

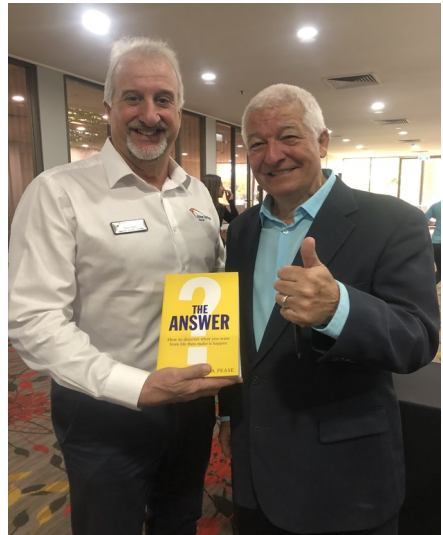


**2018/2019**

# **Annual General Report**

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**Chamber of Commerce NT**





# About the Chamber of Commerce NT

Established sixty years ago in 1957 the Chamber of Commerce NT is the largest employer association in the Northern Territory. An independent, not-for-profit and non-government body - our membership and offices span the Territory.

We are proud to provide our Members and the Northern Territory business community an effective platform for lobbying on the issues that impact upon business, whilst providing services and support to business in a number of key areas including industrial relations, training, employment, education and training advice, networking and premier business events. To see more of the value our Members receive go to Membership Services.

The Chamber of Commerce Northern Territory is governed by a Board of Directors and has both a General Council and Regional Executive Council in each region of the Northern Territory ensuring our Members have direct influence and control in the lobbying platforms and policies of the Chamber in addition to ensuring the service provided meet expectations of business in the Northern Territory.

## VISION

Our vision is a Territory where business and community thrive.

## MISSION

Our mission is to enable Chamber members to prosper with confidence.

## VALUES

The core values of the Chamber are:

- Placing members first
- Valuing our staff
- Thought Leadership and industry expertise
- Fair and ethical business practices
- Promoting growth
- Pursuit of excellence in best business practise

## GOALS

- Membership Services  
To ensure that the Chamber is the leader and proactive advocate delivering valuable services to members
- Future Revenue  
To create consistent long term viable funding streams to deliver member services effectively
- Leadership  
To undertake that the Chamber leads, influences and communicates NT business imperatives to government and delivers projects of relevance
- Brand and marketing  
To build a powerful brand that compels buy-in by business in the Northern Territory
- Strategic Relationships  
To develop profitable external relationships that generate opportunities for members

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# Board of Directors

## **PRESIDENT** - Greg Ireland

Greg Ireland has in excess of 30 years' experience in the electronic and security industry at both technical and management levels. As Managing Director of Security & Technology Services since its formation in 2004 he has been involved in a wide variety of projects ranging from installation, technical support and project management.

Greg has resided in the Northern Territory since 1997 and has established many strong professional and personal relationships during this time. He joined the Chamber of Commerce board in June 2012 with a confidence of bringing his practical experience and interpersonal skills to the board room table as well as learning from the others around him.

## **VICE PRESIDENT**— Stuart Kenny

Stuart Kenny is the Director and General Manager of Austal Service Darwin. In 2012 Austal purchased KM Engineering and Hydraulink NT and merged these into a singled organisation servicing defence, mining, oil & gas, marine, civil construction and earthmoving across Northern Australia.

Stuart has been in the Northern Territory for over 14 years with roles in agriculture and manufacturing and is the former CEO of the NT Cattleman's Association. He has worked extensively in South East Asia and has a working knowledge and understanding of industry and government relations. Stuart is a strong advocate for business growth and manufacturing in the Northern Territory.

## **VICE PRESIDENT FINANCE** - Alex Brown

Alex started in the finance industry back in 1987 as a life and general agent at AMP—following in the footsteps of his forefathers. Since those early days, he's worked in many roles, including general agency manager. Over the years, he gained more experience and qualifications, eventually starting his own business and becoming fully settled into the role of a financial planner. All Financial Services group developed in 1999 with a vision to improve the quality of people's lives through a living financial plan.

Alex is a CERTIFIED FINANCIAL PLANNER®, Self-Managed Superannuation Fund Specialist and a Chartered Tax Adviser with the Taxation Institute of Australia.

## **DIRECTOR** - Brett Hagan

Brett Hagan joined the insurance industry in 1980 with TIO working progressively through underwriting, claims and accounts. He started his own broking business and in 1997 joined the newly formed Insurance Advisernet Australia network enabling him to access a national buying power. In 2010 Brett became a corporate authorised representative of IAA and changed his trading name to Insurance Risk Solutions still providing the same high level of service that reflects his proudly owned and operated Territory business.

Brett has been involved with the Chamber since the mid 1980s seeing it's relevance in servicing small business members across the Territory whilst still being able to suitably represent and meet the needs of the larger members. Being a small business owner Brett understands first hand the many obstacles small business owners face and how the Chamber can ultimately become the first point of contact for advice and assistance.

## **DIRECTOR** - Leon Smit

Leon Smit has been the Logistics and Inventory Manager for ConocoPhillips Australia West since June 2015 which was the time Leon moved to Darwin from Perth WA. Leon is currently responsible for all logistic movements (materials + personnel) as well as all Inventory for both Bayu-Undan offshore facility and Darwin LNG.

Leon started in the Oil and Gas business in 2005 in the Contracts department for ConocoPhillips in Perth and became Contracts Team Lead in 2012.

Leon is a Supply Chain professional with more than 30 years' experience in a variety of industries such as Defence, Banking/ Finance, Telecommunication Manufacturing, Telecommunication and Oil in Gas in both South Africa and Australia. Leon graduated at the University of Tswana (Pretoria) with a Bachelor's Degree in Management.

## Board of Directors - cont.

### **DIRECTOR** - Karen Sheldon

Karen Sheldon started her Northern Territory journey as a bush cook at the remote Barrow Creek Hotel over 45 years ago. This is where she became interested in Aboriginal culture and Territory flavours whilst being mentored by local Indigenous women, as she developed the skills of her craft in that unlikely setting for more than five years.

Since then, she has owned and operated an iconic territory restaurant, the Dolly Pot Inn, and the award winning Karen Sheldon Catering Company. In 2006, long term staff buy-in into the business by Sarah Hickey and Amanda Swift saw the growth of the Karen Sheldon Group that now also operates Indigenous Employment Services, a Registered Training Organisation and the Territory's first VTEC (Vocational Training and Employment Centre). In 2016 the not for profit Saltbush Social Enterprises division was formed.

Karen Sheldon is a renowned and highly respected entrepreneur around the Territory and has devoted much of her life to helping others. Among her many accolades, she has been appointed a Member of the Order of Australia, and the winner of the 2016 NT Telstra Business Woman of the Year Award in the Entrepreneur Category. All Karen Sheldon Group enterprises focus on the shared vision of prosperity parity for all Territorians. The focus is on providing Indigenous employment and training opportunities that assist jobseekers transition from welfare dependence towards sustainable employment, careers and small business opportunities.

### **DIRECTOR** - Ryan Sanders

Ryan Sanders is a lawyer in the Darwin office of Australia's largest firm, HWL Ebsworth, holding the role of Special Counsel. While focussing on commercial dispute resolution and insolvency, Ryan has a diverse client base with practice areas also including finance, local government, insurance, worker's compensation, and native title.

Ryan is a longstanding Territorian, having first moved to Darwin in the 1990s. After graduating from the University of Adelaide with degrees in law and science, he commenced his career in Adelaide before returning to his surrogate homeland in the north. His wide range of legal expertise provides valuable insight into many sectors of the local economy.

### **DIRECTOR** - Roland Houareau

Roland Houareau is General Manager, Northern Territory at INPEX.

In this role, Roland is the nominated corporate representative and a primary leader for INPEX in the Northern Territory.

Roland joined INPEX in 2009 and has been a member of the company's senior management team for several years. His immediate past role was General Manager Industrial Relations for INPEX Australia.

Beginning his career in the resources industry in the mid-1990s working for Western Mining, Roland then worked with Bechtel for a decade in a range of leadership roles on mega-development projects across Australia and Oceania.

