



Family Business  
Australia



Family Business  
New Zealand

2021

FAMILY BUSINESS AUSTRALIA AND NEW ZEALAND

ANNUAL  
REPORT

# Contents

About Us	04
Membership	05
History of FBANZ	06
A Year in Review	07
FBA Chairman's Report	8-9
FBNZ Chairman's Report	10-11
Chair of Finance, Audit & Risk Committee Report	12-13
CEO Report	14-16
Board of Directors	17-18
FBANZ Staff	19-20
Ambassadors	21-22
Awards Recipients	23-24
Brands of FBANZ	25
Future Plans	26
Partners	27
Financial Statements to follow	



“One of the biggest benefits I get out of FBA is talking to other family businesses - one member said to me so succinctly you just need to survive and then there are moments when you know this is all worth it and its pure joy!”

**Jennifer Elliott -  
Integrity and Values**

# About us

Family Business Australia and Family Business New Zealand (FBANZ) are the peak bodies for family businesses in Australia and New Zealand. FBANZ works strategically with all family business stakeholders to lead the delivery of unique and innovative services, creating professional pathways and connecting the family business community. FBANZ provides access to specialist family, business and technical services, generating opportunities for families in business to learn and grow by networking and sharing with their peers.

## Mission

FBANZ's mission is to support families in business to thrive and prosper through generations.

When family meets business there are both opportunities and challenges. The challenges can affect the wellbeing of individuals, families and businesses. FBANZ exists so that these families in business do not have to struggle alone. By working at the intersection of family and business, FBANZ supports both a healthy family and a successful business.

## Vision

Our vision is to be the leading associations that focus on maximising positive economic, social and environmental impact for family businesses.

Family Business Australia and Family Business New Zealand (FBANZ) serves over 2,900 family business members out of approximately 2.5 million family businesses. Hundreds of thousands of families in business may be facing the challenges of family and business alone. There is an opportunity for FBANZ to help many more families and we will continue to introduce new initiatives as we endeavour to support every family in business.

## Values

There's a certain understanding and trust that comes when working with a family business. When family works together and share their wins and achievements, it's not just a job, but they have the future of their family invested. This is often reflected in their business practices and how they relate to their clients and customers, which benefits from that investment and trust.

Membership with FBANZ ensures members are immersed in the family business community. We work in the space where family, business, and ownership all intersect. Our education programs and special events are designed to generate opportunities for families in business to learn and grow, by networking and sharing with their peers. We provide access to specialist family, business, and technical services.

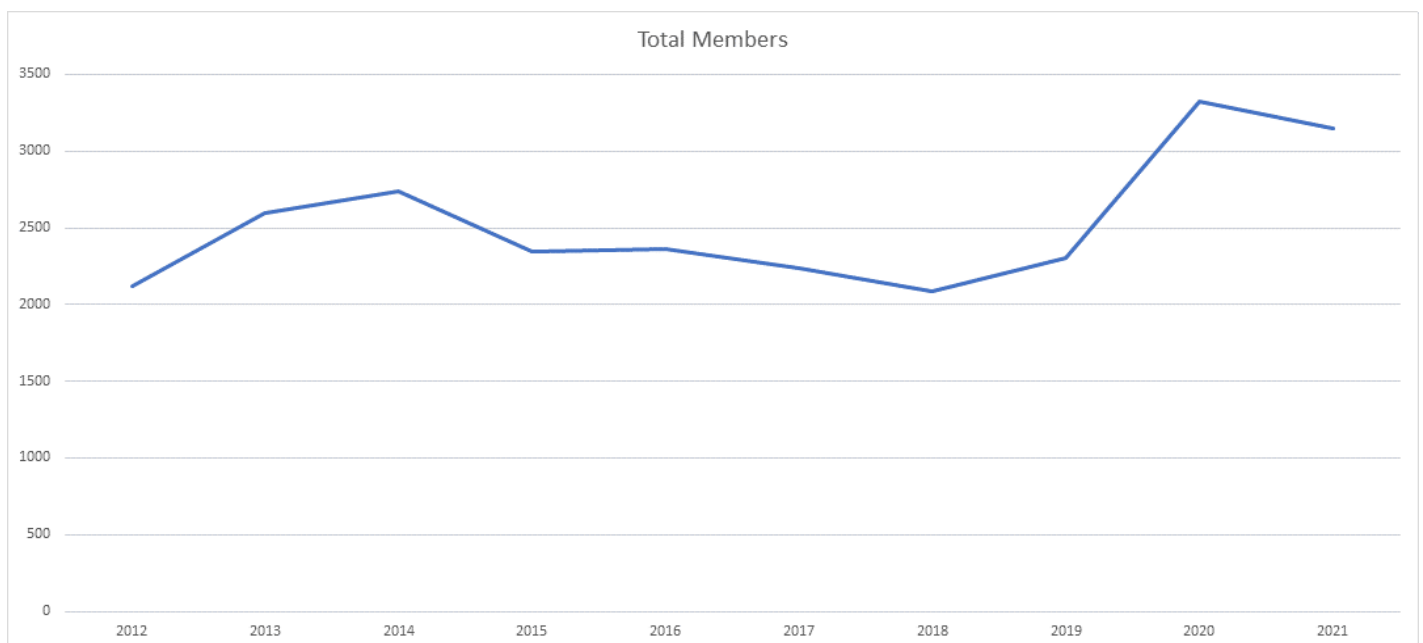
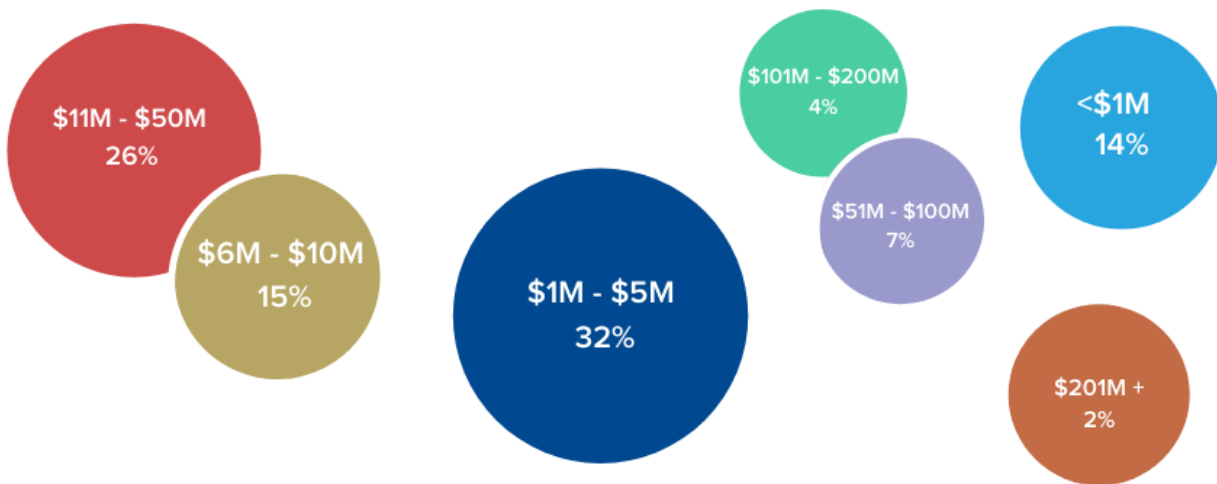


# Membership

FBANZ's membership is made up of family business owners and operators (88.79 percent) and professionals who advise family businesses (11.21 percent).

The following graphs provides a breakdown of FBANZ members by turnover and the increase year on year for membership.

