

Safety Institute of Australia Ltd t/a Australian Institute of Health and Safety

Financial Statements

For the Year Ended 30 June 2022

Safety Institute of Australia Ltd t/a Australian Institute of Health and Safety

Contents

For the Year Ended 30 June 2022

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DIRECTORS' REPORT

Your directors present their report on the Group for the financial year ended 30 June 2022.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Director	Appointment Date	Cessation Date
Ms Marissa Dreher	15 September 2015	16 September 2021
Mrs Naomi Kemp	29 August 2017	Current
Ms Christine Edwards	24 September 2018	Current
Mr Tim Fleming	24 September 2018	16 September 2021
Mr Richard Coleman	5 September 2019	Current
Ms Rene van der Merwe	5 September 2019	Current
Mr Cameron Montgomery	5 September 2019	Current
Ms Celia Antonovsky	22 September 2020	Current
Mr Liam O'Connor	22 September 2020	Current
Mr Nathan Winter	19 March 2021	31 December 2021
Mrs Jane Bourke	16 September 2021	Current
Ms Louise Howard	16 September 2021	Current
Mr Dino Pisaniello	8 March 2022	Current

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company Secretary

The name of the Company's secretary in office at any time during, or since the end of, the year was:

Company Secretary	Appointment Date	Cessation Date
Mr Chris Deftereos	20 March 2020	20 May 2022
Mr Liam O'Connor	20 June 2022	Current

Principal Activity

The principal activity of the Group during the financial year was to perform its function as outlined in the Constitution in the following ways:

- Promoting health and safety awareness** through further development of a national policy agenda, and associated activities.
- Advancing the science and practice of health and safety** through:
 - Accrediting higher education courses in OHS;
 - Promoting the Global OHS Capability Framework;
 - The provision of a range of member services including regular E-News, Magazine, Journal, and access to Research Database;
 - Facilitation of conferences, seminars, and webinars as part of professional development;
 - Hosting networks; and
 - Providing a mentorship program.
- Promoting professional recognition** through Certification of the profession.
- Researching and developing health and safety procedures and practices** through maintaining and developing the OHS Body of Knowledge.
- Providing other services to support our constitutional objectives** including:
 - Promoting discussion and debate on emerging OHS management concepts and systems; and
 - Promoting evidence-based practice.

Key Performance Measures:

We measure our performance through the use of quantitative and qualitative benchmarks set by the Board under its strategic plan and a rolling annual business plan. Performance measures have been set in the business plan, for a series of activities under each of the three focus areas:

1. Cultivating the health and safety Body of Knowledge and building strong development frameworks for practitioners, professionals, and leaders.
2. Providing opportunities to connect, contribute and learn from each other, in both social and professional settings.
3. Promoting the role and value of the profession and achieving greater impact by forging industry connections.
4. Creating a sustainable technical and financial base for future growth through agile, responsive, and efficient operations with diverse income streams.
5. Advocating with courage on policy to improve legislation, regulation, and standards.
6. Improving health and safety knowledge, education, and training within the wider community.

Our work in these areas is monitored through regular reports to the Board by the Chief Executive.

Details of the Directors

Director's name:	Mrs Naomi Kemp COHSP
Position held:	Chair
Special responsibilities:	Member Finance, Risk, Audit, Performance and Compliance Committee
Qualification:	Bachelor of Occupational Health and Safety Science
Experience:	Naomi is currently the Managing Director and Company Secretary of Jemmit Pty Ltd trading as Safe Expectations. Naomi has over 15 years OHS experience working across the retail, engineering, mining, transport, and heavy manufacturing industries. Naomi has also served in the public sector at senior advisory levels. She also serves on the industry advisory panel for The University of Queensland OHS Science program, is an Expert Member on the WHS Board and Advisory Board Member of Trieste Global Pty Ltd. Naomi is a member of the Australian Institute of Company Directors.
Board experience:	Director Safety Institute of Australia Ltd August 2017 – current Expert Member, WHS Board2 Queensland Government 2020 – current Advisory Board Member, Trieste Global Pty Ltd 2020 - current Director Mount Isa Sunset Stadium Board 2003 - 2004