In 2006 Roland returned home to Western Australia and worked for Woodside's lead maintenance services contractor, supporting offshore and onshore assets. He then went on to lead the Employee Relations function on BHP Billiton's Worsley Alumina expansion.

Roland holds a first degree in International and Public Relations and a second degree, Master's Project Management, from the University of Southern Queensland.

Roland is a current Fellow of the Chartered Institute of Personnel and Development in the United Kingdom (CIPD), a Fellow of the Australian Human Resources Institute (AHRI) and an INSEAD Alumni having completed programs in both Singapore and France.

Most recently Roland was invited to join the Chamber of Commerce Northern Territory board, as a non-executive Director. Roland recently completed and is a graduate of the Australian Institute of Company Directors (AICD), International Company Directors Course (ICDC).

Roland is married to Catherine and they have two children Evie who is eight and Louis who six this July.

Roland enjoys spending time with friends and family, likes reading, learning, and travelling.

# Staff Members

## **MANAGEMENT**

Greg Bicknell, Chief Executive Officer

Brian O’Gallagher, Programs & Policy

Nicole Walsh, Chief Operating Officer

Andrea Smith, Workplace Relations Manager

Alana Richardson, Executive Officer of Central Australia

## **MEMBERSHIP OFFICERS**

Sue Jones, Executive and Membership Officer of Katherine

Brooke Lang, Membership Officer of Central Australia

Dion Daniell, Membership Officer —Darwin

## **SPECIALIST ADVISORS**

Rob Perry, Senior Workplace Relations Advisor

Chenoa Ellison, Workplace Relations Consultant

Ronan Mackey, Business Development Manager of Darwin

Angela O’Donnell, Executive Officer—Creative Industries

## **INDUSTRY COUNCILS**

Kate Morrissey, Assistant Manager; Industry Councils

Sophie Hazelbane, Trainee Admin/Research officer

## **ADMINISTRATION**

Kerry-Lee Daniell, Executive Assistant to the Chief Executive Officer

Timmy O’Connor, Marketing and Events Officer

Swati Lenka, Finance Officer

Clarinta Gardiner, Workplace Relations Administration

# Presidents Report

Welcome to the Northern Territory Chamber of Commerce & Industry Annual General Meeting

It has been another tough year and at the same time a very busy year and I would like to take this opportunity to thank the Board of Directors who have volunteered to find the extra time in their calendars to help support the wider business community through their commitment to the Chamber. I have appreciated your support in helping shape the day-to-day activities of the Chamber and our positioning for the future.

Your executive for the last year has been Stuart Kenny VP, Alex Brown VPF, Karen Sheldon, Ryan Sanders, Brett Hagen, Nicole Walsh, Roland Houareau, and Leon Smit. Thank you on behalf of the broader membership who benefit from your input. To those of you who are moving on to new challenges I wish you all the best and to those renominating for the executive thank you for putting yourself forward. I would also like to acknowledge Nicole Walsh who is stepping off the Board to take up the very important role of Chief Operating Officer within the Chamber and I look forward to working with you over the coming months.

The financial results for the Chamber this year are detailed within the Audit Report and you will see a deficit in the order of \$30,000. Whilst this is not a result we are pleased with, the majority of the issue comes down to timing, you may recall that we have shifted to an accrual accounting model that takes into account Work In Progress. The current balance of that WIP exceeds \$800,000 which is a great position for the Chamber for future months and allows us to feel confident in our financial position.

A significant amount of work has been done on updating our constitution as required with the enabling of the new Associations Act. We hope to be able to present this work to members for endorsement after we are satisfied that the document has met the needs of the overall modern Chamber business.

The Board has also been considering how we best position the Chamber to meet the needs of our members and the business environment of tomorrow. An element of this has been designing an internal structure that encourages members to become engaged in developing Chamber policy and services and the recognition that we represent members from across the entire Territory.

By creating the role of Chief Operating Officer, we are tasking our key people with engaging more strongly with our members, encouraging and supporting increased input from regional committees and targeted industry councils to feed into policy, highlight specific challenges and increasing our communication across the Chamber community.

The future of business is changing, all of us in business must recognise that fact and ensure we adapt to the future ways of doing business. This is a major step for a small entity such as ours, how do we keep up with this modern world? How do we remain relevant and how do we become a trusted partner of those in business?

The next year will be pivotal in the future of the Chamber movement, like most of your businesses we must also take risks and make changes to ensure we not only survive but thrive in the coming decade. For us this means the adoption of the digital world, pushing our brand and our messages in new ways, offering services that didn't exist only a year or two ago. Engaging with the modern audience in a manner that they find natural in the way they do business and live their lives – that is the only way forward.

Yes, things will change, our methods will change, our services will change, our name will change.

The one constant will be our values, we will always be "The Voice of Territory Business" its just the way we shout it that will change.

Thank you.

**GREG IRELAND**  
President  
NT Chamber of Commerce

# Chief Executive Officer's Report

The past year has seen the Chamber maintain its position as the leading employer organisation in the Northern Territory, with the largest membership of any industry association in the NT. We continue to maintain offices in Alice Springs, Katherine and Darwin, staffed by 18 committed staff. Our on-going strength would not be possible without the efforts of our volunteer board and executive committees throughout the Territory, who put in countless hours of their own time to ensure that we maintain a widely representative voice across many small, medium and large business operations.

Our membership levels did suffer their first annual drop since 2013, due largely to a significant number of business closures in the Top End. Despite these trying conditions, our financial audit shows a strong balance sheet but a deficit of \$36,000. We are still well positioned to continue investment in improving services for Chamber members.

The 2018/19 year has been a tough one for business, particularly in the Top End, and the Chamber was at the forefront of direct advocacy to both Federal and Territory governments', through our Business Outlook Survey in January and the Economy Recovery Summit in February.

We received over 615 responses to our Business Outlook Survey, a resounding response that confirms the concerns of Northern Territory businesses on a wide scale. From these results and comments we have developed a Five Point Plan that has been handed to the Chief Minister Michael Gunner and relevant NT Government staff.

These five points were:

- Acknowledge that it is the local private sector that needs to lead economic growth and act accordingly / Cut Red and Green Tape and speed up Government Approvals Processes Continue to invest in strategic infrastructure and spend the allocated money in the year allocated
- Tackle Crime, Vandalism and Itinerant issues that are killing local business
- NT Government to live within its means and to streamline the Public Service
- Grow our population by creating real jobs generated the private sector and industry development

The Economic Recovery Summit was run in collaboration with Master Builders NT, Darwin Major Business Group, NT Cattleman's Association and NT Minerals Council. The key messages advertised in media following the event -

- Tourism is an industry that employs and benefits all Territorians. NTG should deliver Turbocharging Tourism II
- Budget Repair – What the NTG should do now to Repair its Budget:
- Policy and Regulatory changes needed now for Business Investment
- Deliver on the NTG commitment for On-shore gas exploration drilling to commence July 2019
- Deliver 'game changing' major projects that will benefit Territorians over long term
- 

The Federal Election held in May 2019 and the NT Chamber was an active participant in the "Small Business is a Big Deal" campaign coordinated by the Australian Chamber. In addition to financial contribution to the campaign, we also advocated strongly in areas such as the Darwin Ship Lift, Northern Australian Development, Defence Infrastructure spend and skilled migration.

The worrying drop in NT population growth has continued and severely impacted on government revenue from GST, which has flow on effects to the wider business community. This will be a significant issue going forward as the economy improves over the next 12-18 months.

Other key advocacy areas for the Chamber have included Work Health and Safety legislation, the site of the Youth Detention Centre, energy prices, climate change and environmental legislation .

The Chamber continued its strong support for sustainable development of the on-shore gas resources in the Northern Territory, including leading a 16 strong delegation to Texas in February 2019 to see at firsthand how this sustainable industry has benefited regional communities in the USA. The two key components of the delegation were a visit to ConocoPhillips operations in Karnes County and a visit to San Pedro Ranch on the Mexican border. The visit with ConocoPhillips included a lunch meeting with local Chamber and business community representatives. The strong message for delegates was the critical importance of planning for infrastructure and land access, and that the real benefits flow from operations rather than the sugar hit of the exploration/construction phase.