## FBANZ MEMBERSHIP BY COMPANY TURNOVER



# History of FBANZ

*Our roots are what lays the foundation in successfully supporting families in business.*

Family Business Australia (FBA) was established as a national body in 1998, after a merger between Australian Family Business Network and Family Business Council.

From the very beginning, FBA was governed by directors who initially were appointed from other entities. When the constitution was adopted the system was implemented naming representatives from each chapter together with a few national appointees.

In 2020, FBA went through its most dramatic change in its 23 year history, with members voting in favour of a constitutional change that resulted in FBA moving away from its federated model and become a true national organisation.

State chapters and committees were dissolved and replaced with Regional Directors and Ambassadors to ensure that FBA thinks nationally but acts locally.

Over the past 23 years, FBA has launched a number of initiatives to support the family business sector including:

- Forum Group Program
- Women's Forum Program
- The Family Business Conference – Asia Pacific
- Family Business Awards Program
- Family Business Hall of Fame
- Advisor Accreditation Program
- Education courses that specifically address the challenges of family business
- National Family Business Day
- 'A family owned Australian business' and 'A family owned New Zealand business' emblems
- NxG Connect and Leaders Program

In 2019, Family Business New Zealand launched to support the growing family business sector in the country and forge connections between Australia and New Zealand.

Today, Family Business Australia and Family Business New Zealand has members in each respective country across a vast range of industries.



# YEAR IN REVIEW

## KEY HIGHLIGHTS INCLUDE

New partnership with Grant Thornton



After 99% of members voted for the change - a new constitution was introduced to think nationally, but act locally



Had the largest attendance in history for the Family Business Insights - State Conference



Launched our National Committees and Ambassadors cohort to increase promotion of FBA to the wider public

Launched the Business Barometer Survey, sponsored by Pronto Software



**373 NEW**  
members joined  
this year

Milestone engagement for  
National Family Business  
Day 2020  
#NFBD20 was used  
563 times!



# FBA Chairman's Report

*Thank you to our wonderful members. Our membership and Forum Group retention rates, again have been excellent for this year.*



**Having just read my report from last year, I am afraid to say that this report has some unfortunate similarities. We are still navigating our way through lockdowns and border closures as a result of COVID-19.**

But at least now, we have a vaccine and roadmap to follow with eased restrictions and more movement once we reach the goal of 70-80% of the Australian population vaccinated.

I highly recommend we all suggest to our staff, management and owners that we get vaccinated. We must get back to some normalcy.

Feedback from our members highlighted key focal issues as a result of COVID lockdowns, including mental health issues and economic survival. Please stay in touch with us or speak to one of our accredited advisors.

Talk openly at your Forum Group meetings, share your problems. You are not alone - we are all here to support each other. That is one of FBA's key strengths.

In the meantime, we timed our Family Business Insights - State Conferences perfectly.

They were very well attended as one of the first large in-person meetings of the year.

Our incredible staff managed to arrange a host of webinars, courses and other in-person family business events.

While we have had to postpone *The Family Business Conference – Asia Pacific* scheduled for November 2021, we look forward to seeing you there in March 2022.

We're thrilled that the full line-up of guest speakers have committed to the 2022 dates and we have a strong number of registrations already.

Our membership and Forum Group retention rates, again have been excellent for this year.





Our National Partners have all renewed their partnership agreements into FY22 and beyond and we look forward to partnering with many more in the future to provide our members with additional services and benefits.

Our expert Advisor cohort are maintaining and expanding their qualifications.

Our National Board has several new exciting and experienced members, ensuring it is a well-balanced Board in terms of gender diversity and age demographics.

National Committees have been established and the 2030 Strategy Outlook Document is being instituted.

We meet weekly with the COSBOA team and regularly with Mr Bruce Bilson, the new Ombudsman who replaced Kate Carnell and our Council of Wisdom committee is busy working on several positioning pieces.

Thank you to our dedicated and wonderful staff, still working from home, who have completed an enormous amount of work.

Thank you to all our members and partners for your support and participation. A special thanks to those companies displaying the 'A family owned Australian business' emblem. And a question to those who do not. Why not?

Thank you to our National Board and Regional Ambassadors.

Please stay safe, get vaccinated and I cannot wait to see you all again soon.

**Mark Kagan**  
**National Chairman**  
**Family Business Australia**

# FBNZ Chairman's Report

*Membership continues to build, finishing the year with 173 members, slightly above budget.*

*Our retention rate of 100% is very pleasing and speaks to the value we are providing to the family business community.*



**New Zealand enjoyed considerable periods of relative “normality” during the year, interrupted by a lockdown in Auckland in August 2020 with restrictions lingering for several weeks and a further short Auckland lockdown in February 2021. However, by the end of the 2021 financial year, a two-way travel bubble with Australia had opened.**

We were therefore delighted to once again be able to hold some face-to-face events, starting with our Reunion networking event at the wonderful Villa Maria Estate in October 2020.

Karen Fistonich and the team at Villa Maria were tremendous hosts and shared their family business story with us and, of course, some of their award-winning wines.

A few weeks later, the team at Cone Marshall generously hosted us for an End of Year Celebration, enthusiastically attended by our family business and advisor members. People I spoke to seemed relieved we could get together and were positive about the year ahead for their businesses.

The COVID-19 hiccup in February meant we couldn't get together again until March when our new National Gold Partner, Grant Thornton hosted us at their downtown Auckland offices right in the middle of the America's Cup.

There was a generally buoyant mood in the city, and attendees were in the mood to relax and have some fun, which they did.

In May, we had a huge turnout at St Pierre's International's brand new sushi train restaurant in Ponsonby, Auckland for a Meet the Owners event.

The Katsoulis family shared their inspiring intergenerational story, through war, international displacement, fire and business “pivots”.

The travel bubble with Australia saw us being able to hold our half-day conference at the Sofitel in Auckland in June with some guests from Australia being able to join around 60 of our members to hear some great insights from family businesses and advisors.

We also inducted our first family business into the Family Business Hall of Fame, the Hynds Group, started in 1973 by John and Leonie Hynds.



Today, a multi-generational led business specialising in the supply and manufacture of water and water-based waste solutions across Australia and New Zealand, employing more than 900 people.

Brad Scott from EWM Group (National Gold Partners) was able to come over from Australia to join us and the night before our conference, he very generously hosted a roundtable dinner for a small number of family businesses where Brad facilitated an intimate discussion about the challenges and opportunities for families in business.

This year also saw us go live with our first Forum Group, facilitated by Jo Clayton. This is a valuable programme and feedback from participants has been extremely positive. Demand for more Forum Group's is strong, and we are confident we will have more up and running before long.

Membership continues to build, finishing the year with 173 members, slightly above budget. Our retention rate of 100% is very pleasing and speaks to the value we are providing to the family business and advisor community.

I would like to thank Greg and his team in Australia for the ongoing support they are providing to ensure FBNZ is successful.

The online resources available to our members are building all the time and I would say have become the most comprehensive single source of insights and information for family businesses and family business advisors available in New Zealand today.

Our members have access to global best practices and feel part of an international community thanks to the seamless way we operate across borders, whether it's delivering online content or in-person programmes. Thank you to everyone who helps to make that happen.

Our Country Manager Nicole Oswell has driven the agenda in New Zealand and developed a family business and advisor community that now has real momentum.

With COVID-19 interruptions, this year required resilience and adaptability as Nicole had to reschedule and reposition a lot of activities, but this enabled us to move many of our course offerings online with FBNZ members partaking in a trans-Tasman online Family Business Governance and Directorship Course in June.

She continues to support and grow our membership whilst developing further offerings.