Director's name:	Mr Cameron Montgomery FAIHS COHSP Prof
Position held:	Deputy Chair
Special responsibilities:	Chair Finance, Risk, Audit, Performance and Compliance Committee Advisor to the CEO on Industrial Relations/Human Resources issues
Qualification:	Master of Business Administration Graduate Diploma in Occupational Hazard Management (VIOASH Australia) Graduate of the AICD Company Directors Course
Experience:	Cameron has an extensive background with over 20 years of experience in OHS and Injury Management along with HR, Risk Management, Insurance and Corporate Governance. Through his work in the Commonwealth and Local Government sectors in regional Victoria he has developed extensive experience in public administration, construction, arts, health care and tourism industries. As a safety professional, he serves on the Industry Advisory Board for VIOASH at Federation University. In addition, Cameron also serves as a member of the Public Access Agency Reference group for the Office of the

Victorian Information Commissioner. Cameron is a Certified Generalist OHS Professional and Fellow of the Safety Institute of Australia. Cameron has been a Member of the SIA Victorian Committee 2005 – 2009, 2010 – present, and was Chair of that Committee 2010 – 2011.

Board experience:

Director Safety Institute of Australia Ltd September 2019 - current
Director Safety Institute of Australia 2008 – 2009, 2012 – 28 February 2019
Chair Ballarat Connected Communities 2018 – current

Director's name:

Ms Christine Edwards FAIHS

Position held:

Director

Special responsibilities:

Not Applicable

Qualification:

Bachelor of Applied Science (Environmental Health)
Master of Work Health & Safety

Experience:

Christine has over 20 years' experience in work health & safety, working across a wide range of industries including Health, Construction, Logistics, Rail and Electricity. Christine has expertise in governance & risk management, strategic planning and implementation, leadership & team development, culture change and project management. She also serves as the Chair of the AIHS Certification Governance Committee and as an active member of the AIHS Women in Health & Safety (WISH) Committee.

Board experience:

Director Safety Institute of Australia Ltd September 2018 – current

Director's name:

Richard Coleman

Position held:

Director

Qualification:

BA (Industrial Relations & Politics) MOHS MAICD

Experience:

Richard has more than 25 years' experience in health, safety, and executive leadership roles across multiple industries. Richard is currently the General Manager HSES for Laing O'Rourke.

Board experience:

Director Safety Institute of Australia Ltd September 2019 – current
Board Chair Reef Check Australia 2018 – current

Director's name:

Rene van der Merwe

Position held:

Director

Qualification:

BSc Hons Chemistry, Diploma Project Management, Postgraduate in Safety

Experience:

Rene has 20+ years in Quality, Safety and Environment.

Board experience:

Director Safety Institute of Australia Ltd September 2019 – current

Director's name:

Celia Antonovsky

Position held:

Director

Special responsibilities:

Chair of the Membership Committee
WA Branch Chair
Emerging Safety Leaders Committee

Qualification:

Bachelor of Psychology (Murdoch University), Master of Occupational Health and Safety (Curtin University), Diploma Quality Auditing, Role of NFP Board Chair (AICD)

