

**CONFERATION OF A.C.T INDUSTRY TRADING AS
ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832
FINANCIAL REPORT**

**FOR THE PERIOD ENDED
30 JUNE 2015**

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

BOARD REPORT

Your Board Members submit the financial report of the ACT & Region Chamber of Commerce and Industry for the financial period ended 30 June 2015.

Committee Members

The names of council members and changes to the composition of the Board throughout the year and at the date of this report are:

Position	Name	Appointed Date	Resignation Date
Chairman	Mr Greg Castle		
Deputy Chairman	Ms Louise Hughes		
Deputy Chairman	Ms Kathy Kostyrko		
Board Member	Ms Maureen Cane		
Board Member	Mr Michael Linke		
Board Member	Mrs Laurie McDonald		
Board Member	Mr Chris Taylor		

Principal Activities

The principal activities of the Organisation during the financial year were to provide support for employers and the promotion and support of commerce and industry within the Australian Capital Territory and the surrounding region. However, following the members approving in June 2014 the coming together of Canberra Business Council and the Confederation of ACT Industry t/as ACT & Region Chamber of Commerce to form Canberra Business Chamber effective 1 October 2014, the focus of its principal activities shifted to that of transferring all operations to the new entity and begin the process of winding down the entity.

Significant Changes

Simultaneously with a vote of members of the Confederation of ACT Industry T/as ACT & Region Chamber of Commerce & Industry, Canberra Business Council approved the dissolution of the organisation and the formation of a new organisation to be called Canberra Business Chamber. All operations, obligations, proceeds from the sale of assets and membership of both organisation transferred to the Canberra Business Chamber as of 1 October 2014 or in the case of building assets, when legally possible. As a result the new organisation commenced its operations from 1 October 2014, with the two previous entities ceasing to trade and changing the principal activities from this date.

Operating Result

The profit of the Organisation for the financial period after providing for income tax amounted to \$11, 042 (the year ended 31 March incurred a loss of \$195,408).

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
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Members Information

The number of members at the end of the financial year was 680 member.

No member or officer of the Chamber is a trustee of a superannuation entity as a result of being a member or officer of the Chamber.

Members retain the right to resign from the Chamber in accordance with Section 10 of the Chamber rules.

**ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
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BOARD REPORT

Employee Information

As at 30 June 2015 the Chamber had 0 full time equivalent employees

Subsequent Event

There are no events subsequent to the issuing of the financial report.

Signed in accordance with a resolution of the Members of the Board.

Chairman

Greg Castle

Dated this 13th day of April 2016.

Deputy Chairman

Louise Hughes

Dated this 13th day of April 2016.

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

BOARD MEMBERS DECLARATION

On the 13th April 2016 the members of the board of the Confederation of A.C.T Industry passed the following resolution in relation to the general purpose financial report as set out on pages 5 to 24. The board of the Chamber declare that:

1. Presents a true and fair view of the financial position of ACT & Region Chamber of Commerce as at 30 June 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Canberra ACT & Region Chamber of Commerce will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the board and is signed for and on behalf of the Committee by:

Chairman

Greg Castle

Dated this 13th day of April 2016.

Deputy Chairman

Louise Hughes

Dated this 13th day of April 2016.

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2015

	Note	30 June 2015 \$	31 March 2015 \$
Other revenue	2	59,040	1,289,185
Administrative expense		(2,085)	(114,767)
Employee benefits expense		(32,550)	(486,114)
Motor vehicle expenses		-	(3,363)
Government program expenses		-	(713,425)
Member events		-	(43,559)
Communications		(796)	(13,372)
Printing & stationery		(595)	(3,672)
Computer software & support		(352)	(7,964)
Meeting expenses		-	(1,679)
Subscriptions		(930)	(31,324)
Depreciation expense		(3,740)	(22,212)
Finance costs		(6,950)	(43,142)
		<hr/>	<hr/>
Profit / (loss) before income tax	3	11,042	(195,408)
		<hr/>	<hr/>
Income tax expense		-	-
		<hr/>	<hr/>
Comprehensive income		<hr/>	<hr/>
		<hr/>	<hr/>
Total comprehensive income		<u>11,042</u>	<u>(195,408)</u>