We have more challenging times ahead, I'm sure. Our members will continue to look to us to anticipate their needs and provide opportunities for them to learn, connect and have fun. In response, FBNZ already has a full calendar of online and in-person events planned for the next 12 months and beyond.

With the ongoing efforts of the FBANZ team and a little luck, I'm confident 2022 will see us cement our place as the peak body for family businesses and family business advisors in New Zealand.

Thank you to all the members and staff of FBANZ for your ongoing support and commitment.

**Iain Blakeley**  
**Chairman**  
**Family Business New Zealand**

# Chair of Finance, Audit and Risk Committee

*It is with great pride that I present my first report on behalf of the Finance, Audit & Risk Committee of Family Business Australia*



**Set against the backdrop of ongoing economic and social upheaval, FBA faced numerous issues in Financial Year 2021 (FY21), but despite those headwinds I'm proud to report that our business weathered a second year under pandemic conditions, posting a number of achievements along the way.**

FBA is an events-based business, so the cancellation of our national conference and a number of other annual events represented this year's most significant threat to our business, signifying a sizeable impact on our annual revenue.

At FBA we place relationships at the heart of everything we do and we treat our members and colleagues as family so, when the pandemic continued to disrupt Australian businesses, we took the decision to leave no one behind.

The fact that we achieved a member retention rate of over 83.28% is a significant achievement that speaks to the loyalty of our members, and I'm proud of the ongoing support we've been able to provide them.

Over the course of the financial year our membership team profoundly overhauled the way FBA works and serves its membership base, rolling out a revamped Advisor Membership model that better reflects our members' requirements of advisors.

We also continued to pursue the objectives set out in our Strategic Outlook 2020-2030, appointing a Chief Marketing Officer tasked with growing our membership base and revenue, and embarking on the implementation of a new CRM that will position us to serve 10,000 members by 2030.

I'm pleased to report that independent auditors RDL Accountants has confirmed that FBA's financial report 2020/21 provides a true and fair view of our business' financial position.

FBA recorded a Net Surplus of \$8,447 for the year, a decline on the \$106,882 surplus of FY2020. The resulting net profit of \$8,447 for the year was a satisfactory outcome for our organisation in light of the ongoing challenges of the past 12 months.

In our second year of consolidation, Family Business New Zealand (FBNZ) recorded a loss of \$26,676 which was a significant improvement on FBNZ's FY20 loss of \$77,455, and I am confident that, with restrictions beginning to lift there, we will be able to transform FBNZ's result into a small profit in 2022.



Our organisation's solid financial performance overall can be attributed to the exhaustive work of our executive team, who were meticulous about discretionary spending and innovative and agile in reorientating the business to meet the many challenges we faced.

My highest commendations to FBA CEO Greg Griffith, CFO Andrea Moody, and our executive team, whose tenacious leadership has helped to pivot and steady the course of FBA in the face of prolonged uncertainty.

FBA continues to grow, innovate and transform, and has again proven it has the responsiveness and flexibility to meet any challenges it encounters head on, guided by the north star that is our Strategic Outlook 2020-2030.

As we embark on the 2022 financial year, FBA remains laser-focused on its objectives, and confident that we have the structure and resources to achieve our goals.

A once-in-a-decade undertaking, FBA's restructure saw us disband our state chapters in favour of national board representation, creating a more streamlined, agile and accountable organisation. Board and management have worked together to design and embrace a structure resourced to withstand whatever challenges the organisation faces in the coming years.

FBA's financial results for FY20 are also worthy of note. The organisation recorded a Net Surplus of \$106,883 for the year. A significant improvement on the \$5,105 surplus of FY19 and the \$29,036 Net Deficit of FY18.

And, while our first full year of consolidation with Family Business New Zealand (FBNZ) resulted in a loss in New Zealand of \$77,455, our combined organisations reported a consolidated profit for the year of \$29,299, a remarkable result in a turbulent economic climate.

This solid financial performance is due to clinical management of expenses, discretionary expenditure cutting, partnership with major sponsors, and maintenance of our membership.

And, while we managed cost meticulously during FY20, FBA has continued to lay the foundations for our future, deploying a new CRM system and website.

My thanks to FBA CEO Greg Griffith, for his unfaltering leadership during a time of enormous uncertainty, and to his team, and the FBA Board of Directors, for their support during my first year as Finance, Audit and Risk Committee Chairman.

Thank you to my predecessor, Graham Henderson, for his comprehensive hand-over, and to Andrea Moody, our new CFO, who has done exemplary work in revamping our accounts and keeping us informed of our financial position.

In a year of unprecedented change globally, FBA has undergone its own significant transformation, and I'm proud of the way that the board and the management have united through these unprecedented times, and established the structure, resources, agility and flexibility to meet future challenges head on.

FBA has emerged from FY20 in a position of strength, and we can be confident that we now have a structure, and the resources and flexibility, to achieve our goals.

**Ken Matthews**  
**Chair – Finance, Audit and Risk Committee**  
**Family Business Australia**

# CEO Report

*Our loyal and supportive members have allowed us to provide new and existing products and services to support you in extremely challenging times.*



**Who would have thought that I would be writing my report in lockdown for the second year in a row. However, like our members, Family Business Australia and Family Business New Zealand (FBANZ) is a resilient organisation, with loyal and supportive members that have allowed us to pivot our business and provide both new and existing products and services to support you and continue to drive as much value as possible in extremely challenging times.**

## THE YEAR THAT WAS

At the start of the financial year, FBANZ prepared for the worst, but also prepared the business for success. As a not-for-profit, member-based organisation, with a focus on face-to-face education and events and discretionary spend when it came to membership, one could easily see a very difficult financial year ahead.

The first positive sign was the percentage of members that renewed their membership with us – over 83%, which was a very pleasing sign of member loyalty, but more importantly gave the FBANZ team a shot in the arm to really look at our programs to ensure they met the future needs of our members.

The word ‘pivot’ became synonymous with COVID-19 as we dealt with lockdowns, density restrictions and border closures. FBA introduced a range of new initiatives and moved many of its traditional face-to-face programs to online platforms.

I want to make a special mention to our Forum Facilitators who were instrumental in moving a very traditional face-to-face program to an online model and even changed the structure of the program that supported over 280 individual forum members in a time of need.

They took the lead and were just fantastic, I’m sure I’m not alone in extending my thanks and gratitude for all that they did.

The Board of FBA also took the bold move to review and put forward to our members, the opportunity to vote on the biggest change to our operations since our inception.

The change was to see FBA become a truly National organisation, by moving away from State Chapters and State Committee’s with a view to offering members a value proposition that was consistent, yet allowed regional influence via a structure supported by National Committee’s and Brand Ambassadors.

Thank you to our Counsel of Wisdom who provide excellent feedback and came up with the motto; ‘think nationally, but act locally’. I’m pleased to say that 99% of members voted in favour of the change, which is a great endorsement of the National Board and the work that they are doing to guide this business forward.

The best evidence of success that the new structure was living up to its motto was the Family Business Insights – State Conferences that we ran in May 2021. With the support of the national committees and brand ambassadors, FBANZ was able to put in place the same event structure and pricing, yet allowed for regional influences and speakers that saw the largest number of attendees to these events in our history.



*The Family Business Conference – Asia Pacific* is our biggest event in our calendar and on the back of the conference in 2019 with a record number of 464 members attendance, our team is looking forward to rolling out an even bigger and better program in 2022.

FBANZ is now up to its 5th iteration of trying to run this fantastic event. Originally scheduled to run on the Gold Coast (RACV Royal Pines Resort) in September 2020, we pushed the conference back to November 2020 and then again to November 2021.

We tried to put in place a hybrid conference in Sydney in March 2021, but that had to be cancelled and recently we made the decision to push the conference back again from November 2021 to March 2022.