# Chief Executive Officer's Report - cont

Government procurement continues to be important to many members, particularly as economic conditions have tightened, and we continue to monitor purchasing through involvement on the Procurement Review Board, Buy Local Sub-Committee, CAL and ICN NT, to ensure that local business is getting fair opportunity to bid for business and that local economic benefit is an important criteria for tender assessment.

The Chamber is a founding member of the Northern Australia Alliance, with Advance Cairns and Broome Futures, representing the interests of business from across Northern Australia in the implementation of the development plan. The Alliance will soon host a bipartisan event at Parliament House, Canberra on the occasion of the 5<sup>th</sup> annual report on the NADP progress and we look forward to working with government to bring investment projects such as the Darwin Ship Lift and Defence Infrastructure projects in the North to fruition.

We have been actively involved with the Australian Chamber movement and hosted the NSW President and CEO in Darwin. The Australian Chamber has been an important support for lobbying role in Workplace Relations policy and representation across a wide range of Federal issues.

Workplace Relations remains a key focus for operations, as a major driver of membership attraction and retention. The division, under the management of Andrea Smith, has a heavy workload but is continuing to roll out short course training in HR issues such as Managing Poor Performance; Termination of Employment and Conducting a Workplace Investigation into Bullying. We are also continuing to offer Health & Safety Representative and HSR Refresher courses throughout the NT.

With the weaker NT economy and lower Australian dollar, there will be renewed opportunities in export markets over the coming year. The Chamber has been very active in this space on behalf of members, leading business delegations to Vietnam, Indonesia, Turkey, Singapore and China. We are held the 2<sup>nd</sup> Regional Australia-Asia Chambers Forum on 29 April 2019 in conjunction with the Arafura Games. This event attracted business people from across the region and continues to promote strong business relationships.

Our regional offices have been doing an excellent job in their local communities and the Customer Service Awards program that has been run in Alice Springs, Katherine, Tennant Creek and Gove are a credit to local staff and committees.

We delivered a range of externally funded projects during the year, some of which continue at present, as follows:-

- The creative industries sector – industry development strategy project with the project to be completed in February next year.
- Seasonal Worker Business Development project: Ronan Mackey has been promoting both the Seasonal Worker Program and the Pacific Labour Scheme.
- S-E Asian VET Hospitality Student attraction project was completed in June 2019 and contributed to the strong growth in international VET students in the NT.

**Governance** – Following difficulties with Australia Post in last year's board election a change to the constitution regarding electronic voting for board elections was approved at a Special General Meeting in December. Board membership – the appointed position vacated following Sean Kildare's completion of term was filled by Roland Houareau of Inpex for a 2 year term up until the 2020 AGM.

In closing, I would like to recognise those staff who left us over the past 12 months, Carrie Altamura, Rowie Schultz, Lee Upton, Paul Morris, Tricia Sumich, Kate Jackson, Miriam Ellen-Barwick and John Schuh. I thank them all for their service.

**Greg Bicknell**

Chief Executive Officer

# Treasurer's Report

Dear Members,

2018/19 has once again been another tough year for Northern Territory business with a contracting economy and population of which the Chamber is not immune. It is regretful I report a net operating loss of \$31,568 albeit with a strong net asset position of \$958,529 for 2018/19. The Executive Management effectively managed expenses within budgets, the major contributors to the loss were revenue related i.e. membership revenue (-1.91%) and training fees (-48.07%) over the 2017/18 financial year. On a positive note there were outstanding results with member functions (+114.66) and industrial relations fee for service (+350.56%).

Whilst reporting a loss is disappointing it is not a reflection of the hard work the Board, Executive Management and Chamber Staff have accomplished in now a very diverse business model. Apart from traditional Chamber business activities of business advocacy, membership services, trade delegations, export/customer service awards, certificates of origin and supporting the Manufactures and International Business Councils, additional revenue projects were managed throughout 2018/19 i.e.

- The Seasonal Worker project
- Large scale work place relations contracts
- Hosting the Regional Australia-Asia Chambers Forum
- Creative Industries Steering Committee development project and;
- Steel Sector Supply Study

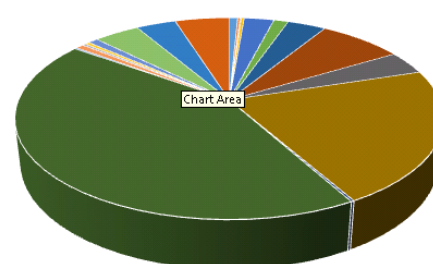
Looking forward, the Chamber is well positioned to succeed in 2019/20 with a foundation of \$701,192 works in progress (WIP) reported in current liabilities and a further \$360,050 WIP as at 31/08/19 totalling \$1,061,242. This financial position coupled with the recently completed Executive Management restructure by the Board now affords more focus on business advocacy and membership services.

This is my last report as your Vice-Chair of Finance, it has been a great honour to work with President Greg Ireland, the Board, CEO Greg Bicknell, the Chamber Team, Regional General Council and most importantly our valued Members.

## Key Indicators

	<u>2018/19</u>	<u>2017/18</u>
<b>Gross Profit</b>	\$2,598,038	\$2,508,947
<b>Operating Expenses</b>	\$2,629,606	\$2,441,065
<b>Net Profit</b>	(\$31,568)	\$67,882
<b>Membership Revenue</b>	\$1,132,798	\$1,154,970
<b>Membership Numbers</b>	1203	1229
<b>Net Assets</b>	\$958,529	\$990,097

2018/19 Income Sources



- "Business at Sunset" Hosting
- Award & Publications Sales
- Chamber Forum Income
- Directory Proceeds
- Export Awards Income
- Interest Received
- Other Income
- Room Hire
- Sponsorships Received
- Travel - Delegation
- Advertising Income
- Certificates of Origin/APEC
- Chamber Golf Days Income
- Events/Functions Income
- Councils
- Memberships - New and Renewed
- Rent Received
- Special Projects Income
- Training Income
- W/R Fee for Service

Yours faithfully,

**ALEX BROWN**

Vice Chair, Finance

# Central Australian Regional Committee Chair Report

The Chamber of Commerce – Central Australia represents over 42% of the Territory's land area and 17% of the T. The last twelve months has been a very busy and successful year for the Chamber of Commerce in Central Australia and the efforts of our Executive Officer, Alana Richardson and Membership Officer, Brooke Lang need to be recognised for their efforts in achieving this result. The support provided by Greg Bicknell and the team in Darwin, as well as local members and the Executive Committee help to contribute to this success but essentially Alana and Brooke are it. Thank you to both of you for the work you have done.

The Chamber continues to play an important role in supporting local businesses who make an enormous contribution to growing the economy in Central Australia.

There have been many successful events held over the last year including:

- Regional Mining Seminar
- Customer Service Awards
- Annual Golf Days
- Business at Sunset

Alana represents the Chamber on a number of local committees including Tourism Central Aust., Tourism Events & Promotion Committee, Central Aust. Liquor Accord, Barkly Region Liquor Accord, Community Aviation Consultation Group and meets regularly with representatives from government departments. There are also regular visits to the Chamber's office by a wide variety of individuals who are visiting Alice Springs and representing National companies and organisations.

Our local Executive Committee meets on a monthly basis and a big thank you goes to the committee members who give up their time to attend. We are fortunate to receive presentations at committee meetings from a wide range of organisations and individuals.

The economy in Central Australia continues to be subdued and there are real concerns in some business sectors as to when economic activity will improve. The NT government is a significant contributor to the local economy and unfortunately, when there is a slowdown in government spending, it has a real impact on businesses. We have been offered a National Aboriginal Art Gallery and it would be fair to say that the vast majority of the local community believe in its success but there have been well-publicised issues with progress on this. The Chamber encourages the government to get on with it, as the stimulus to the local economy from the construction phase, as well as the completed product, is very much needed.

On another note, the proposed mine construction at Nolan's Bore by Arafura Resources continues to progress, albeit rather slowly. It would be great to see the company get confirmation of the funding needed for the project, as this will provide significant long-term input locally.

