	100	(107)	(107)
Investments in cash managed trusts	100	679	679	100	(679)	(679)
Illawarra First Fund	100	<u>9</u>	<u>9</u>	100	<u>(9)</u>	<u>(9)</u>
		<u>795</u>	<u>795</u>		<u>(795)</u>	<u>(795)</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.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 22. Financial instruments (continued)

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.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

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	
	2024	2023
	\$'000	\$'000
Credit quality of financial assets held at the reporting date, net of impairment:		
A rated cash and cash equivalents	12,817	10,703
Trade receivables counterparties without credit rating	27,731	29,869
Current unsecured other receivables without external credit rating	2,319	2,317
Contract assets	6,518	5,050
Financial assets at fair value through profit or loss	144,256	176,845
Investments in cash managed trusts	48,688	67,855
Illawarra First Fund	841	921
Employee insurance related deposits	188	185
	<u>243,358</u>	<u>293,745</u>

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

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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 22. Financial instruments (continued)

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.

Consolidated - 2024	Weighted average interest rate	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
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	1,209	-	-	-	1,209
GST payable	-	2,304	-	-	-	2,304
Other payables	-	5,665	-	-	-	5,665
<i>Interest-bearing - variable</i>						
Lease liability	6.90%	5,884	5,065	11,700	2,071	24,720
Total non-derivatives		15,062	5,065	11,700	2,071	33,898
Consolidated - 2023						
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	1,295	-	-	-	1,295
GST payable	-	3,515	-	-	-	3,515
Other payables	-	5,894	-	-	-	5,894
<i>Interest-bearing - variable</i>						
Lease liability	6.76%	6,559	4,989	12,372	5,448	29,368
Total non-derivatives		17,263	4,989	12,372	5,448	40,072

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

Note 23. 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).

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 23. Fair value measurement (continued)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Consolidated - 2024				
<i>Assets</i>				
Investments in cash managed trusts	48,688	-	-	48,688
Illawarra First Fund	841	-	-	841
Financial assets at fair value through profit or loss	100,793	33,928	9,535	144,256
Total assets	150,322	33,928	9,535	193,785
Consolidated - 2023				
<i>Assets</i>				
Investments in cash managed trusts	67,855	-	-	67,855
Illawarra First Fund	921	-	-	921
Financial assets at fair value through profit or loss	127,347	38,244	11,254	176,845
Total assets	196,123	38,244	11,254	245,621

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.

Note 24. Remuneration of auditors

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

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Audit services</i>		
Audit of the financial statements	209,500	194,500
<i>Other services</i>		
Other accounting services	284,094	-
	<u>493,594</u>	<u>194,500</u>

Note 25. Contingent liabilities

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

The consolidated entity has a contingent liability of \$2,753,000 (2023: 1,839,000) as at 30 June 2024, in respect of potential statutory redundancies payable upon the non-renewal of the apprenticeship placement contracts held by the consolidated entity with the Commonwealth Government of Australia.

The existing contracts have terms until June 2026, 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 2024 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.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 26. Commitments

The consolidated entity had no commitments as at 30 June 2024.

Details of the commitments as at 30 June 2023 are as follows:

	Consolidated	
	2024	2023
	\$'000	\$'000
Service contract committed at the reporting date (inclusive of GST) but not recognised as liabilities, payable:		
Within one year	-	3,901

The service contract was for the delivery of IT services over four years.

Note 27. Key management personnel disclosures

Directors

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

L N Gorman	President - Non-executive director
G J McNamara	Vice President - Non-executive director
N Watson	Non-executive director
J R Field	Non-executive director
N Mitchell	Non-executive director
I Ward-Ambler	Non-executive director
A Vlachos	Non-executive director (appointed on 22 February 2024)
J Carrozzi AM	Non-executive director (appointed on 22 February 2024)
J Dawn	Non-executive director (resigned on 12 March 2024)
B A Manwaring	Non-executive director (resigned on 22 February 2024)
E T Brown	Non-executive director (resigned on 22 February 2024)

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:

D J Hunter	Chief Executive Officer
B R Pearce	Chief Financial Officer
N J Ward	CEO and Director, Australian Business Lawyers & Advisors ('ABLA')
D Stewart	Executive Director - Commercial
D J Harding	Executive Director - Policy and Advocacy
Z Craig	Executive Director - People, Culture and Workplace
C A Burubu	General Counsel & Company Secretary
S Amin	Executive Director - Corporate Strategy and Office of the CEO
P Gilchrist	Executive Director - Australian Apprenticeship & Support Centre (ceased as director on 30 June 2024)

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 27. Key management personnel disclosures (continued)

Compensation

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

	Consolidated	
	2024	2023
	\$	\$
Short-term employee benefits	4,404,213	4,780,110
Post-employment benefits	299,674	414,575
Long-term benefits	-	140,193
Termination benefits	-	65,522
	<u>4,703,887</u>	<u>5,400,400</u>

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

	Consolidated	
	2024	2023
\$'000		
under \$100	9	6
\$100 to \$200	2	4
\$200 to \$300	-	-
\$300 to \$400	3	5
\$400 to \$500	2	3
\$500 to \$600	2	1
\$600 to \$700	-	-
\$700 to \$800	1	1
	<u>19</u>	<u>20</u>

Note 28. Related party transactions

Parent entity

NSW Business Chamber Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 30.