Experience:	<p>More than ten years' experience in health and safety roles across a number of high-risk sectors including oil and gas, mining, construction, rail, and transport.</p> <p>Five years' experience in commercial roles including contract management, procurement, recruitment, and business improvement.</p> <p>Four years' experience volunteering with WA Branch of the AIHS in various capacities including Branch Secretary, Young Safety Professionals Lead and Branch Chair (current).</p>
Board experience:	<p>Director Safety Institute of Australia Ltd September 2020 – current Deputy Chair TradeUP Australia 2014 – 2017</p>
Director's name:	Liam O'Connor
Position held:	Director Company Secretary
Special responsibilities:	<p>AIHS Finance, Risk, Audit, Performance and Compliance Committee Member – December 2020 to current.</p> <p>AIHS OHS Professional Editorial Board – February 2021 to current.</p> <p>AIHS WA Branch Deputy Chair – December 2019 to current.</p> <p>AIHS WA Branch Committee Member – January 2021 to current.</p>
Qualifications	<p>Postgraduate Diploma, <i>International Business Law</i> (University of Sydney, New South Wales, Australia).</p> <p>Postgraduate Diploma, <i>International Law</i> (University of Sydney, New South Wales, Australia).</p> <p>Postgraduate Certificate, <i>Business</i> (University of Western Australia, Western Australia, Australia).</p> <p>Postgraduate Certificate, <i>Japanese Law</i> (Ritsumeikan University, Kyoto, Japan).</p> <p>Postgraduate Certificate, <i>Occupational Health and Safety</i> (Edith Cowan University, Western Australia, Australia).</p> <p>Postgraduate Certificate, <i>Professional Legal Studies</i> (Griffith University, Queensland, Australia)</p> <p>Postgraduate Certificate, <i>Death Investigation</i> (University of North Dakota, USA).</p>
Experience	<p>Liam has held national and group manager HSEQ positions, working across a range of industries within both ASX-listed and privately held Australian companies.</p>
Board experience:	<p>Director Safety Institute of Australia Ltd September 2020 - current Director of Directions Disability Support Services – March 2019 – May 2021.</p> <p>Director and Vice-Chair of Nascha Inc – January 2016 - current.</p> <p>Director and Vice-Chair of Valued Independent People – October 2014 to January 2017.</p>
Director's Name:	Mr Nathan Winter FAIHS ChOHSP
Position held:	Chair of College of Fellows Member of Finance, Risk, Audit Performance and Compliance Committee
Special responsibilities:	<p>AIHS representative to the International Network of Safety and Health Professional Organisations (INSHPO)</p>
Qualification:	Bachelor of Environmental Toxicology

Masters of Business Administration (Accounting)
Graduate Diploma of Occupational Health & Safety
Graduate of the Australian Institute of Company Directors, GAICD

Experience:

With a career spanning more than 18 years, Nathan has held roles as a director and senior management executive in Health & Safety, Environment, Risk and Quality, across the Manufacturing, Mining, Oil and Gas, Services and Utilities industries.

Nathan currently runs a Management Consultancy Nathan Winter & Associates that specialises in providing Governance, Risk Management, Occupational Health & Safety, Quality & Environmental Advisory and Assurance Services. From 2012 to 2020 he has led a team of Risk, Audit and Quality professionals in his role with the Ausdrill Group and from 2008 to 2012 he was the South Pacific Occupational Health Safety & Environment Manager for Cummins. Nathan is a Graduate of the Australian Institute of Company Directors.

Board experience:

Deputy Chair Safety Institute of Australia Ltd 2014 - 2018
Director Safety Institute of Australia Ltd 2011 – 2019, March – December 2021
President Elect, INSHPO 2019
President INSHPO 2020
Immediate Past President INSHPO 2021

Company Secretary's name:

Mr Chris Deftereos

Position held:

Company Secretary

Special responsibilities:

Company Secretary

Qualification:

Master of Industrial Relations and Human Resource Management, University of Sydney (1997)
Bachelor of Commerce, La Trobe University (1995)
Diploma of Risk Management and Business Continuity (2020)
Certificate IV in Assessment and Workplace Training (2001)
Certificate IV in Public Administration (1998)

Experience:

Chris has over 25 years' experience working in policy, governance, risk, industrial relations, and human resource management roles across the state and Commonwealth public sectors, not for profit and community organisations and tertiary education. Chris is a Fellow of the Governance Institute of Australia and a member of the Risk Management Institute of Australasia.

Since March 2021, Chris has worked as the Risk and Compliance Officer of the Great Barrier Reef Foundation. In this role, Chris promotes and contributes to the improvement of key organisational risk and compliance processes and supports the Executive and committees of the Board.