I will take this opportunity now to encourage all our members (if you haven't done so already) to make the decision to get vaccinated. It is the only way that we are going to get back to some form of a normal existence, so families and friends can reunite.

FBANZ now has its 2030 Strategic Outlook document to guide the business over the next 10 years. The outlook document was created after surveying over 120 family business owners and advisors about the challenges the sector faces and what role FBANZ plays to ensure our products and services are designed to meet the future needs of the family business sector.

Some key drivers will be around sustainability, supporting leading women in family business, next-gen, and peer to peer programs.

## **OPERATIONS**

FBA membership remained steady for the FY21. Whilst we planned for growth on the back of the 4.33% net increase in FY20, holding our membership was a reasonable outcome considering the COVID-19 year we just had.

FBANZ saw 372 new members join our Association (which was comparable to the year prior) and if we take into account our Association partnerships, our membership total pushed above 3,150.

Our Forum Group program continues to add value to 281 participants with a net growth of 9% achieved in the financial year. What is very pleasing to see that for the FY22 year, 93% of Forum participants have renewed their commitment to the program.

FBANZ also took the opportunity to review and then change our Advisor membership. Moving into FY22, only Accredited Advisors are able to hold membership within our organisation. For FBA, Advisors' reputations in this unique sector will be elevated as a result of this change, not only to family businesses but also to government and private enterprise.

There will be no other Advisors in ANZ with comparable qualification. Our aim is to enhance Advisors' employability with firms wanting to specialise in the family business sector, to create a tangible 'community' amongst the FBANZ Advisors and to improve the position of FBANZ as the peak body with credible, trusted Advisory Services that truly understand the complexity of family businesses and the specialised skills required to support them.

The new structure was also implemented to improve the authenticity of the FBANZ brand, once again highlighting the specialised needs of family businesses.

FBANZ welcome a new major sponsor in Grant Thornton. Members of the Grant Thornton team have been involved with FBA for many years, Robert Powell (NSW) and Mauri Mucciacciaro (WA) in particular, have been Accredited Advisor members for many years.

I was delighted that an Advisory Firm with the skills and knowledge to support our members made the decision at the height of COVID-19 to join with FBA for the next three years.

We are already seeing the birth of a wonderful partnership with the recently released Family Business Survey 2021. This is an outstanding document, and I would encourage all our members to review the key findings.

In conjunction with the National Board, FBA maintained its cost reduction strategy, however on the back of our 2030 Strategic Outlook document, we started investing for the future.

Not wanting to be 'the best kept secret' any longer, the FBANZ Board signed off on a major marketing program that saw Misha Horsnell (ex-marketing executive from the Grand Prix Corporation) join the team to drive a bold advertising campaign to let the family business sector know that we are here to support them.

In addition, Ruth Atkinson joined as our Membership Executive Officer to stream line our membership offering and ensure our inbound marketing campaigns deliver membership growth. Also, FBA added Regional Resources with Jade Taylor filling the WA position, Elizabeth Nguyen promoted to the Victorian Regional Position and Tim Smith appointed to the permanent position of Member Engagements Officer.

Time will tell if this investment into our future delivers our long-term growth target of 10,000 members by 2030.

In addition to the above, the Board also signed off on a new CRM system that will support our members and the organisation over the next 10 years.

This is an important acquisition for the business as we need IT capabilities & smarts to exceed our members expectations in how you engage with our products and services.

We hope in time we will be able to deliver a true B2B members platform and dramatically improve your buying experience. It is expected that this new experience will go live by March 2022.

FBA continues to represent the family business sector with representation on the ASIC Business Advisory Committee and the ATO Private Stewardship Group Secretariat. FBA's Advocacy Committee (Chaired by Jeff Ash) has been working closely with COSBOA to establish government relationships and enter into discussions to support the family business sector.

## ACKNOWLEDGEMENT

FBANZ works with a large number of stakeholders to whom we are indebted for their contribution and support.

I wish to acknowledge FBA Chairman Mark Kagan and his fellow board members, and FBANZ Chairman Iain Blakeley, for their dedication and willingness to provide clear advice and direction to management and staff. It is valued and appreciated.

To the Council of Wisdom, which is now chaired by Quin Scalzo AM, I thank you for the time and commitment you have given to FBA. Your guidance, views and recommendations are welcomed and very much appreciated.

To EWM Group led by Brad Scott, thank you for the value you are bringing to so many of our members. It was also wonderful that Brad extended with partnership with FBANZ for an additional three years at the start of FY22.

Thank you also to ANZ Private and Gallagher Insurance for their continued partnership with FBA, your contribution financially and your offerings to our members are very much appreciated. Like EWM Group, both organisations extended their partnership into FY22 and beyond, which is a wonderful testament to how FBA is working to drive that value proposition for the family business sector.

To my operational team, I thank you for your dedication and commitment to consistently delivering on our objectives and dealing with the many challenges placed before you along the way. Like last year, we threw the rule book out the door and worked cohesively to meet the demands of the business.

And of course, to you, our members, who are the backbone of FBANZ. What an amazing group of people you are. Your commitment to your family, your business and to FBANZ has been truly wonderful to see. You are the reason why FBANZ does what it does and I wish you every success in the year ahead.



**Greg Griffith**  
**Chief Executive Officer**  
**Family Business Australia and New Zealand**





# Board of Directors

Family Business Australia is a company limited by guarantee and is governed by a Board of Directors, comprising representatives from family business and higher education.



**Mark Kagan**  
Scarpa Imports

Mark brings with him a wealth of knowledge of the family business sector having been joint Managing Director of Kagan Logistics for a majority of his professional career. He has been a FBA member for over 20 years and is a long-term member of the VIC Forum Group Program.



**Iain Blakeley**  
Family Capital 100

Iain is a lawyer and enrolled as a Barrister and Solicitor of the High Courts of New Zealand and Fiji. He brings with him more than 25 years experience in New Zealand as a civil/commercial litigator, government lawyer, tax and business advisor.



**Jeff Ash**  
Filter Supplies

Jeff is a second generation filter specialist who manages Filter Supplies (WA). Founded by his parents Hugh and Rosemary in 1967, it has become the largest business of its type in Australia. Jeff has overseen a sustained period of growth and market repositioning of the business.



**Sara Pantaleo**  
La Porchetta

Sara left her corporate role at La Porchetta in February 2020. She is now focusing on her family business and consultancy Affari SP and community sector roles, including co-founding and chairing the Moira Kelly Creating Hope Foundation. Sara was the national Franchise Woman of the Year in 2010 and she was also a Victorian finalist in the 2012 Telstra Business Woman of the Year award.



**Brett Miller**

Miller Dental Group

Brett is the Group General Manager of the Miller Dental Group (MDG), a first generation healthcare group established in 2008 which has since grown to become the largest private dental group in Australia.



**Allan Colless**

Colless Young

Allan Colless is Managing Director of Colless Young, an Australian family business with an international logistics focus. Colless Young was built on integrity and family values and Allan brings these qualities to FBA, a long with a desire to help support other family businesses.



**Angus Kennard**

Kennards Hire

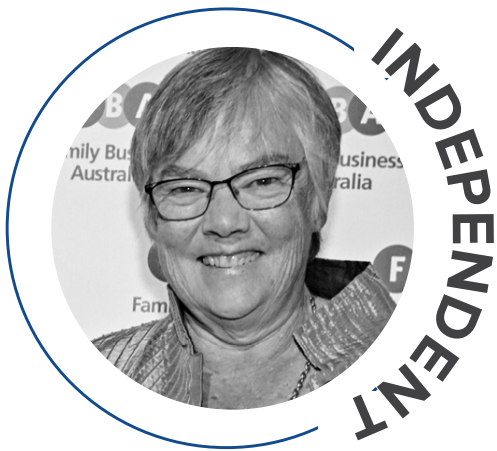
Angus Kennard over the last 24 years has been a key driver in the rapid growth and development of his 3rd generation family business, Kennards Hire. Angus has been in an FBA forum group for nearly 20 years and is a passionate supporter of families in business.