The accompanying notes form part of the financial statements

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

BALANCE SHEET
AS AT 30 JUNE 2015

	Note	30 June 2015 \$	31 March 2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		-	-
Trade and other receivables	6	1,940	3,762
Other assets	7	2,413	40,833
TOTAL CURRENT ASSETS		4,353	44,595
NON-CURRENT ASSETS			
Property, plant and equipment	8	981,260	985,000
TOTAL NON-CURRENT ASSETS		981,260	985,000
TOTAL ASSETS		985,613	1,029,595
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	156,414	137,639
Borrowings	10	658,127	683,066
Employee benefits	11	-	45,929
Other liabilities	12	5,679	8,610
TOTAL CURRENT LIABILITIES		820,220	875,244
TOTAL LIABILITIES		820,220	875,244
NET ASSETS		165,393	154,351
EQUITY			
Reserves		1,058,773	1,058,773
Retained earnings		(893,380)	(904,422)
TOTAL EQUITY		165,393	154,351

The accompanying notes form part of the financial statements

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2015

	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 31 March 2014	(709,014)	1,058,773	349,759
Loss attributable to members of the entity	(195,408)	-	(195,408)
Balance at 31 March 2015	<u>(904,422)</u>	<u>1,058,773</u>	<u>154,351</u>
Profit attributable to members of the entity	11,042	-	11,042
Balance at 30 June 2015	<u>(893,380)</u>	<u>1,058,773</u>	<u>165,393</u>

The accompanying notes form part of the financial statements

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2015

	Note	30 June 2015 \$	31 March 2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		44,903	1,199,788
Payments to suppliers and employees		(23,642)	(1,605,215)
Interest received		-	3,721
Interest paid		(6,950)	(43,142)
		<u> </u>	<u> </u>
Net cash used in operating activities	14	<u>14,311</u>	<u>(444,848)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(5,077)	(24,653)
Proceeds from borrowings		16,059	7,737
		<u> </u>	<u> </u>
Net cash provided by financing activities		<u>10,982</u>	<u>(16,916)</u>
Net increase / (decrease) in cash held		25,293	(461,764)
Cash at the beginning of the year		<u>(45,466)</u>	<u>416,298</u>
Cash at the end of the year	5	<u>(20,173)</u>	<u>(45,466)</u>

The accompanying notes form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies

The financial statements cover the Confederation of ACT Industry trading as the ACT & Region Chamber of Commerce and Industry (the Organisation) as an individual entity.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, (including Australian Accounting Interpretations). The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

The amounts presented in the financial statements have been rounded to the nearest dollar.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the entity generated a profit of \$11,042 for the current financial period ended 30 June 2015 (the year ended 31 March incurred a loss of \$195,408) and had net cash outflows from operating activities of \$14,311 for the current financial period ended 30 June 2015.

The primary activity, since the establishment of the new entity of the chamber is the leasing of its premises. The current rent received is sufficient to cover the outgoing for the building.

Directors believe that the economic entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the economic entity does not continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

(a) Income Tax

The Chamber is exempt from income tax in accordance with the provision of Section 50 of the *Income Tax Assessment Act 1997*.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the board to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and Equipment	10-40%
Leased plant & equipment	20%
Other property, plant & equipment	10%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (Continued)

(c) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the company, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Organisation commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial Liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (Continued)

Impairment

At the end of each reporting period, the Organisation assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") that has occurred, which has an impact on the estimated future cash flows of the financial assets.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Organisation no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(e) Impairment of Assets

At the end of each reporting period, the Organisation assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Organisation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Employee Benefits

Provision is made for the Organisation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (Continued)

(h) Revenue and Other Income

The Organisation recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Organisations activities as discussed below.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Grant revenue

Government program revenue is recognised in the statement of comprehensive income when the organisation obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the organisation the amount of the program can be measured reliably and the key service conditions have been met.

When program revenue is received whereby the organisation incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Interest Revenue

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Subscriptions

Revenue from the provision of membership subscriptions is recognised in the financial period in which the annual membership commences or is entitled to be renewed.
All revenue is stated net of the amount of goods and services tax (GST).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (Continued)

(i) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(j) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(m) Comparative Figures

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (Continued)

(n) Critical Accounting Estimates and Judgements

The Board evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the organisation.