Board experience:

Company Secretary, Safety Institute of Australia Ltd, March 2020 – 20 May 2022
Director, Ondru Limited, June 2014 – May 2015

Director's name: Jane Bourke

Position held: Director

Qualification: Masters of Business Administration (Melbourne Business School)
Post graduate diploma Health and safety management (RMIT)
Masters Ergonomics (Queensland Uni)
Bachelor of Occupational Therapy (La Trobe University)

Experience: Jane has over 24 years' experience in a variety of Health and Safety roles. Her current role is Group Director at Woolworths where is accountable for supporting the strategic direction for health and safety across all Business Units with a workforce of over 160k team members. Her past experiences include senior roles within Global companies (Amazon, BP) as well as Australia's ASX Top 20 companies (Origin Energy, Telstra) in addition to considerable experience working as a Senior OH&S Consultant to a diverse range of organisations with varying risk profiles.

Board experience: Director Safety Institute of Australia Ltd September 2021 - current

Director's name: Louise Howard

Position held: Director

Special responsibilities: Not applicable

Qualification: Executive Master of Business Administration (EMBA)
Master of Science (Occupational Health & Safety)
B App Sc (Occupational Therapy)
Graduate Australian Institute Company Directors Course

Experience: An experienced professional supported by advanced qualifications in multiple disciplines including Engineering, Design, Risk, Work Health and Safety, Business and Health. 10 years' experience in large scale billion dollar infrastructure projects encompassing civil, rail and electrical projects. Commercially focused and people orientated leader and have experienced a diverse portfolio of industries representing leading brands in both the public and private sector.

Board experience: Director Safety Institute of Australia Ltd September 2021 – current
Committee Member | Western Sydney University Audit & Risk Committee & Infrastructure Committee
Advisory Board Member | Mindarma
PREVIOUS
Chair | Construction Industry WHS Working Group for COVID-19

Director's name: **Dino Pisaniello FAIHS ChOHSP**

Position held: Director, ex-officio member

Special responsibilities: College of Fellows Chair

Qualification: BSc (Hons) MPH PhD Grad Cert Online Learning
FAIOH FAIHS FRACI CIH COH CChem

Experience:

Prof. Dino Pisaniello has more than 36 years' experience in occupational health and safety. He is a Past President of AIOH and past Australian Secretary of the International Commission on Occupational Health.

He has published more than 250 papers and technical reports. He has been Head of the Discipline of Public Health, and Chief Technical Advice Coordinator (HAZMAT) for South Australian emergency services (1997-2021).

Board experience:

Director Safety Institute of Australia Ltd March 2022 - current

Meetings of the Directors

The table below provides details of the number of meetings of board directors held and the attendance by each of director:

Director	Number of meetings eligible to attend	Number of meetings attended to 30 June 2022
Ms Celia Antonovsky	6	4
Ms Jane Bourke	5	5
Mr Richard Coleman	6	4
Ms Marissa Dreher	1	1
Ms Christine Edwards	6	6
Mr Tim Fleming	1	1
Ms Louise Howard	5	4
Ms Naomi Kemp	6	6
Mr Cameron Montgomery	6	6
Mr Liam O'Connor	6	5
Mr Dino Pisaniello	2	2
Ms Rene Van der Merwe	6	5
Mr Nathan Winter	3	3
Company Secretary		
Mr Chris Deftereos	5	5

Indemnification of Officer or Auditor

The Company has paid an annual premium to insure the Directors and Officers against liabilities incurred in their respective capacities. Under the policy, details of the premium are confidential.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the financial year.

Contributions on winding up

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the Company. At 30 June 2022 the total amount that members of the company are liable to contribute if the Company is wound up is \$41,230.00.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Subsection 60-40 of the *Australian Charities and Not-for-Profit Commission Act 2012* as set out on page 9 of this report.