**Ken Matthews**

Matthews Steer

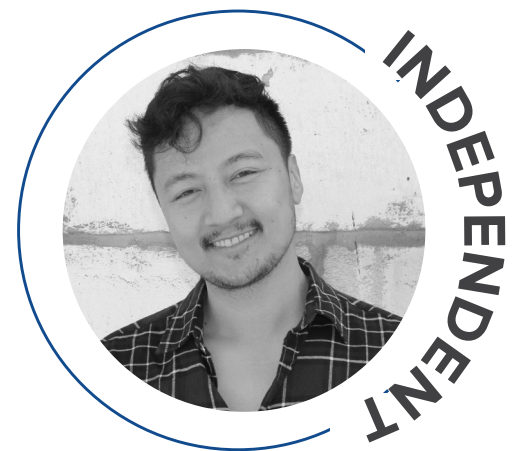
Ken is the founding Partner and Managing Director of Matthews Steer Accountants & Advisors. He has been an advocate & Specialist Accredited Advisor of FBA since 2012. Ken is a Board Member and chairs the Audit, Finance and Risk Committee.



**Dr Jill Thomas**

University of Adelaide Business School

Since retiring from her substantive role at the University of Adelaide Business School, Jill has been a Visiting Research Fellow there. Not only is she a board member, she is also a Fellow of the Family Firm Institute (FFI) and a member of the FBA SA advisory committee.



**Kym Huynh**

WeTeachMe

Kym is tasked with the establishment and management of the Family Office for his family; and his scope of responsibilities have taken him all over the world, meeting and learning from multi-generational families so that he can bring home best practices.

# FBANZ Staff

FBANZ is supported through a full team comprising of National Office team members and Regional representatives. Each team member is specialised in their field and has in-depth knowledge about the family business sector.



**Greg Griffith**  
Chief Executive Officer



**Andrea Moody**  
Chief Finance and  
Operations Officer



**Ruth Atkinson**  
Chief Membership Officer



**Misha Horsnell**  
Chief Marketing Officer



**Danielle Ricato**  
Events and Partnership  
Manager



**Lou Hill**  
Marketing Manager



**Anne-Marie McNally**  
Education Manager



**Diana Thoeny**  
Senior Programs Officer



**Nicole Oswell**  
FBNZ Country Manager



**Elizabeth Nguyen**  
VIC/TAS Regional Officer



**Kristy Ellis**  
QLD/NSW Regional  
Officer



**Jade Taylor**  
WA Regional Officer

# FBANZ Staff cont.



**Melinda Lyons**  
Marketing Coordinator



**Tim Smith**  
Membership  
Engagement Officer



**Tom McKernan**  
Membership Coordinator



**Emily Spalding**  
Forum Group Coordinator



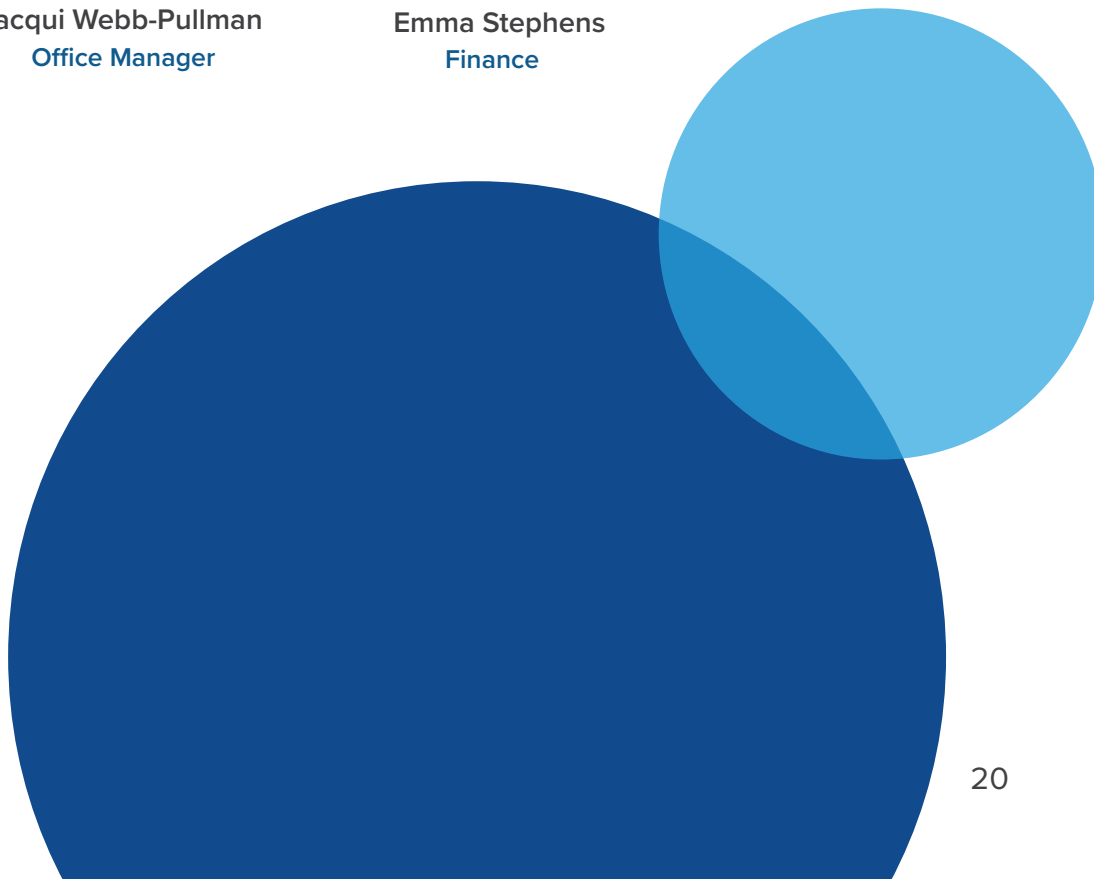
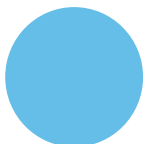
**Sarah Heft**  
Education Coordinator



**Jacqui Webb-Pullman**  
Office Manager



**Emma Stephens**  
Finance



# Family Business Ambassadors

## Thinking Nationally, Acting Locally

Family Business Ambassadors play a vital role in supporting and shaping the future of family business in Australia and New Zealand. As longstanding supporters of FBANZ, Ambassadors represent, promote and advocate on behalf of the family business community to build a stronger, viable and purpose-driven sector.