The most recent tourist season has been a big one with hotel occupancy rates reported to be high and generally a lot of activity in town. We hope that there is not a significant downturn following the closure of the climb at Uluru in October 2019. Events such as the Finke Desert Race, the Partjima Light Festival and Red Centre Nats, along with other local events, help to bring in that much needed tourist dollar. The National Aboriginal Art Gallery, when completed, is expected to have a significant impact. It just needs to happen.

The Chamber looks forward to a more positive year ahead for the NT generally and Central Australia in particular. A healthy NT economy is a positive for everyone and can only be achieved through business having the confidence to invest in the region with the support necessary from all levels of government.

Finally, thanks again to Alana and Brooke for their efforts in promoting the Northern Territory Chamber of Commerce – Central Australia over the last twelve months and we look forward to the year ahead.

**Neil McLeod – (Chair)**

Central Australian Regional Committee

# Katherine Regional Committee Chair Report

The Katherine Executive Committee hold regular monthly meetings second Thursday of each month at the Chamber office my thanks to the Executive Officer and Executive Committee for the continued support and focus.

## Chairperson Summary

More details on our activities for this year are as follows:-

## CCNT - Katherine Action Plan

Our plan of Action for the Katherine Executive Committee has served us well to stay focussed on regular activities to build our core business offering.

## Community Directory

The Executive Officer working currently working on the Directory, we will continue to build this document for 2020 and plan to have the hard copy in the office for January 2020.

## Golf Day

This event has been discontinued due to low interest and our view that it is not producing enough value in business to business interaction. We are exploring alternatives such as Barefoot Bowls however have traction at this point.

## KPCCG GROUP (PFAS)

Sue Jones and I are on the Katherine PFAS group and attend meetings once a month. This group has been under fire from the local press of late regarding the lack of meeting frequency which is unwarranted given the slow-moving nature of this issue. Substantial progress has been made with local water treatment (touted as the purest water in Australia) and regular information output from Power Water and Katherine Town Council.

## Membership

Membership in Katherine is consistent we don't lose to many unless closing business etc.. We have just signed up new business and Australian Red Cross with more potential here.

## Member Monday

We have introduced Member Monday CCNT – Katherine Facebook page and which has proven to be a big hit amongst the Katherine Members. The format is that every Monday a new CCNT – Katherine member is featured on our Facebook post. It is also a good gateway for Sue to discuss business etc. and do a member catch ups and a great way of interacting with our members.

## Member for Katherine

Regular updates with Member for Katherine Sandra Nelson MLA have been provided. Sue meets at least once a month if Sandra is not attending sittings in Darwin.

## Women in Business Luncheon

Women in Business Luncheons are held monthly and are a tremendous success which has promoted cross sharing of information between businesses, cross promotions and an increased awareness of the CCNT. There is a different venue each month. Credit to Sue and Linda Blackwood for the effort and quality of these events.

## Katherine Show Society

The Chamber worked with the Show society to promote the 2019 Katherine Show and invited Small business to participate in entering a display to promote the Katherine Show. The theme this year was Christmas in July.

## Tourism

Katherine Visitors Information Centre have reported their best year yet with over \$1.34m in total booking values for 18/19, the centre quickly followed this achievement with new monthly sales record in July 2019 and increase in the average stay of visitors, pushing out to 3-4 nights. These figures are only representative of the VIC trade however help demonstrate another successful year for the tourism industry Boab Caravan park offered pay for 3 stay for 4 which proved very successful in keeping the tourists here longer One of our famous Tourist destinations Katherine Hot Springs has been having some major work construction started in 2016 and work was paused due to structural integrity in some areas Studies and approvals were accomplished and rectification work commenced in July 2019.

# Katherine Regional Committee Chair Report - cont

## **Business at Sunset**

We have had a lot of interest however not much traction with Business at Sunset events.

Sue is looking at combining businesses to share cost and provide more information. One in the pipeline is CCNT / NTIBN / ICN, sue discussed with Michael Allen from Rimfire Energy in having BS here in Katherine very keen to have one early next year Sue will follow up on this.

## **Christmas In Katherine Shop Locally**

This project will continue for 2019 with the focus of capturing the Christmas Trade. This event will start on the 1 November 2019 this has proved to be popular with the Katherine Community. It takes some work to rally businesses however we will have 80 participants this year which will provide an attractive pool of prizes, fund a TV promotional Ad and contribute a small profit to CCNT to cover costs. We have increased the entry fee for businesses to \$165.00 for members and \$185.00 for Non-Members and continued with the same branding boxes, A3 posters and tickets to provide a uniform promotion.

## **Customer Service Awards**

This years Customer Service Awards was held recently at the Katherine Cinema 3 the start of October Business Month. The Venue and format proved to be very successful and we received a lot of very positive feedback from the event over the previous year's seated dining format.

The grazing tables and open Foyer gave a lot more opportunity to network which was the theme from many of the positive comments received. This Years Theme was "Katherine's Shining Star" with the guest speakers being Ms Alison Ross from Elders Real Estate (who has won several prestigious awards over the last few years) and Mr Greg Bicknell, CEO of CCNT.

## **Alcohol Management / Crime**

With the BDR being reintroduced there has definitely been a decrease in direct alcohol related issues, litter and vagrancy however at the same time we have had an increase in the levels of youth crime, as have other regions of the NT. Meetings with the local Police have been very productive and they have gone outside their ambit in establishing cross agency programs with Territory Health to action what they can. Unfortunately, as we all know the systemic issues are not improving.

## **Hydraulic Fracturing / Mining**

There is still strong public opposition to Hydraulic Fracturing and mining activity in general, mainly fuelled by environmental concerns and groundwater demands and retention of quality. The PFAS contamination has served to highlight how fragile our water resources are. I agree with the view of those who advise that the local economy does not understand the level of activity that will be generated by mining activity now that operations have been approved. Certainly the next 18 months will be interesting to see what transpires.

# Katherine Regional Committee Chair Report - cont

## Local Business Activity

The feedback we have had from the past years' tourist season is that numbers through Nitmiluk Gorge were down however the general feeling is that it was a good season with the drive market and numbers through the Visitor Information Centre were high. Certainly, the only trend over recent years is that the market mix changes rapidly and operators must be quick on their feet to adapt.

Overall, we would have to say that the Katherine Region has been fortunate compared to other regions of the NT the past financial year, being somewhat isolated from the factors that have affected the Darwin Region and we have other projects that have buoyed the local economy, predominantly the Defence activity at RAAF Base Tindal. Despite criticism of the lack of direct business engagement (mostly from myself), nevertheless the increase in activity is evident.

Our unique multi-faceted economic base (Tourism, Defence, Regional Service Hub, Agriculture, Horticulture, Health and Welfare) proves to be our strength and we maintain the focus on improving what we have to the best of our ability.

Of course, we had our share of business closures and new openings and upgrades of government services. New constructions notably have been a new Puma Roadhouse on Stuart Highway, a new Ambulance Station and upgrade of the old Landmark premises to a dedicated headquarters for Roper Gulf Regional Council.

Katherine has been subject to local water restrictions due to the PFAS risk minimising the use of groundwater and more recently the river water level is very low. The town's water supply comprises 10-30% of groundwater, while the balance comes from the Katherine River.

In closing, 2019/2020 will be a positive year for the Katherine Region. There is a very positive outlook among a core group of business people that have a can-do attitude which is being felt on the Executive Committee and through local business interactions and I look forward to being part of this.

Thank you to the CCNT Katherine Executive Committee and Co-Chair Linda Blackwood for their involvement and support in 2018/2019.

**Kevin Grey—Co-Chair**

CCNT – Katherine

Executive Committee

# Barkly Regional Committee Chair Report

I wish to acknowledge the traditional Owners of this land we stand on and to those past and present pioneers and entrepreneurs, who have made our Region what it is today.

I would like to thank the outgoing committee especially those that attended meetings and the valued discussions that occurred during meetings. I also thank them for the opportunity that they bestowed on me by electing me to the position of Chairperson of the Barkly Region Chamber of Commerce.