Signed in accordance with a resolution of the Board of Directors:



Naomi Kemp
Chair



Cameron Montgomery
Deputy Chair

Dated this 18th day of August 2022.

Safety Institute of Australia Limited t/a Australian Institute of Health and Safety
ABN 82 151 339 329

**Auditor's Independence Declaration under Subdivision 60-40 of the
Australian Charities and Not-for-profits Commission Act 2012 to the
Directors of Safety Institute of Australia Limited t/a Australian Institute of
Health and Safety**

As lead audit partner for the audit of the financial statements of Safety Institute of Australia Limited t/a Australian Institute of Health and Safety for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Nexia

**Nexia Melbourne Audit Pty Ltd
Melbourne**

Andrew S. Wehrens

**Andrew S. Wehrens
Director**

Dated: this 18th day of August 2022

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	4	1,721,910	1,722,430
Other income	4	7,157	3,690
Accreditation expenses		(49,836)	(42,319)
Accounting and audit expenses		(16,394)	(17,774)
Administration expenses		(131,912)	(126,831)
Advertising and marketing expenses		(139,762)	(112,752)
Body of Knowledge program expenses		(81,298)	(59,383)
Certification expenses		(44,000)	(24,924)
Conference expenses		(135,070)	(40,554)
Consultant and legal expenses		(13,294)	(13,230)
Depreciation and amortisation expense		(64,361)	(62,719)
Employee benefits expense		(886,036)	(851,526)
Occupancy expenses		(24,303)	(26,010)
Event expenses		(134,709)	(214,995)
Postage, printing and stationery expenses		(15,441)	(16,439)
Telecommunication expenses		(35,640)	(52,144)
Travel and accommodation expenses		(5,913)	(90)
Other expenses		(37,206)	(71,905)
Finance expenses		(3,032)	(2,119)
Deficit before income tax		(89,140)	(9,594)
Income tax expense	2(b)	-	-
Deficit for the year		(89,140)	(9,594)
Other comprehensive income		-	-
Total comprehensive income for the year		(89,140)	(9,594)

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	510,109	753,131
Trade and other receivables	7	252,850	19,461
Other financial assets	8	820,965	719,486
Other assets	9	119,500	96,973
TOTAL CURRENT ASSETS		<u>1,703,424</u>	<u>1,589,051</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	26,319	35,275
Right-of-use assets	11	32,430	77,021
TOTAL NON-CURRENT ASSETS		<u>58,749</u>	<u>112,296</u>
TOTAL ASSETS		<u>1,762,173</u>	<u>1,701,347</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	209,788	135,220
Lease liabilities	11	34,141	47,925
Employee benefits	14	139,755	111,425
Other financial liabilities	13	549,188	463,355
TOTAL CURRENT LIABILITIES		<u>932,872</u>	<u>757,925</u>
NON-CURRENT LIABILITIES			
Lease liabilities	11	-	30,122
Employee benefits	14	18,909	13,768
TOTAL NON-CURRENT LIABILITIES		<u>18,909</u>	<u>43,890</u>
TOTAL LIABILITIES		<u>951,781</u>	<u>801,815</u>
NET ASSETS		<u>810,392</u>	<u>899,532</u>
EQUITY			
Retained surpluses		<u>810,392</u>	<u>899,532</u>
TOTAL EQUITY		<u>810,392</u>	<u>899,532</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2022

2022

	Retained Surpluses	Total
	\$	\$
Balance at 1 July 2021	899,532	899,532
Deficit for the year	(89,140)	(89,140)
Balance at 30 June 2022	810,392	810,392

2021

	Retained Surpluses	Total
	\$	\$
Balance at 1 July 2020	909,126	909,126
Deficit for the year	(9,594)	(9,594)
Balance at 30 June 2021	899,532	899,532