**Donella Caspersz**  
University of Western  
Australia



**Stella Gianotto**  
The Brands for Brands  
Agency



**Danielle Robertson**  
DIAL-AN-ANGEL



**Mimmo Lubrano**  
Sandhurst Fine Foods



**Daniel Prypchan**  
Next Gen CFO



**Erin Hilsdon**  
Munro Group HR  
Managemnt



**Robert Powell**  
Grant Thornton Australia



**Mary Barrett**  
Academic BA (Hons),  
MBA, PhD



**Grant Menzies**  
Adina Watches



**Jack Green**  
Green Rv



**Naomi Birdthistle**  
Griffith University



**Blake Davies**  
Self Storage Australia



**Zoe Detmold**  
Detmold Group



**Mary Mercuri**  
Ennio International



**Cheri Brunt**  
Bell & Brunt



**Penni-Anne Donato**  
Allin Towbars

# Family Business Ambassadors



**Ken Hall**  
Ken Hall Plumbers



**Lowen Partridge**  
Peartree Brand Strategy



**Evelyn Pollard**  
Evelyn Pollard Consulting



**Chris Graves**  
The University of  
Adelaide



**Lea Boyce**  
BOYCE Family Office



**Lydia Dales**  
Access Solutions



**Matt Nichol**  
Matthews Australasia



**Justin McCartney**  
PKF



**Elizabeth Guerra-stolfa**  
Rigby Cooke Lawyers



**Rona Biernat**  
Freedom Pools and Spas



**Mauri Mucciacciaro**  
Grant Thornton Australia



**John Broons**  
John Broons Advisory



**Steve Samson**  
RC Saddleirs Pty Ltd



**Megan Bagworth**  
Academic Group



**Maryanne Harris**  
tappON

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## Life Members

Jill Thomas, SA

David Smorgon, Generation Investments Pty Ltd, VIC

Ray Mitchell, Mitchell Holdings, SA

Pat Finnimore, QLD

Ken Roche, Roche Holdings Pty Ltd, VIC

Des Tobin, Killaghy Publishing, VIC

Ken Moores, Moores Family Enterprise, QLD

Steve Samson, Bustle Supply Pty Ltd, WA

Mac Hay, Hannomar Pty Ltd, VIC

Janice Taylor, Taylor Bros. Holdings Pty Ltd, TAS

Chris Johnston, Chris Johnston Pty Ltd, SA

Alister Haigh, Haighs Pty Ltd, SA

Andy Kennard, Keneco Property Pty Ltd, NSW

## Chairman's Awards

### 2019

Angela Ciliberto, C-Direct, VIC

Graham Henderson, Mitchell Laminates, VIC

John McLean, Bundaberg Brewed Drinks, QLD

Bill Noye, KPMG, QLD

### 2018

Garry Beard, A.H. Beard, NSW

Lowen Partridge, Peartree Brand Strategy, SA

Andrew Mostyn, Craig Mostyn Group, WA

### 2017

Steve Samson, Bustle Supply Pty Ltd, WA

Mac Hay, Hannomar Pty Ltd, VIC

### 2012

David Green, Deloitte Private, NSW

Ray Michell, Michell Holdings, SA

Jill Thomas, Adelaide University, SA

### 2011

Janice Taylor, Taylor Bros. Holdings Pty Ltd, TAS

Chris Johnston, Chris Johnston Pty Ltd, SA

Ken Moores, Moores Family Enterprise, QLD

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# CONGRATULATIONS TO OUR 2020 INDUCTEES

## New South Wales and Australia Capital Territory

DEM Fire & Essential Services Group

## Queensland

Sci-Fleet Motors

## South Australia and Northern Territory

Gerard McCabe Jewellers

## Victoria

Florida Cheese

## Western Australia

Golden Ravioli

## New Zealand

Hynds Holdings



DEM Fire



Sci-Fleet Motors



Hynds Holdings



Gerard McCabe Jewellers



Florida Cheese



Golden Ravioli

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# BRANDS OF FBANZ

Family Business Australia and New Zealand prides itself on the large suite of products and services offered to its membership. Each service offering taps into the unique advantages families have in business and are carefully curated to help family businesses transform and thrive across multiple generations.



# Future Plan

**FBANZ is dedicated to continuously creating added value for its members. Some short term objectives for the year ahead include:**

- Raise FBANZ's brand profile and build awareness in the family business community. FBANZ will develop a strong brand underpinned by a clear value proposition and promise to prospective members.
- Partner with like-minded organisations to widen FBANZ's brand awareness and expand opportunities to attract new members.
- Seek to partner with 3<sup>rd</sup> party education providers to further enhance its education portfolio.
- Provide sustainability pathways for families in business.
- Identify and satisfy the learning needs of the NxG by exploring exchange and internship programs.
- Expand FBA's peer group programs with the use of technology to make our offerings more accessible to family businesses which operate outside the capital cities of Australia.
- Strengthen FBANZ's advisor network to offer families in business effective solutions to their challenges.
- Provide family business members with experiences that cannot be found elsewhere.



# Special Thanks to Our Partners

National Gold Partners  
(FBA & FBNZ)



National Gold Partner  
(FBA)



National Gold Partner  
(FBNZ)



National Silver Partner  
(FBNZ)



National Technology  
Partner



National Banking  
Partner



Preferred Partner



Associate Members



NSW Partner



QLD Partner



SA Partner



VIC Partners



WA Gold Partner



WA Silver Partner



WA Bronze Partner



Academic Partner



National Media  
Partner



National Education  
Partner



A: AUS OFFICE  
Suite 3, Level 5  
24 Albert Road  
South Mebourne  
VIC 3205

NZ OFFICE  
PO Box 818  
Nelson  
New Zealand  
7040

P: AUS Free Call: 1800 249 357  
NZ Free Call: 0800 249 357

W: [www.familybusiness.org.au](http://www.familybusiness.org.au)  
[www.familybusiness.org.nz](http://www.familybusiness.org.nz)

E: [info@familybusiness.org.au](mailto:info@familybusiness.org.au)  
[info@familybusiness.org.nz](mailto:info@familybusiness.org.nz)

2021

FAMILY BUSINESS AUSTRALIA AND NEW ZEALAND

# ANNUAL REPORT

# **Family Business Australia Limited**

ABN 61 083 076 000

## **Financial Statements**

For the Year Ended 30 June 2021

# Family Business Australia Limited

ABN 61 083 076 000

## Contents

For the Year Ended 30 June 2021

	Page
<b>Financial Statements</b>	
Directors' Report	1
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	27
Auditor's Independence Declaration	28
Independent Audit Report	29

# Family Business Australia Limited

ABN 61 083 076 000

## Directors' Report

30 June 2021

The directors present their report, together with the financial statements of the Group, being the Company and its controlled entities, for the financial year ended 30 June 2021.

### 1. General information

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

#### **M Kagan**

Experience

Director of Scarpa Imports Pty Ltd

Responsibilities

Non-Executive Director

#### **J Thomas**

Experience

Visiting Research Fellow University of Adelaide Business School

Responsibilities

Non-Executive Director

#### **R Pantaleo**

Experience

Director La Porchetta Pty Ltd, Director Moria Kelly Creating Hope Foundation, Non-Executive Director Franchise Council of Australia Ltd, Board member Global Gardens of Peace

Responsibilities

Non-Executive Director

#### **D Robertson**

Experience

Director of Danielle Robertson Consulting Pty Ltd t/as DR Care Solutions

Responsibilities

Non-Executive Director

#### **L Boyce**

Experience

Boyce Family Office Pty Ltd, Boyce & Boyce Chartered Accountants Pty Ltd, Digital Lynchpin Pty Ltd

Responsibilities

Alternate Non-Executive Director to Sara Pantaleo

#### **M Mercuri**

Experience

Company Secretary of Ennio International

Responsibilities

Non-Executive Director

#### **Z Detmold**

Experience

Director of Detmold Group

Responsibilities

Alternate Non-Executive Director to Mary Mercuri

#### **J Ash**

Experience

Director Filter Supplies (W.A) Pty Ltd

Responsibilities

Non-Executive Director

#### **K Matthews**

Experience

Matthews Steer Pty Ltd

Responsibilities

Non-Executive Director

# Family Business Australia Limited

ABN 61 083 076 000

## Directors' Report

30 June 2021

### 1. General information

#### Information on directors

#### A Colless (Appointed on 9 Jun 2020)

Experience

Director Colless Young Pty Ltd

Responsibilities

Non-Executive Director

#### B Miller (Appointed on 23 Feb 2021)

Experience

Director Miller Dental Group Pty Ltd, Director ATi Implants Pty Ltd, Director Kangaroo Island Business & Brand Alliance, Director Australian Dental Foundation Inc