Key estimates — impairment

The organisation assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key judgements — provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

Note 2: Revenue	30 June 2015 \$	31 March 2015 \$
Revenue from continuing operations		
Other revenue		
- Interest income	-	3,721
- Subscriptions	1,436	358,505
- Grant program income	-	700,217
- Rent & reimbursements	5,187	129,697
- Member events	-	42,233
- Workplace relations income	-	36,795
- Other income	-	18,017
- Gain on cross charges	52,417	
Total Revenue	59,040	1,289,185

Note 3: Profit

The following significant revenues / (expenses) are relevant in explaining the financial performance:

Subscriptions	1,436	358,505
Grant program income	-	700,217
Staff costs	(486,114)	(486,114)
Grant program expenses	(713,425)	(713,425)
Depreciation	(22,212)	(22,212)

Note 4: Remuneration of Auditors

-auditing or reviewing financial statements	-	14,200
	-	14,200

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

	30 June 2015	31 March 2015
	\$	\$
Note 5: Cash and Cash Equivalents		
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:		
Cash and cash equivalents	-	-
Bank overdrafts	(20,173)	(45,466)
	<u>(20,173)</u>	<u>(45,466)</u>
Note 6: Trade and Other Receivables		
Trade receivables	-	3,762
Subscription debtors	1,940	-
	<u>1,940</u>	<u>3,762</u>
Note 7: Other Assets		
Prepayments	2,413	4,778
Related entity loan(s)	-	36,055
	<u>2,413</u>	<u>40,833</u>
Note 8: Property, Plant and Equipment		
LAND AND BUILDINGS		
Freehold land		
At Independent valuation	400,000	400,000
Total land	<u>400,000</u>	<u>400,000</u>
Buildings		
At independent valuation	600,000	600,000
Accumulated depreciation	(18,740)	(15,000)
Total building	<u>581,260</u>	<u>585,000</u>
Total land and buildings	<u>981,260</u>	<u>985,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 8: Property, Plant and Equipment (continued)

PLANT AND EQUIPMENT

Total property, plant and equipment	981,260	985,000
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(a) Asset revaluations

The land and buildings were revalued at 31 March 2014 by an independent valuer – Gunnar Sirel FAPI of Colliers International Consultancy and Valuation Pty Limited, a registered valuer in NSW. The valuation methodology used was the capitalisation of net income where net income is capitalised at a reversionary yield of 8.5% for the duration of the crown lease term. The revaluation surplus was credited to the asset revaluation reserve in equity. In the period ended 30 June 2015, asset revaluations were reviewed and it was considered that there were no material changes to the 31 March 2014 valuations.

(b) Movements in carrying amounts

	Land \$	Buildings \$	Total \$
Balance at 31 March 2015	400,000	585,000	985,000
Depreciation expense	-	(3,740)	(3,740)
Balance at 30 June 2015	400,000	581,260	981,260

30 June 2015	31 March 2014
\$	\$

Note 9: Trade and Other Payables

Current		
Trade payables	69,142	68,919
Sundry payables and accrued expenses	63,806	68,720
	156,414	137,639

Note 10: Borrowings

Current		
Bank overdraft	20,173	45,466
Bills of exchange and promissory notes	623,000	623,000
Other financial liabilities	14,954	14,600
Total current borrowings	658,127	683,066
Non Current		
Bills of exchange and promissory notes	-	-
Other financial liabilities	-	-
Total non-current borrowings	-	-
Total borrowings	658,127	683,066

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

	30 June 2015 \$	31 March 2015 \$
Note 11: Employee Benefits		
Provision for annual leave	-	8,430
Provision for long service leave	-	16,599
Provision for redundancy	-	20,900
	-	45,929
Note 12: Other Liabilities		
Related entity loan(s)	5,679	8,610
	5,679	8,610
Note 13: Capital and Leasing Commitments		
(a) Finance lease commitments		
Payable –minimum lease payments:		
- no later than 1 year	6,995	12,242
Minimum lease payments	6,995	12,242
Less: finance charges	(105)	(294)
Present value of minimum lease payments	6,890	11,948
Finance leases are in place for new computer equipment and term of 3 years.		
Note 14: Cash Flow Information		
Reconciliation of cash flow with profit		
Profit / (loss)	11,042	(195,408)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
- Depreciation	3,740	22,772
Changes in assets and liabilities:		
- (Increase) / decrease in trade receivables	771	(134,457)
- (Increase) / decrease in prepayments	2,365	(2,495)
- (Decrease) / increase in income in advance	-	(360,428)
- (Decrease) / increase in payables	42,322	262,437
- (Decrease) in employee benefits	(45,929)	(37,269)
Net cash provided by / (used in) operating activities	14,311	444,848