Statement of Cash Flows
For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Membership and partnership fees received	882,787	1,013,531
Conference and event income received	512,766	458,345
Receipts from other income	185,705	265,756
Payments to suppliers and employees	(1,665,303)	(1,656,719)
Interest received	253	315
Net cash provided by / (used in) operating activities	19 <u>(83,792)</u>	<u>81,228</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(6,709)	(32,506)
Payment for financial assets	(101,479)	-
Net cash (used in) investing activities	<u>(108,188)</u>	<u>(32,506)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(51,042)	(53,006)
Net cash (used in) financing activities	<u>(51,042)</u>	<u>(53,006)</u>
Net (decrease) in cash and cash equivalents held	(243,022)	(4,284)
Cash and cash equivalents at beginning of year	<u>753,131</u>	<u>757,415</u>
Cash and cash equivalents at end of financial year	6 <u><u>510,109</u></u>	<u><u>753,131</u></u>

Notes to the Financial Statements

For the Year Ended 30 June 2022

The financial report covers Safety Institute of Australia Ltd t/a Australian Institute of Health and Safety as an individual entity. Safety Institute of Australia Ltd t/a Australian Institute of Health and Safety is a not-for-profit Company, registered and domiciled in Australia.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures. In the prior year the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Company as a result of the change in the basis of preparation.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Membership revenue

The performance obligation for membership revenue is deemed to be satisfied over the period of membership and revenue from membership fees received is recognised on a straight-line basis over the period of membership.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

Any amounts received in advance is recognised as income in advance until the period of membership has been provided to the member.

Revenue from events and conferences

Revenue for events and conferences is recognised at a point in time, being once the event or conference occurs and the performance obligation to provide the event or conference has been satisfied.

Revenue received in advance for events or conferences which are yet to occur are recorded as income in advance.

Government stimulus

The Company has received Government stimulus revenue by way of Jobkeeper payments and the Cash Flow Boost. Revenue is recognised at a point in time, being when the Company has satisfied the criteria to receive the revenue, this is recorded on an accrual basis. Government stimulus revenue is measured at the gross amount and is not netted against corresponding expenses incurred by the Company.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Furniture and Fittings	10% - 50%
Computer Equipment	50%
Moodle	40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments.)

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

The Company's financial assets measured at FVTPL comprise of deposits in the statement of financial position.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Intangible assets

Software

Software costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(i) Leases

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(j) Employee benefits

Provision is made for the Company'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.

(k) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - useful life of assets

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

Key judgments - employee benefits

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

Notes to the Financial Statements
For the Year Ended 30 June 2022

4 Revenue and Other Income

	2022	2021
	\$	\$
Revenue from operating activities		
- Membership revenue	782,969	760,469
- Corporate partnership and membership fees	240,470	199,408
- Conference revenue	293,829	106,300
- Event revenue	218,937	340,872
- Publication and advertising revenue	24,869	18,774
	<u>1,561,074</u>	<u>1,425,823</u>
Other revenue		
- Accreditation board & BoK revenue	103,807	59,827
- Certification revenue	56,360	39,181
- Project revenue	-	49,739
- Sundry revenue	669	360
- Jobkeeper (Australian Taxation Office)	-	90,000
- Government stimulus (Australia Taxation Office)	-	37,500
- Business support fund (Victorian Government - Department of Jobs, Precincts and Regions)	-	20,000
	<u>160,836</u>	<u>296,607</u>
Total Revenue	<u><u>1,721,910</u></u>	<u><u>1,722,430</u></u>
Other Income		
- Workcover reimbursement	6,904	-
- Interest income	253	3,690
	<u>7,157</u>	<u>3,690</u>

5 Result for the Year

The result for the year includes the following specific expenses:

Employee benefits expense	886,036	851,527
Depreciation and amortisation expenses	64,361	62,719

6 Cash and Cash Equivalents

Cash on hand	100	26
Bank balances	510,009	753,105
	<u>510,109</u>	<u>753,131</u>

Notes to the Financial Statements
For the Year Ended 30 June 2022

7 Trade and other receivables

	2022	2021
	\$	\$
CURRENT		
Trade receivables	249,172	19,336
Other receivables	3,678	125
	<u>252,850</u>	<u>19,461</u>

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2022 is determined as follows, the expected credit losses incorporate forward looking information.