Responsibilities

Non-Executive Director

#### K Huynh (Appointed on 23 Feb 2021)

Experience

Director WeTeachMe Pty Ltd

Responsibilities

Non-Executive Director

#### A Kennard (Appointed on 26 May 2021)

Experience

Director Famiglia Pty Ltd, Director Build AI Pty Ltd, Director BAI Consortium Pty Ltd, Director Ginboat Enterprises Pty Ltd, Director Inauro Pty Ltd

Responsibilities

Non-Executive Director

During the financial year, 4 meetings of directors (plus committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit Committee		Education Committee		Advocacy Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
M Kagan	4	4	4	4	-	-	3	3
J Thomas	4	4	-	-	4	4	-	-
R Pantaleo	4	4	-	-	-	-	-	-
D Robertson	4	4	-	-	-	-	-	-
L Boyce	-	-	-	-	-	-	-	-
M Mercuri	2	2	-	-	-	-	-	-
Z Detmold	-	-	-	-	-	-	-	-
J Ash	4	4	-	-	-	-	3	3
K Matthews	4	4	4	4	-	-	-	-
A Colless	3	4	-	-	-	-	-	-
B Miller	2	2	-	-	-	-	-	-
K Huynh	2	2	-	-	-	-	-	-
A Kennard	2	2	-	-	-	-	-	-



# Family Business Australia Limited

ABN 61 083 076 000

## Directors' Report

30 June 2021

### 1. General information

#### Principal activities

The principal activities of the Group during the financial year were to provide business services to family owned business members and our FBA professional advisors through education, networking events, advocacy, forums and conferences.

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

#### Short term objectives

The Group's short term objectives are to:

- Raise its brand profile and build awareness in the family business community. The Group will develop a strong brand underpinned by a clear value proposition and promise to prospective members.
- Partner with like-minded organisations to widen its brand awareness and expand opportunities to attract new members.
- Seek to partner with 3<sup>rd</sup> party education providers to further enhance its education portfolio.
- Provide sustainability pathways for families in business.
- Look to satisfy the learning needs of the NxG by exploring exchange and internship programs.
- Expand if peer group programs with the use of technology to make our offerings more accessible to Family Businesses which operate outside the capital cities of Australia.
- Aim to strengthening its advisor network to offer families in business effective solutions to their challenges.
- Provide family business members with experiences that cannot be found elsewhere.

#### Long term objectives

The Group's long term objectives are to:

- Be recognised as the peak body for families in business in Australia & New Zealand and recognition of the overall sector by the community, government and the media.
- Generate greater public awareness of Family Owned Australian & New Zealand Businesses and educate consumers on the importance of choosing Family Owned Australian & New Zealand Businesses products and services.
- Provide platforms that best drive member engagement, whilst providing FBA with a sustainable financial footprint.
- Provide a customer focused platform for easy engagement of Accredited Advisors.
- Members: 10,000 by 2030 with a retention rate maintained at around 87.5%.

**Family Business Australia Limited**

ABN 61 083 076 000

**Directors' Report**

**30 June 2021**

**1. General information**

**Members' guarantee**

Family Business Australia Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$2 for members that are corporations, subject to the provisions of the company's constitution.

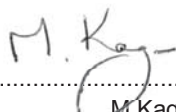
At 30 June 2021 the collective liability of members was \$4,530 (2020:\$4,546).

**Auditor's independence declaration**

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 28 of the financial report.

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

Director:  .....  
K Matthews

Director:  .....  
M Kagan

Dated this 13th day of September 2021

## Family Business Australia Limited

ABN 61 083 076 000

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	Consolidated		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
<b>Revenue</b>	4	<b>2,438,257</b>	3,012,347	<b>2,377,168</b>	2,982,235
Cost of functions and events		<b>(618,491)</b>	(1,100,629)	<b>(604,460)</b>	(1,092,696)
<b>Gross Surplus</b>		<b>1,819,766</b>	1,911,718	<b>1,772,708</b>	1,889,539
<b>Expenses</b>					
Accounting and audit		<b>(37,267)</b>	(13,730)	<b>(31,407)</b>	(13,730)
Bad debts		<b>(11,538)</b>	(7,649)	<b>(11,538)</b>	(7,649)
Consulting		<b>(150,548)</b>	(30,912)	<b>(150,548)</b>	(30,912)
Depreciation and amortisation expense		<b>(89,979)</b>	(95,631)	<b>(89,979)</b>	(95,631)
Education		<b>(11,798)</b>	(2,354)	<b>(7,837)</b>	(2,354)
Employee benefits expense		<b>(1,293,688)</b>	(1,367,475)	<b>(1,243,923)</b>	(1,287,950)
Finance costs		<b>(5,101)</b>	(12,895)	<b>(4,398)</b>	(7,910)
Marketing		<b>(47,567)</b>	(32,721)	<b>(47,115)</b>	(30,165)
Other expenses		<b>(102,298)</b>	(165,744)	<b>(97,701)</b>	(163,710)
Printing, postage and stationery		<b>(15,660)</b>	(23,399)	<b>(13,902)</b>	(21,405)
Rent		<b>(9,976)</b>	(8,250)	<b>(9,976)</b>	(8,250)
Telephone		<b>(21,849)</b>	(23,539)	<b>(20,620)</b>	(22,541)
Travel		<b>(38,885)</b>	(98,120)	<b>(35,317)</b>	(90,450)
		<b>(1,836,154)</b>	(1,882,419)	<b>(1,764,261)</b>	(1,782,657)
<b>Profit/(loss) before income tax</b>		<b>(16,388)</b>	29,299	<b>8,447</b>	106,882
Income tax expense		-	-	-	-
<b>Profit/(loss) for the year</b>		<b>(16,388)</b>	29,299	<b>8,447</b>	106,882
<b>Other comprehensive income, net of income tax</b>					
Exchange differences on translating foreign controlled entities		<b>(492)</b>	1,025	-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>(492)</b>	1,025	-	-
<b>Total comprehensive income for the year</b>		<b>(16,880)</b>	30,324	<b>8,447</b>	106,882
Profit/(loss) attributable to:					
Members of the parent entity		<b>(16,388)</b>	29,299	<b>8,447</b>	106,882

The accompanying notes form part of these financial statements.