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 15: Financial Risk Management

Financial Risk Management Policies

The main risks the Organisation is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency and equity price risk.

The Organisation's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bank loans and overdrafts, loans to and from subsidiaries, bills and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	30 June 2015	31 March 2015
	\$	\$
Financial assets		
Cash and cash equivalents	-	-
Receivables	1,940	3,762
	1,940	3,762
Financial liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	156,414	137,639
- Borrowings	658,127	683,066
	814,541	820,705

The Board has overall responsibility for the establishment of the organisation's financial risk management framework. This includes the development of policies and future cash flow requirements.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Organisation's activities.

Mitigation strategies for specific risks are described below.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Organisation.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that the Board has cleared as being financially sound.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 15: Financial Risk Management (Continued)

a. Credit risk (continued)

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Organisation has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other receivables are provided in note 6.

b. Liquidity risk

Liquidity risk arises from the possibility that the Organisation might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Organisation manages this risk through the following mechanisms:

- Preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- Monitoring undrawn credit facilities;
- Obtaining funding from a variety of sources;
- Maintaining a reputable credit profile;
- Managing credit risk relating to financial assets;
- Only investing surplus cash with major financial institutions; and
- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Typically the Organisation ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

The following tables reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial guarantee liabilities are treated as payable on demand since the Organisation has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash balances and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 15: Financial Risk Management (Continued)

b. Liquidity risk (continued)

	Within 1 Year		Total contractual cash flow	
	30 June 2015 \$	31 March 2015 \$	30 June 2015 \$	31 March 2015 \$
Financial liabilities due for payment				
Bank overdraft and loans	27,168	57,708	27,168	57,708
Bills of exchange and promissory notes	623,000	623,000	623,000	623,000
Trade and other payables	156,414	137,639	156,414	137,639
Total contractual outflows	806,582	818,347	806,582	818,347

The timing of expected outflows is not expected to be materially different from contracted cash flows.

Financial Assets pledged as collateral

Certain financial assets have been pledged as security for debt and their realisation into cash may be restricted subject to terms and conditions attached to the relevant debt contracts.

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Organisation is also exposed to earnings volatility on floating rate instruments.

ii) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available for sale or fair value through profit and loss.

Such risk is managed through diversification of investments across industries and geographic locations.

d. Price risk

The Organisation is not exposed to any material commodity price risk.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 15: Financial Risk Management (Continued)

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities approximate their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and assumptions have been detailed below. Where possible, valuation information used to calculate fair value is exacted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Sensitivity analysis

Interest rate risk

The Organisation has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date on borrowings. This sensitivity analysis demonstrates the effect on current year results which could result from a change in this risk variable.

As at 30 June 2015, the effect on profit as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	30 June 2015 \$	31 March 2015 \$
+/- 1% in interest rates	+/- 6,581	+/- 6,831

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

ACT & REGION CHAMBER OF COMMERCE AND INDUSTRY
ABN 60 892 936 832

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2015

Note 17: Key Management Personnel (KMP) Compensation

	Short-term Benefits	Post-employ- ment Benefits	Total
	\$	\$	\$
30 June 2015			
Total compensation	0.00	0.00	0.00
31 March 2015			
Total compensation	53,918.19	5,230.76	59,148.95

Note 18: Events after the Balance Sheet Date

With the exception of a Put and Call for the sale of the building and deregistration from FairWork, the directors are not aware of any other significant changes.

Note 19: Organisation Details

The principal place of business of the Organisation is:

The registered office of the Chamber is:
Ground Floor, 216 Northbourne Ave
BRADDON ACT 2612 AUSTRALIA