30 June 2022	Current	< 30 days overdue	< 90 days overdue	> 90 days overdue	Total
Gross carrying amount (\$)	19,737	206,745	-	22,690	249,172

30 June 2021	Current	< 30 days overdue	< 90 days overdue	> 90 days overdue	Total
Gross carrying amount (\$)	16,587	1,499	1,375	-	19,461

Trade and other receivables are unsecured and generally on 14 day terms. An allowance for expected credit loss is recognised when there is objective evidence than an individual trade or other receivable is impaired. As at 30 June 2022 the Company assessed all receivables to be recoverable.

8 Other Financial Assets

	2022	2021
	\$	\$
CURRENT		
Term deposits	820,965	719,486
	<u>820,965</u>	<u>719,486</u>

9 Other Assets

CURRENT		
Prepayments	111,700	89,173
Rental Bond	7,800	7,800
	<u>119,500</u>	<u>96,973</u>

Notes to the Financial Statements
For the Year Ended 30 June 2022

10 Property, plant and equipment

	2022	2021
	\$	\$
Furniture, fixtures and fittings		
At cost	30,279	27,890
Accumulated depreciation	(22,948)	(21,437)
Total furniture, fixtures and fittings	7,331	6,453
Computer equipment		
At cost	18,842	25,489
Accumulated depreciation	(10,755)	(14,835)
Total computer equipment	8,087	10,654
Computer software		
At cost	22,663	22,663
Accumulated depreciation	(11,762)	(4,495)
Total computer software	10,901	18,168
Total property, plant and equipment	26,319	35,275

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Furniture and Fittings	Computer Equipment	Moodle	Total
	\$	\$	\$	\$
Year ended 30 June 2022				
Balance at the beginning of year	6,453	10,654	18,168	35,275
Additions	2,389	4,320	-	6,709
Disposals	-	(823)	-	(823)
Depreciation expense	(1,511)	(6,064)	(7,267)	(14,842)
Balance at the end of the year	7,331	8,087	10,901	26,319

Notes to the Financial Statements
For the Year Ended 30 June 2022

11 Leases

Right-of-use assets

	Buildings	Total
	\$	\$
Year ended 30 June 2022		
Balance at beginning of year	77,021	77,021
Amortisation charge	(44,591)	(44,591)
Balance at end of year	32,430	32,430

	Buildings	Total
	\$	\$
Year ended 30 June 2021		
Additions to right-of-use assets	97,290	97,290
Amortisation charge	(50,904)	(50,904)
Balance at beginning of year	30,635	30,635
Balance at end of year	77,021	77,021

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$	\$
2022					
Lease liabilities	35,000	-	-	35,000	34,141
2021					
Lease liabilities	50,833	35,000	-	85,833	78,047

Extension options

The Company leases a building for their corporate office, the lease is 2 years and includes a renewal option to allow the Company to renew for an additional term. The rental is subject to a fixed increase of \$2,500 on its second year.

Notes to the Financial Statements
For the Year Ended 30 June 2022

12 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	78,372	56,848
GST payable	56,028	35,627
Employee benefits	75,388	42,745
	<u>209,788</u>	<u>135,220</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Other Financial Liabilities

CURRENT		
Membership and partnership revenue received in advance	276,736	351,551
Other revenue received in advance	272,452	111,804
	<u>549,188</u>	<u>463,355</u>

14 Employee Benefits

Current liabilities		
Long service leave	51,068	37,957
Annual leave	88,687	73,468
	<u>139,755</u>	<u>111,425</u>
Non-current liabilities		
Long service leave	18,909	13,768
	<u>18,909</u>	<u>13,768</u>

15 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstandings and obligations of the Company. At 30 June 2022 the number of members was 4,123 (2021: 3,920).