## Highlights and concerns:

- Translate what the Chamber actually does. The translation to the business community at what the actual role is of the chamber is not clear.
- Tennant Creek would like the 50 Million Dollar arts Museum.
- What lobbying has the Chamber done with the Sun Cable project to Get Barkly Business's in front of Planners. Energy Club hold a event in DARWIN, nothing for tenant. Urgent action on this required so that local content is understood from day one.
- Government tenders, Clarify what local MEANS.
- Look into working with CDU to Deliver Staff Improvement programs or Courses.

As a committee we represent a comprehensive portion of all aspects of the Barkly Region and have representation on many committees or working groups to encourage economic development within the Barkly.

We are looking forward to a more successful year for our members and our community. Our main concerns for the Chamber locally is the continuing drain of government resources, the lack of public housing, the move to more fly in fly out employees, and the ever rising anti-social behaviour.

First Things First is we need a Better story and a clear direction for the Chamber and clearly translate our values and motivations to our members.

And get the Bush back to having more involvement in the seemingly Darwin centric concentration.

**Jared Baldwin**

Chairperson Barkly Region

# Manufacturers Council Chair Report

The NT Manufacturers Council represents members' views, concerns and opinions by identifying issues and lobbying Federal, Territory and Local Governments, ensuring business views are presented to Government Ministers and officials.

It has been a busy year for the Manufacturers Council, and we have continued to represent our members across a number of key objectives.

## Member Advocacy

The Manufacturers Council is well known for its work in advocating for greater commitments to local content, across government and private sectors.

This year the NT Government launched a 'Territory Benefit Policy'. This revised local content inclusion policy more clearly outlines requirements for project proponents, to instil early in planning phase and to adopt strategies to enhance the local benefit outcomes throughout the life of the project.

The Manufacturers Council provided input to the policy and is supportive that the revised gives clearer objectives re commitments to local businesses, apprentices, indigenous employees and subcontractors.

More on Territory Benefit Policy, visit <https://business.nt.gov.au/publications/policies/territory-benefit-policy>

## 2019 Priorities

At the start of the year, the Chamber NT conducted a business outlook survey. This survey had resounding responses, which resulted in a 5 point plan put to the NT Government by the Chamber NT.

In addition to supporting and advocating with the Chamber for action on these five points, the Manufacturers Council Executive agreed to directly pursue a number of priorities for its members.

These include:

1. Vigorous lobbying to ensure that a strong Local Procurement Policy is also enshrined with Local Government and that all NT Government Grants have local procurement as a contractual condition.
2. Commence strong engagement with the Design and Engineering companies contracted by the NT Government to ensure that the designs and initial plans take into account local capability and capacity.
3. To advocate that if a non-conforming bid is being considered for an NT Government tender, then the opportunity be provided to all other bidders to resubmit on the revised scope of works.
4. To advocate for the reintroduction of a Tradies Voucher Scheme as an interim measure to support local business and employment.

The Manufacturers Council has held numerous meetings and discussions with key agency personnel both publically or to closed groups re these essential policy and procurement changes. The Manufacturers Council first met with the Chief Minister, Hon. Michael Gunner to highlight issues that were brought forward by members in the survey.

Following this meeting the Manufacturers Council has had discussions with various Departmental Heads and personnel re individual Department issues, including:

- CEO and other Senior representatives of Department of Trade Business and Innovation;
- Department of Infrastructure Planning and Logistics; Power Water Corporation Procurement personnel and private Project Management advisers re addressing the need for inclusion for local content being introduced during the design phase of infrastructure projects;
- Department of Housing and Community Services re \$100M Public Housing Stimulus and how members can get involved;
- NT Government Major Projects and Strategic (now moved to Investment Territory) re NT Ship Lift Capability and Investment Requirements;
- Denys Stedman, the appointed independent Buy Local Advocate to gain insight into individual examples of local content and procurement issues
- And other behind the scenes meetings between executive committee members, government and private business representatives

The Manufacturers Council will continue to pursue these objectives and other concerns and challenges to members.



# Manufacturers Council Chair Report - cont

## Information briefings and Networking Opportunities

Following the wind down of the INPEX LNG Gas Construction phase, a moratorium on hydraulic fracturing and other factors, it's no secret that the Northern Territory has been experiencing an economic slowdown these past two years.

The Manufacturers Council has continued to listen to its members and members of the business community, providing networking opportunities and information seminars where sought. The Council strives to help its members engage more closely with major sub-contractors involved with NT based Construction, Oil and Gas, Mining and Defence projects.

Though we are pleased to see other projects on the horizon, these past few years members have had to rely heavily on government infrastructure spend, with few private sector or major status projects.

In August, the MC held a briefing with speakers from NTG agencies on upcoming infrastructure projects. The Upcoming Government Infrastructure Projects Breakfast included presentations from Andrew Kirkman, CEO, Department of Infrastructure Planning and Logistics, Jamie Chalker, CEO, Department of Local Government, Housing and Community Development; and Justin McKenzie, Chief Procurement Officer and Jay Peters, Principal Advisor Contract Management and Industry Engagement, Power and Water Corporation. This event was well attended.

Throughout the year members have also had access to briefings from Department of Housing re the \$100M Public Housing Stimulus Grants; and Core Lithium General Manager Project Development, Blair Duncan.

We have partnered with Government agencies to deliver key information sessions and workshops such as the AusIndustry Industry 4.0 workshop in April 2019.

## Trade Delegations

The Manufacturers Council participated in a business delegation to the Australian Oil and Gas (AOG) Conference in Perth in March. Each year the NT Government funds an NT exhibition booth to promote Northern Territory industrial capability. The Manufacturers Council are highly supportive of this initiative and the value it provides for NT businesses involved in the Oil and Gas sector.

Representatives travelled to the 2019 APPEA Oil and Gas Conference and Exhibition in May 2019. The conference examines issues ranging from global and national developments in energy and climate policies; unconventional gas; LNG; project development.

The MC participated in a cross-industry mission to Texas, U.S to see firsthand how a sustainable onshore gas industry has benefited regional communities there. The delegation comprised of business people from Katherine, Tennant Creek and Darwin, with representation from the cattle industry, manufacturing, construction, freight and university.

NT **delegates** returned to deliver key messages and advice to their respective communities and sectors.



## Manufacturers Council Chair Report - cont

Tony Roach has been a Manufacturers Council Executive Committee member for 11 years and Vice Chair for 10 years, since he moved to NT in 2008 and has been a valuable contributor and supporter of the Northern Territory manufacturing sector.

For most of 2019, Tony was appointed interim Chair of the Manufacturers Council and has driven for successful outcomes across the four priority points.

Tony will continue his role at Adelaide Brighton as General Manager Operations for NT, NSW and SA.

We wish Tony the best of luck in his future endeavours.



# International Business Council Chair Report

The International Business Council (IBC) represents the interests of international traders in the Northern Territory and provides important services to Territory exporters and importers across a number of areas including export advice, business opportunity matching, appropriate lobbying and the identification and leading of international business delegations into potential markets.

The IBC continues to pursue strategic initiatives to directly promote member capability to a range of international markets including our growing services sector.

The IBC has directly lobbied and worked with government to further strengthen the NT international engagement - particularly with our neighbouring Asian partners. In doing so, we have sought to generate networking opportunities and events for our members and participate in international business delegations to areas of high interest and potential.

This year the IBC led and participated in business missions to Timor Leste, Indonesia, Singapore, Vietnam and China - and we are encouraged that plans are afoot to continue strengthening our relationships with other key markets. The IBC congratulates the formation of Investment Territory – an NT government team, and we are looking forward to see some of these key major investment projects get off the ground in 2020, such as the \$1.5B aquaculture project, a Core Lithium Processing Plant and some other potential projects come to fruition.

## MAJOR PROJECTS AND ACTIVITIES OF THE IBC

### Projects:

#### Regional Australia Asia Chambers Forum

The IBC successfully coordinated the Regional Australia Asia Chambers Forum in May 2019, based in Darwin for the second time running.

Over 130 international, interstate and local business delegates attended the Regional Australia Asia Chambers Forum. This included high profile business people from Vietnam, Indonesia, Singapore, the Philippines, Nepal, India, Sri Lanka, China, Taiwan and New Zealand.