Associates

Interests in associates are set out in note 31.

Key management personnel

Disclosures relating to key management personnel are set out in note 27.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 28. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	2024	2023
	\$	\$
Provision to related party of goods and services:		
Provision of office support services to Chambers Apprenticeship Support Australia Pty Ltd ¹	276,606	133,064
Provision of marketing services to Chambers Apprenticeship Support Australia Pty Ltd ¹	38,048	78,188
Provision of legal services to Chambers Apprenticeships Support Australia Pty Ltd ¹	5,288	31,271
Provision of labour hire to Chambers Apprenticeships Support Australia Pty Ltd ¹	336,003	307,013
Provision of labour hire to Productivity Force Pty Ltd ³	-	13,273
Provision of Productivity, Education and Training (PET) for Australian Chamber of Commerce and Industry as delivery partner for Commonwealth Government Productivity Education and Training Fund Grant (PET Grant)	320,000	-
Provision of office support services to Australian Chamber of Commerce and Industry ²	87,630	105,947
Provision of Event sponsorship to Australian Chamber of Commerce and Industry ²	4,368	-
Provision of legal services to Australian Chamber of Commerce and Industry ²	-	74,894
Provision of consulting, meeting and other services to Australian Business Industrial	161,700	156,336
Provision by related party of goods and services:		
Provision of consultancy services from Breen Global Pty Ltd ³	-	67,500
Provision of labour hire from Productivity Boot Camp Pty Ltd ³	-	34,780
Provision of membership fees from Australian Chamber of Commerce and Industry ²	718,305	684,100
Provision of trade documentation services from Australian Chamber of Commerce and Industry ²	211,328	184,885
Provision of premises from Australian Chamber of Commerce and Industry ²	27,600	26,275
Provision of membership fees from Australian Business Industrial	-	45,409

Receivable from and payable to related parties

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

	Consolidated	
	2024	2023
	\$	\$
Current receivables:		
Trade receivables from Chambers Apprenticeship Support Australia Pty Ltd	4,554	244,800
Trade receivables from Australian Chamber of Commerce and Industry ²	152,625	79,620
Trade receivables from Australian Business Industrial	173,063	159,729
Current payables:		
Payables to Breen Global Pty Ltd	24,750	24,750
Trade payables to Australian Business Industrial	171,050	158,492

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 28. Related party transactions (continued)

- ¹ 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.
- ² Australian Chamber of Commerce and Industry ('ACCI') is a director related entity with D Hunter, N Watson and L Gorman being current directors of ACCI. During the financial year NSW Business Chamber Limited provided \$36,000 (2023: \$103,000) of executive management services to ACCI at no cost. These management services were terminated in November 2023. All other transactions were at arm's length and on commercial terms and conditions.
- ³ 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 29. Business combinations

Ability Plus Disability Services Pty Ltd

On 1 June 2024, the consolidated entity acquired 100% of the share capital of Ability Plus Disability Services Pty Ltd, a disability home care provider specialising in providing care and support services under the NDIS and to insurance scheme providers. The business combination was entered into to benefit from the expected synergies of integrating the business with existing operations. These synergies are reflected in the goodwill recognised.

The total consideration was \$34,019,000. The acquired business contributed revenues of \$3,438,000 and profit after tax of \$485,000 to the consolidated entity for the period from acquisition to 30 June 2024. If the acquisition occurred on 1 July 2023, the full year contributions would have been revenues of \$41,929,000 and profit after tax of \$4,266,000. The values identified in relation to the acquisition are provisional as at 30 June 2024.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 29. Business combinations (continued)

The acquisition details are as follows:

	Fair value \$'000
Cash and cash equivalents	1,852
Trade receivables	3,355
Other receivables	194
Furniture, fixtures and equipment	40
Right-of-use assets	216
Client lists	22,068
Trade payables	(209)
Other payables	(1,736)
Contract liabilities	(15)
Deferred tax liability	(6,620)
Employee benefits	(881)
Lease liability	(222)
	<hr/>
Net assets acquired	18,042
Goodwill	15,977
	<hr/>
Acquisition-date fair value of the total consideration transferred	34,019
	<hr/>
Acquisition costs expensed to profit or loss	342
	<hr/>
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration paid	34,019
Less: Acquisition-date fair value of the total consideration outstanding	(1,161)
Less: cash and cash equivalents	(1,852)
	<hr/>
Net cash used	31,006
	<hr/>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 30. 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 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2024 %	2023 %
Australian Apprenticeship Alliance Pty Limited	Australia	100%	100%
Australian Business Limited Apprenticeship Centre Pty Limited	Australia	100%	100%
Australian Business Foundation Limited ¹	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 ²	Australia	100%	100%
Illawarra Business Chamber Limited ¹	Australia	100%	100%
Recruitment Solutions Group Australia Pty Limited	Australia	100%	100%
Sydney Chamber of Commerce ¹	Australia	100%	100%
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 ^{3 5}	Australia	51%	51%
CBD Sydney Chamber of Commerce Limited ¹	Australia	-	-
Alliance Health Services Group Pty Limited	Australia	100%	100%
Business Australia ¹	Australia	-	-
CQ Nurse Pty Ltd	Australia	100%	100%
Productivity Force Holdings Pty Ltd ^{4 5}	Australia	50%	50%
Heartbeat Nursing Agency Pty Ltd	Australia	100%	100%
Ability Plus Disability Services Pty Ltd	Australia	100%	-

¹ Australian Business Foundation Limited, CBD Sydney Chamber of Commerce Limited, Illawarra Business Chamber Limited, Sydney Chamber of Commerce and Business Australia are companies limited by guarantee in which the parent entity owns a special membership in each entity which entitles it to control them.

² The parent entity has agreements with Hunter Business Chamber Limited that enabled it control of this Chamber, without holding an equity interest.

³ 49% of the share capital in Workplace Assured Pty Limited is held by the Victorian Chamber of Commerce & Industry.

⁴ 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.

⁵ The interest that non-controlling interests have in the group are not material and their summarised financial information hence not provided.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 31. Interests in associates

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		2024 %	2023 %
Australian Chamber Alliance Pty Ltd	Australia	14%	14%
Chambers Apprenticeship Support Australia Pty Ltd	Australia	33%	33%
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 32. Reconciliation of deficit after income tax to net cash used in operating activities

	Consolidated	
	2024 \$'000	2023 \$'000
Deficit after income tax expense for the year	(22,626)	(8,273)
Adjustments for:		
Depreciation and amortisation	8,615	10,473
Net loss on disposal of property, plant and equipment	9	78
Net fair value (gain)/loss on investments	(1,556)	2,951
Dividend income	(12,140)	(18,707)
Investment costs	1,380	1,482
Change in operating assets and liabilities:		
Decrease in trade and other receivables	4,065	5,705
Decrease in trade and other payables	(2,899)	(11,833)
Increase in provision for income tax	532	693
(Decrease)/increase in other provisions	(636)	71
Net cash used in operating activities	<u>(25,256)</u>	<u>(17,360)</u>

The company has a bank guarantee facility at 30 June 2024 of \$4,616,000 (2023: \$5,900,000) for the provision of rental guarantees on leasehold properties. The facility was drawn at 30 June 2024 to \$3,988,000 (2023: \$5,597,000).

Note 33. Non-cash investing and financing activities

	Consolidated	
	2024 \$'000	2023 \$'000
Additions to the right-of-use assets	<u>2,940</u>	<u>15,696</u>

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 34. Changes in liabilities arising from financing activities

Consolidated	Lease liabilities \$'000
Balance at 1 July 2022	12,245
Net cash used in financing activities	(6,494)
Acquisition of right-of-use assets by means of leases	15,499
Balance at 30 June 2023	21,250
Net cash used in financing activities	(6,014)
Acquisition of right-of-use assets by means of leases	2,497
Changes through business combinations (note 29)	222
Incentives received	3,282
Modifications and terminations	(140)
Balance at 30 June 2024	21,097

Note 35. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2024 \$'000	2023 \$'000
Deficit after income tax	(23,474)	(14,438)
Total comprehensive income	(23,474)	(14,438)

Statement of financial position

	Parent	
	2024 \$'000	2023 \$'000
Total current assets	268,856	286,806
Total assets	301,127	320,873
Total current liabilities	47,932	44,198
Total liabilities	50,619	46,891
Equity		
Retained surpluses	250,508	273,982
Total equity	250,508	273,982

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 2024 and 30 June 2023.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023, except for as disclosed in note 25.

NSW Business Chamber Limited
Trading as Business NSW
Notes to the financial statements
30 June 2024

Note 35. Parent entity information (continued)

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, 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; and
- 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 36. Events after the reporting period

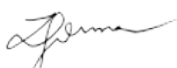
No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

NSW Business Chamber Limited
Trading as Business NSW
Directors' declaration
30 June 2024

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 2024 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.



L N Gorman
Director



N Mitchell
Director

26 September 2024
Sydney

INDEPENDENT AUDITOR'S REPORT

To the members of NSW Business Chamber Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NSW Business Chamber Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the directors' declaration.

In our opinion the accompanying financial report of NSW Business Chamber Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The directors of the Group are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Group's annual report, but does not include the financial report and our auditor's report thereon.



Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the Financial Report

The directors of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The directors of the Group are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO


Stephen May
Director

Sydney 26 September 2024



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