Notes to the Financial Statements

For the Year Ended 30 June 2022

16 Key Management Personnel Remuneration

Any person(s) having authority or responsibility for planning and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of that entity is considered key management personnel (KMP). The total remuneration paid to key management personnel of the Company is \$ 219,317 (2021: \$ 240,773).

17 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2022 (30 June 2021:None).

18 Related Parties

In the 2020/2021 financial year, the Company had related party transactions with Work Cover Qld & Kitney OHS to which Jo Kitney was the Chair of the AIHS Certification committee and is also a Director of Kitney OHS.

The body of work undertaken was based on establishing programs for Qld employers insured through WCQ and registration criteria/standards for OHS consultants and other related matters. Under this body of work, the Company was the primary contractor and received \$45,625 for the project, of which \$40,805 was paid to Kitney OHS for the consultancy work undertaken in accordance with the WCQ agreement.

The project was completed in the 2020/2021 financial year and there are no transactions with a related party in the 2021/2022 financial year.

19 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of (Deficit) / Surplus for the year to net cash provided by operating activities:

	2022	2021
	\$	\$
(Deficit) / surplus for the year	(89,140)	(9,594)
Non-cash flows in (deficit) / surplus:		
- depreciation and amortisation	63,537	62,720
- net loss on disposal of property, plant and equipment	823	-
- interest expense	3,032	2,119
Changes in assets and liabilities:		
- (increase) / decrease in trade and other receivables	(233,389)	11,173
- (increase) / decrease in other assets	(22,527)	(16,272)
- (increase) / decrease in financial assets	-	(3,375)
- increase / (decrease) in trade and other payables	74,568	3,870
- (increase) / decrease in other liabilities	85,833	4,029
- increase / (decrease) in provisions	33,471	26,558
Net cash (used in) / provided by operating activities	<u>(83,792)</u>	<u>81,228</u>

Notes to the Financial Statements

For the Year Ended 30 June 2022

20 Financial Risk Management

The Company's financial instruments consists mainly of deposits with banks, short-term deposits and accounts receivable and payable. The totals for each category of financial instrument, measures in accordance with AASB 9 as detailed in the accounting policies to these financial statements are as follows:

	Note	2022 \$	2021 \$
Financial assets			
Cash and cash equivalents	6	510,109	753,132
Trade and other receivables	7	252,851	19,461
Other financial assets	8	820,965	719,486
Total financial assets		1,583,925	1,492,079
Financial liabilities			
Trade and other payables	12	209,788	135,221
Lease liabilities	11	-	78,047
Total financial liabilities		209,788	213,268

21 Events after the end of the Reporting Period

The financial report was authorised for issue on 18 August 2022 by those charged with governance.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

22 Statutory Information

The registered office and principal place of business of the company is:

Unit 2, 217-219 Mickleham Road
GLADSTONE PARK VIC 3043

Safety Institute of Australia Ltd t/a Australian Institute of Health and Safety

Directors' Declaration

In accordance with a resolution by the Directors of Safety Institute of Australia Ltd t/a Australian Institute of Health and Safety, the directors of the Company declare that:

1. The financial statements and notes, as set out on pages 11 to 28, are in accordance with the *Australian Charities and Not-for-Profit Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-Profit Commission Act 2012*.



Director
Naomi Kemp - Chair



Director
Cameron Montgomery - Deputy Chair

Dated this 18th day of August 2022.

Independent Auditor's Report To the Members of Safety Institute of Australia Limited t/a Australian Institute of Health and Safety

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Safety Institute of Australia Limited t/a Australian Institute of Health and Safety (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Safety Institute of Australia Limited t/a Australian Institute of Health and Safety is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

**Independent Auditor's Report
To the Members of Safety Institute of Australia Limited t/a Australian
Institute of Health and Safety**

Report on the Audit of the Financial Report

Auditor's responsibility for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia

**Nexia Melbourne Audit Pty Ltd
Melbourne**

A. Wehrens

**Andrew S. Wehrens
Director**

Dated this 18th day of August 2022