The first day of the program included a harbour tour for our international and interstate delegates to showcase those economic developments occurring in the Territory that help connect us in the Region. This included expert commentary provide by staff from Darwin Port and INPEX.

The Forum's plenary sessions attracted an impressive array of speakers including Mr Samir Modi – the newly elected President of the Confederation of Asia Pacific Chamber of Commerce and Industry which represents the peak business organisations from 27 countries. Mr Modi is also a highly respected and influential Indian businessman with extensive business interests and investments across the region. As an aside, his brother was the founder of the Indian Premier League, and Samir himself is heavily involved in the Rajasthan Royals team (which Shane Warne was contracted to play with).

# International Business Council Chair Report - cont.

Other international and interstate speakers included Mr Martin Frick from Singapore (Managing Director – Asia Director, Temenos Group AG) who gave an insightful presentation on how business banking and finance is changing across the region; Mr Don Katugampala (Board member from Sri Lankan Airlines); Mr Davis Bones (Executive Manager – GHD Brisbane); and Dr Nick Engerer (CTO, Solcast) in Sydney who both discussed new Energy and Power developments across the region. We are aware that a number of local businesses are in discussions with a number of our visiting businesses and that some contractual arrangements have already been concluded.

From a political perspective, in addition to our Chief Minister, the audience also heard from the Assistant Minister for Defence (Senator David Fawcett) and from the Australian Shadow Treasurer and Minister for Small Business (The Hon Chris Bowen, MP) – the latter who confirmed his party’s commitment to provide \$300M towards the development of a new Ship Lift Facility in Darwin. This announcement was highly welcomed and we challenged the Coalition to meet or better this commitment.

Chamber President, Greg Ireland, noted that one of our Chamber’s strategic goals is to strengthen our business connections with the Chamber Network across the Asian Region and Northern Australia, and this Forum was firm evidence of our commitment to deliver on that goal.

It is important to note thanks to the Forum’s major sponsor, the Northern Territory Government via the Department of the Chief Minister. The Chief Minister, in his address made note of the importance of this forum, bringing business people and investors together, whilst showcasing the Northern Territory region to our neighbours.

## 2019 NT Export & Industry Awards

Over 200 guests attended the 26<sup>th</sup> Chief Minister’s NT Export and Industry Awards at a gala dinner presentation at Mindil Beach Casino and Resort with the Chief Minister, The Hon. Michael Gunner MLA on 26 September.

Awards were given across 18 categories including ten export award winners, five local industry awards and international and business student categories.

Australian Ilmenite was crowned the Northern Territory Exporter of the Year, from a high class field of nominations.

Over 34 nominations were received in 2019 across award categories.

Winners of the NT Export Award categories will go on to compete as finalists in the 57<sup>th</sup> Australian Export Awards at Parliament House, Canberra on Tuesday 3 December. We wish them all the best of luck.



# International Business Council Chair Report - cont.

## Reaching South Shenzhen

Recently, the Chamber of Commerce and its International Business Council participated in the NT Government-lead delegation to Shenzhen, for the 'Reaching South Summit', a 2 day summit that showcases trade and investment opportunities within the Northern Territory to our Chinese counterparts. Approximately 16 businesses participated in the delegation from various areas of industry sectors, including hospitality, tourism, agribusiness and business services. The direct 5 hour flight with Dong Hai Airlines makes Shenzhen region one of our closest Asian neighbours, and an important business trading partner.

During this conference, the International Business Council held its annual offshore meeting, with the Chief Minister Hon. Michael Gunner and NT Government representatives in attendance. Sean Mahoney chaired the meeting, where important agenda items and priorities were discussed for 2019-2021.

## Facing North Canberra

IBC representatives participated in the Facing North Conference in Canberra, in September this year. Now in its second year, this conference showcases Territory businesses and trade and investment opportunities, and allows the senior delegates to get in front of the Prime Minister and other Federal Ministers to advocate for crucial policy changes and support for Northern Australia, particularly Northern Territory. Investment projects highlighted at the event included the Ship Lift and Marine Industry Park. When operational the ship lift facility will be used across Defence and Australian Boarder Force, oil and gas, fishing and commercial fleets.

## Other Key Initiatives:

The IBC executives meet regularly to discuss key policy changes, news and events and opportunities and challenges to trade within the NT. This includes meetings with relevant Ministers to promote export opportunities such as international education. The IBC has established an International Education Sub-Group to specifically promote private sector business opportunities in this field.

The IBC remain predominant and meet with visiting delegates and Heads of Mission, this year facilitating meetings with groups from Vietnam, Thailand, China, Timor Leste, Philippines, India and Japan in the 2018/2019 period.

The Chamber NT and its IBC work closely with Department of Foreign Affairs and Trade, Austrade, NT Government and other government agencies and industry associations to provide international connectivity services across all NT industry sectors.

# Seasonal Worker Programme (SWP)

## Pacific Labour Scheme (PLS)

Ongoing recruitment, supporting employers through both the Seasonal Worker Programme and the Pacific Labour Scheme.

### Seasonal Worker Programme (SWP)

- 600+ Seasonal workers here for fruit picking season. Mainly Mangoes.
- Majority of these through labour hire companies. This allows them to be moved to different locations following the season enabling the workers to have more time in Australia and maximise their earning potential.
- Workers are mainly from Vanuatu but also Samoa, Solomon Islands, East Timor, Tonga and minimal numbers from some of the smaller Pacific Island countries.

### Pacific Labour Scheme (PLS)

Approved Employers- 13  
Workers- 12

#### Workers-

- 3 Kiribati workers in Nhulunbuy East Arnhem
- 2 Tuvaluan workers at Sterling NT Darwin
- 3 Tuvaluan workers at Austop Fisheries
- 2 Tuvaluan workers for WharfOne Food & Wine
- 2 Tuvaluan workers at The Precinct (should be here 3 weeks)
- Many more to follow.

We have just secured a major NT hotel chain. This will allow them to move workers around the four NT hotels depending on seasonal demand. They are looking to recruit from Fiji first then potentially East Timor where a new hotel in Dili at the moment. The PLS would provide skills transfer opportunities for East Timor workers within the hotel.

Also secured a major NT Community Care employer who will be travelling to Fiji on a recruitment mission to initially recruit 15-20 Personal Care Assistants for their locations in Darwin, Alice Springs, Katherine, Docker River and Mutitjulu.

Currently in talks with the head of MVR here in the NT Steve Mackrow. We are pushing MVR's current rules around Driving Licencing for Pacific Islanders here in the Northern Territory and striving to align the NT's rules with the rest of the Country.

We are taking a delegation of NT employers to East Timor to interview just like we did when we went to Fiji and Tuvalu. I have two employers on board at the moment and they want 4- 6 more.

Taking NT delegation to Fiji in November for an Aged and Community Care EMPLOYMENT EXPO organised by the Pacific Labour Facility in relation to an upcoming Aged Care Graduation being held in Fiji.



# Workplace Relations Division Report

In the 2019 Financial year Workplace Relations experienced a 251% increase in Fee for Service Work and 22% reduction in demand for public training courses. The net result was a 28% increase in Workplace relations services provided from the 2018 to 2019 financial years (see fig.1 below).

The Workplace Relations offering to members has been broadened in this reporting period to meet member needs and now includes IR, HR, Training and Work Health and Safety courses. The team has also secured a number of retainer contracts to provide the full breath of our service on an ongoing basis.

There were a number of changes to the Legislative Framework under the *Fair Work Act 2009* including the introduction of ‘Casual Conversion’ and ‘Domestic Violence Leave’.

The greatest turnover of work for 2018-2019 was in Compliance work (contracts, policies and procedures), however Enterprise Agreements (EA) used a far greater draw on the team resources across the financial year. There have been significant changes in the Enterprise Agreement landscape, with the Fairwork Commission taking a stricter and more problematic approach to reviewing EA’s, holding employers to account to ensure there is no likelihood an employee could be worse off than award coverage, even if the potential scenario is considered possible but unlikely. The effect has been to elongate the process for getting an EA registered and increases compliance costs for business.

Over the same time, the team has seen an increase in strategic support for Boards and performance development for CEO’s, including 360 degree reviews. At an operational level, we have been working with teams on their communications, service delivery and team dynamics.

The Chamber launched for the first time an annual training calendar allowing businesses the opportunity to plan their training in advance. A number of businesses had enough participants to run their own course and/or wanted tailored training to meet their business needs, for the Chamber to create ‘bespoke Training’.

In the 2018/2019 financial year, we introduced the Work Health and Safety Starter Kits. The starter kits not only put together Policies and Procedures for members’ businesses but also included a full risk assessment for the organisation and training on how to continue managing WHS issues in their organisations. In light of the Tim Lyons report and pending Industrial Manslaughter legislation that is currently before parliament, it is timely that all businesses review their WHS policies to ensure they are compliant and not unnecessarily exposed to risk.

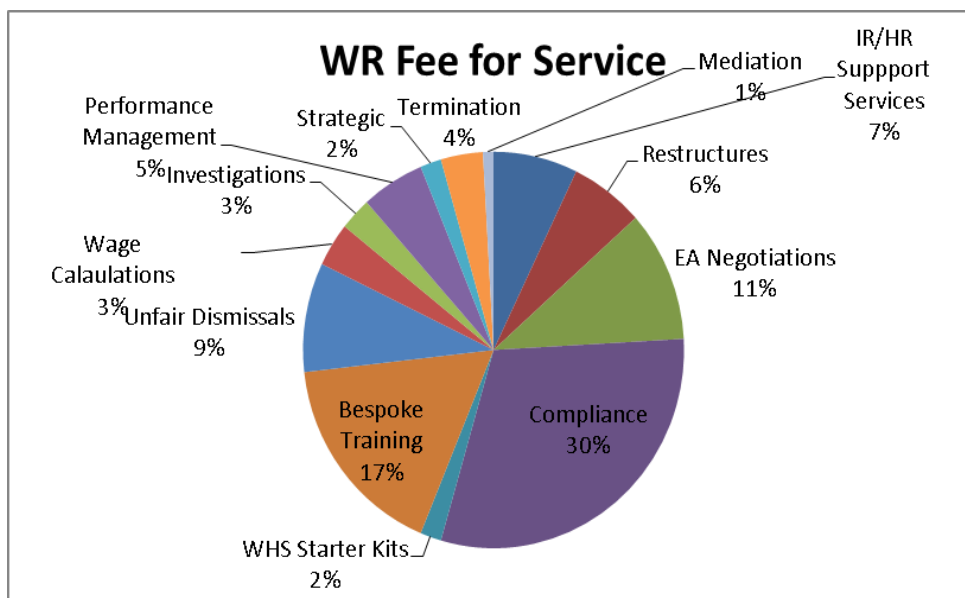


Fig 1.

# **Northern Territory Chamber of Commerce and Industry Incorporated**

**Financial Statements**

**For the Year Ended 30 June 2019**

**Northern Territory Chamber of Commerce and Industry Incorporated****Contents****For the Year Ended 30 June 2019**

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## Northern Territory Chamber of Commerce and Industry Incorporated

### Director's Statement

30 June 2019

The Board of Directors submit the financial report of the Chamber for the financial year ended 30 June 2019.

#### 1. General information

##### Committee members

The names of the Board of Directors throughout the year and at the date of this report are

Greg Ireland - President

Stuart Kenny - Vice President

Alex Brown - Vice President Finance

Bret Hagan

Karen Sheldon

Leon Smit

Ryan Sanders

Nicole Walsh – resigned September 2019

Sean Kildare – term ended February 2019

##### Principal activities

The principal activities of the Chamber during the financial year were:

- a) Provide effective business representation for members to assist them to achieve their full potential.
- b) Maintain and enhance services that contribute to members' ability to manage their business.
- c) Promote a legislative environment conducive to business growth.

##### Significant changes

No significant change in the nature of these activities occurred during the year.

#### 2. Operating results and review of operations for the year

##### Operating result

The surplus / (deficit) of the Chamber for the financial year amounted to \$ (31,568) (2018: \$ 67,662).

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

Greg Ireland

President: .....

Alex Brown

Vice President - Finance: .....

Dated this 28 day of October 2019

**Northern Territory Chamber of Commerce and Industry Inc**

**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 June 2019**

	2019	2018
	\$	\$
Revenue	1,132,798	1,154,970
Other income	1,465,239	1,353,979
Employee expenses	(1,404,314)	(1,255,743)
Other expenses	(406,138)	(385,069)
Functions	(290,849)	(310,374)
Rent and overheads	(122,800)	(127,699)
Travel and accommodation	(156,744)	(111,983)
Office expenses	(110,340)	(111,337)
Computer expenses	(77,308)	(71,679)
Insurance	(39,872)	(36,938)
Marketing and public relations	(21,240)	(30,245)
Surplus/(deficit) for the year	<u>(31,568)</u>	<u>67,882</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(31,568)</u>	<u>67,882</u>

**Northern Territory Chamber of Commerce and Industry Inc**

**Statement of Financial Position**

**As at 30 June 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	1,210,959	971,834
Trade and other receivables	4	224,900	264,501
<b>TOTAL CURRENT ASSETS</b>		<b>1,435,859</b>	<b>1,236,335</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	670,042	707,096
<b>TOTAL NON-CURRENT ASSETS</b>		<b>670,042</b>	<b>707,096</b>
<b>TOTAL ASSETS</b>		<b>2,105,901</b>	<b>1,943,431</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	990,910	830,530
Interest bearing liabilities	7	16,080	16,080
Employee benefits	8	124,799	77,743
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,131,789</b>	<b>924,353</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest bearing liabilities	7	15,583	28,981
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>15,583</b>	<b>28,981</b>
<b>TOTAL LIABILITIES</b>		<b>1,147,372</b>	<b>953,334</b>
<b>NET ASSETS</b>		<b>958,529</b>	<b>990,097</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Funds		453,971	485,539
Revaluation Surplus		504,558	504,558
<b>TOTAL MEMBERS' EQUITY</b>		<b>958,529</b>	<b>990,097</b>

**Northern Territory Chamber of Commerce and Industry Inc**

**Statement of Changes in Members' Funds  
For the Year Ended 30 June 2019**

2019

	Accumulated Funds	Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2018	485,539	504,558	990,097
(Deficit) for the year	(31,568)	-	(31,568)
Balance at 30 June 2019	453,971	504,558	958,529

2018

	Accumulated Funds	Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2017	417,657	504,558	922,215
Surplus for the year	67,882	-	67,882
Balance at 30 June 2018	485,539	504,558	990,097

## Northern Territory Chamber of Commerce and Industry Inc

### Notes to the Financial Statements

#### For the Year Ended 30 June 2019

The financial statements cover Northern Territory Chamber of Commerce and Industry Incorporated as an individual entity. Northern Territory Chamber of Commerce and Industry Incorporated is a not-for-profit association incorporated in the Northern Territory under the Northern Territory Associations Act 2017 (‘the Act’).

The functional and presentation currency of Northern Territory Chamber of Commerce and Industry Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

In the opinion of the Committee of Management, the Chamber is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

#### 2 Summary of Significant Accounting Policies

##### (a) 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.

##### (b) Employee benefits

Provision is made for the Chamber’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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

##### (c) Property, Plant and Equipment

All Property, plant and equipment, except for land and buildings, are stated at cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairments.

Land is measured at fair value and buildings is measured at fair value less accumulated depreciation. Any accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated as the revalued amount of the asset. A revaluation surplus is credited to other comprehensive income (the asset revaluation surplus) unless it reverses a revaluation decrease on the same asset previously recognised in profit and loss. Independent valuations are performed periodically to ensure that the carrying amounts of land and buildings does not differ materially from that the fair value at the end of the

## Northern Territory Chamber of Commerce and Industry Inc

### Notes to the Financial Statements

For the Year Ended 30 June 2019

#### 2 Summary of Significant Accounting Policies

##### (c) Property, Plant and Equipment

reporting period.

Property, plant and equipment is depreciated over the useful lives of the assets of the Chamber commencing from the time the asset is held ready for use.

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

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>
Buildings	5 - 40 years
Furniture and Equipment	3 - 10 years

##### (d) Revenue recognition

###### (i) Grants

Grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the entity will comply with all the attached conditions. Grants relating to costs are deferred and recognised in statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

###### (ii) Membership Income

Revenue is brought to account when received.

###### (iii) Interest income

Interest income is recognised when accrued.

All revenue is stated net of the amount of goods and services tax (GST).

##### (e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount GST included. The Net amount of GST Receivables and payables are stated with the amount GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

##### (f) Income Tax

The Chamber is an Association which is exempt from income tax. This status has been confirmed by the Australian Taxation Office.

## Northern Territory Chamber of Commerce and Industry Inc

## Notes to the Financial Statements

For the Year Ended 30 June 2019

3	Cash and cash equivalents	2019	2018
		\$	\$
	Cash on hand	840	1,341
	Cash at bank	1,210,119	970,493
	Cash at bank and in hand	<u>1,210,959</u>	<u>971,834</u>
4	Trade and other receivables	2019	2018
		\$	\$
	CURRENT		
	Trade receivables	224,900	264,501
	Total trade and other receivables	<u>224,900</u>	<u>264,501</u>
5	Property, plant and equipment	2019	2018
		\$	\$
	Freehold land		
	At cost	370,000	370,000
	Total Land	<u>370,000</u>	<u>370,000</u>
	Buildings		
	At cost	630,156	631,901
	Accumulated depreciation	(357,376)	(329,551)
	Total buildings	<u>272,780</u>	<u>302,350</u>
	Furniture and equipment		
	At cost	336,078	471,927
	Accumulated depreciation	(308,816)	(437,182)
	Total furniture, fixtures and fittings	<u>27,262</u>	<u>34,745</u>
	Total property, plant and equipment	<u>670,042</u>	<u>707,095</u>
6	Trade and other payables	2019	2018
		\$	\$
	CURRENT		
	Accounts payable	227,656	165,095
	Income in advance	701,192	608,553
	GST payable	673	11,755
	Other payables	61,389	45,127
		<u>990,910</u>	<u>830,530</u>

**Northern Territory Chamber of Commerce and Industry Inc**

**Notes to the Financial Statements  
For the Year Ended 30 June 2019**

7	Interest-bearing liabilities	2019	2018
		\$	\$
	<b>CURRENT</b>		
	Building loan	16,080	16,080
		<u>16,080</u>	<u>16,080</u>
	<b>NON-CURRENT</b>		
	Building loan	15,583	28,981
		<u>15,583</u>	<u>28,981</u>
8	Provisions	2019	2018
		\$	\$
	<b>Current liabilities</b>		
	Annual leave	83,697	58,221
	Long service leave	41,102	19,522
		<u>124,799</u>	<u>77,743</u>

**Annual leave**

The current provision for employee benefits is expected to be taken within 12 months.

**Long Service Leave**

The provision for long service leave represents entitlements accrued at the end of reporting period for long service leave and additional costs including superannuation. An estimate has been made on the probability of employees remaining in continuous employment until the completion of the vesting period of 10 years.

Future wage increases have been budgeted at 3% per annum and bond rates of between 5% and 5.6% over the next 15 years have been used to calculate the present value of the obligation.

The provision for long service leave does not include any vested entitlements and the amount expected to vest within the next 12 months has been disclosed under current provisions.

## Northern Territory Chamber of Commerce and Industry Incorporated

### Directors' Declaration

The Directors have determined that Northern Territory Chamber of Commerce and Industry Incorporated (the Chamber) is not a reporting entity because there are no users dependant on general purpose financial statements. The Directors have determined that this special purpose financial statement should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

The Directors of the Chamber declare that, in their opinion:

1. the financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in members' funds and accompanying notes, as set out on pages 3-8, present fairly the Chamber's financial position as at 30 June 2018 and its performance for the year then ended on that date in accordance with the accounting policies described in Note 2 to the financial statements and the Northern Territory Associations Act 2017; and
2. At the date of this statement, there are reasonable grounds to believe that the Chamber will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Directors of the Chamber and is signed for and on behalf of the committee by

**Greg Ireland**  
President.....

**Alex Brown**  
Vice President - Finance .....

Dated this 28 day of October 2018

## Northern Territory Chamber of Commerce and Industry Incorporated

# Independent Audit Report to the members of Northern Territory Chamber of Commerce and Industry Incorporated

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report, being a special purpose financial report of Northern Territory Chamber of Commerce and Industry Incorporated (the Association), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income and the statement of changes in members' funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and directors' declaration.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2019 is prepared, in all material respects, in accordance with the Northern Territory Associations Act 2017.

#### 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 Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Association in meeting the reporting requirements of the Northern Territory Associations Act 2017. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

#### Emphasis of Matter

We draw attention to Note 2 which states that membership income is brought to account when received. It is our opinion that this policy is not being consistently applied during the financial year. At 30 June 2019 we believe membership income and accounts receivable are overstated by \$24,577 (2018: \$23,354). Our audit opinion is not qualified in respect to this issue. The association is in the process of implanting a new membership system and we believe that the issue will not be recurrent moving forward.

#### Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Northern Territory Associations Act 2017, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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.

*Perks Audit*

PERKS AUDIT PTY LTD  
84 Smith Street  
Darwin  
Northern Territory 0800

*P Hill*

PETER J HILL  
Director  
Registered Company Auditor

Dated this 28<sup>th</sup> day of October 2019

**Northern Territory Chamber of Commerce and Industry Inc  
For the Year Ended 30 June 2019**

**Disclaimer**

The additional financial data presented on page 13 is in accordance with the books and records of the Chamber which have been subjected to the auditing procedures applied in our statutory audit of the Chamber for the year ended 30 June 2019. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Northern Territory Chamber of Commerce and Industry Incorporated) in respect of such data, including any errors or omissions therein however caused.

*Perks Audit*

**PERKS AUDIT PTY LTD**  
84 Smith Street  
Darwin  
Northern Territory 0800

*P Hill*

**PETER J HILL**  
Director  
Registered Company Auditor

Dated this *28<sup>th</sup>* day of October 2019

**Northern Territory Chamber of Commerce and Industry Inc  
For the Year Ended 30 June 2019**

**Detailed Profit or Loss**

	2019	2018
	\$	\$
Income		
Revenue - trading	1,132,798	1,154,970
Grants and sponsorship received	605,655	570,802
Member functions	412,858	360,043
Industrial relation fees	118,980	33,923
Course Fees	108,678	209,312
Miscellaneous income	98,130	46,498
Directory fees	91,602	96,112
Rent Received	18,600	18,050
Room hire	5,505	3,246
Interest received	5,232	4,491
Project Management	-	11,500
<b>Total income</b>	<b><u>2,598,038</u></b>	<b><u>2,508,947</u></b>
Less: Expenses		
Salary, wages and superannuation	1,404,314	1,255,743
Members functions	290,849	310,374
Travel and accommodation	156,744	111,983
Rent and overheads	122,800	127,699
Office expenses	110,340	111,337
Subscriptions	105,655	96,782
Computer expenses	77,308	71,679
Employee benefit provision movement	47,056	(60,144)
Depreciation	43,465	49,249
Insurance and workers compensation	39,872	36,938
Board Travel	35,274	27,101
Cleaning	28,359	27,449
Electricity	26,809	25,518
Body Corporate fees	22,051	17,026
Marketing and public relations	21,240	30,246
Training other	20,634	89,664
Consulting fees	15,023	53,569
Printing and stationery	13,218	9,847
Legal costs	11,653	905
Rates and taxes	7,367	5,073
Bank charges	5,652	7,950
Accounting and audit	5,600	5,500
Staff Amenities	4,526	3,638
Repairs and maintenance	4,020	5,361
Catering	3,784	6,615
Interest paid	3,095	3,967
Bad debts	1,541	305
Entertainment	977	2,808
Functions	380	6,884
<b>Total Expenses</b>	<b><u>2,629,606</u></b>	<b><u>2,441,065</u></b>
<b>Surplus / (deficit) for the year</b>	<b><u>(31,568)</u></b>	<b><u>67,882</u></b>