# Family Business Australia Limited

ABN 61 083 076 000

## Statement of Financial Position As At 30 June 2021

	Note	Consolidated		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
<b>ASSETS</b>					
CURRENT ASSETS					
Cash and cash equivalents		1,524,742	872,026	1,488,114	868,038
Trade and other receivables	5	738,902	269,451	733,235	269,359
Financial assets		286,774	285,291	286,774	285,291
Loans and advances	6	-	-	50,000	25,000
<b>TOTAL CURRENT ASSETS</b>		<b>2,550,418</b>	<b>1,426,768</b>	<b>2,558,123</b>	<b>1,447,688</b>
NON-CURRENT ASSETS					
Investments in subsidiaries		-	-	10	10
Loans and advances	6	-	-	50,728	50,679
Property, plant and equipment	7	14,470	34,143	14,470	34,143
Right-of-use assets	8	26,239	89,213	26,239	89,213
<b>TOTAL NON-CURRENT ASSETS</b>		<b>40,709</b>	<b>123,356</b>	<b>91,447</b>	<b>174,045</b>
<b>TOTAL ASSETS</b>		<b>2,591,127</b>	<b>1,550,124</b>	<b>2,649,570</b>	<b>1,621,733</b>
<b>LIABILITIES</b>					
CURRENT LIABILITIES					
Trade and other payables	9	324,088	179,230	307,599	177,094
Lease liabilities	8	26,285	59,729	26,285	59,729
Employee benefits	10	77,895	56,692	77,895	56,692
Deferred income		1,819,935	872,487	1,781,491	858,183
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,248,203</b>	<b>1,168,138</b>	<b>2,193,270</b>	<b>1,151,698</b>
NON-CURRENT LIABILITIES					
Lease liabilities	8	-	26,285	-	26,285
Employee benefits	10	30,346	26,243	30,346	26,243
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>30,346</b>	<b>52,528</b>	<b>30,346</b>	<b>52,528</b>
<b>TOTAL LIABILITIES</b>		<b>2,278,549</b>	<b>1,220,666</b>	<b>2,223,616</b>	<b>1,204,226</b>
<b>NET ASSETS</b>		<b>312,578</b>	<b>329,458</b>	<b>425,954</b>	<b>417,507</b>
<b>EQUITY</b>					
Reserves	11	320	812	-	-
Retained earnings	12	312,258	328,646	425,954	417,507
<b>TOTAL EQUITY</b>		<b>312,578</b>	<b>329,458</b>	<b>425,954</b>	<b>417,507</b>

The accompanying notes form part of these financial statements.

## Family Business Australia Limited

ABN 61 083 076 000

### Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Retained Earnings	Consolidated Foreign Currency Translation Reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>328,646</b>	<b>812</b>	<b>329,458</b>
Profit/(loss) attributable to members of the parent entity	(16,388)	-	(16,388)
<b>Transactions with owners in their capacity as owners</b>			
Exchange differences on translating foreign controlled entities	-	(492)	(492)
<b>Balance at 30 June 2021</b>	<b>312,258</b>	<b>320</b>	<b>312,578</b>

2020

	Retained Earnings	Consolidated Foreign Currency Translation Reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2019</b>	<b>299,347</b>	<b>(213)</b>	<b>299,134</b>
Profit/(loss) attributable to members of the parent entity	29,299	-	29,299
<b>Transactions with owners in their capacity as owners</b>			
Exchange differences on translating foreign controlled entities	-	1,025	1,025
<b>Balance at 30 June 2020</b>	<b>328,646</b>	<b>812</b>	<b>329,458</b>

The accompanying notes form part of these financial statements.

## Family Business Australia Limited

ABN 61 083 076 000

### Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Parent	
	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2020</b>	<b>417,507</b>	<b>417,507</b>
Profit/(loss) attributable to members of the parent entity	8,447	8,447
<b>Transactions with owners in their capacity as owners</b>		
<b>Balance at 30 June 2021</b>	<b>425,954</b>	<b>425,954</b>

2020

	Parent	
	Retained Earnings	Total
	\$	\$
<b>Balance at 1 July 2019</b>	<b>310,625</b>	<b>310,625</b>
Profit/(loss) attributable to members of the parent entity	106,882	106,882
<b>Transactions with owners in their capacity as owners</b>		
<b>Balance at 30 June 2020</b>	<b>417,507</b>	<b>417,507</b>

The accompanying notes form part of these financial statements.

# Family Business Australia Limited

ABN 61 083 076 000

## Statement of Cash Flows For the Year Ended 30 June 2021

Note	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	3,239,844	3,066,714	3,147,307	3,016,026
Payments to suppliers and employees	(2,515,480)	(3,107,736)	(2,431,237)	(3,003,461)
Interest received	1,998	10,513	1,998	10,513
Interest paid	(2,716)	(8,048)	(2,013)	(3,063)
Interest paid on lease liabilities	(2,385)	(4,847)	(2,385)	(4,847)
Net cash provided by/(used in) operating activities	18 721,261	(43,404)	713,670	15,168
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Purchase of property, plant and equipment	(7,332)	(3,475)	(7,332)	(3,475)
Purchase of financial assets	(1,483)	-	(1,483)	-
Proceeds from sale of financial assets	-	212,312	-	212,312
Loans to subsidiary- payments made	-	-	(25,049)	(62,550)
Net cash provided by/(used in) investing activities	(8,815)	208,837	(33,864)	146,287
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Payment of lease liabilities	(59,730)	(66,174)	(59,730)	(66,174)
Net cash provided by/(used in) financing activities	(59,730)	(66,174)	(59,730)	(66,174)
Net increase/(decrease) in cash and cash equivalents held	652,716	99,259	620,076	95,281
Cash and cash equivalents at beginning of year	872,026	772,767	868,038	772,757
Cash and cash equivalents at end of financial year	1,524,742	872,026	1,488,114	868,038

The accompanying notes form part of these financial statements.

# Family Business Australia Limited

ABN 61 083 076 000

## Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Family Business Australia Limited (FBA) and its controlled entities ('the Group'). Family Business Australia Limited is a for-profit proprietary Company, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements comply with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board.

### 2 Summary of Significant Accounting Policies

#### (a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

#### *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

#### (b) Revenue and other income

##### (i) 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 Group 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



# Family Business Australia Limited

ABN 61 083 076 000

## Notes to the Financial Statements For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies

#### (b) Revenue and other income

##### (i) Revenue from contracts with customers

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 Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### (ii) Sponsorships, events and functions

Revenue is recognised on an accruals basis when it is probable that future economic benefits will flow to the Company.

For sponsorship revenue, this is recognised as the service is provided.

For events and functions, this is recognised when the event occurs.

Monies received in the current period which relate to the following period are recorded as deferred revenue and subsequently recognised as revenue in the period which they relate to.

##### (iii) Membership

Revenue earned for membership fees are recognised over the period of membership. Monies received in the current period which relate to the following period are recorded as deferred revenue and subsequently recognised as revenue in the period which they relate to.

#### (c) Income Tax

On 9th October 1998, Family Business Australia Limited received a private ruling from the Australia Taxation Office exempting it from both income tax and tax on any capital gains derived. The ruling applies to years of income from 30th June 1999 onwards. Accordingly no income tax expense/benefit is applicable for the current year.

#### (d) 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.

# Family Business Australia Limited

ABN 61 083 076 000

## Notes to the Financial Statements For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies

#### (e) 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.

#### (i) Plant and equipment

Plant and equipment are measured using the cost model.

#### (ii) Depreciation

Property, plant and equipment is depreciated on a straight-line and reducing balance basis over the assets useful life to the Group, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Fixed asset class	Estimated useful lives
Office Equipment	5-20 years
Computer Equipment	3 years
Leasehold improvements	4 years

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.

#### (f) Financial instruments

Financial instruments are recognised initially on the date that the Group 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 Group 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 2021**

#### **2 Summary of Significant Accounting Policies**

##### **(f) Financial instruments**

###### **Financial assets**

- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Group 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 Group'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.

###### *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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group 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 Group's historical experience and informed credit assessment and including forward looking information.

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

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2021**

#### **2 Summary of Significant Accounting Policies**

##### **(f) Financial instruments**

###### **Financial assets**

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

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

###### *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.

###### **Financial liabilities**

The Group 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 Group comprise trade payables and other payables.

##### **(g) 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.

##### **(h) Leases**

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

###### *Right-of-use asset*

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2021**

#### **2 Summary of Significant Accounting Policies**

##### **(h) Leases**

term. The lease term includes extension periods where the Group 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.

##### *Lease Liability*

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 Group'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 Group'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.

##### *Exceptions to lease accounting*

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

##### **(i) Employee benefits**

Provision is made for the Group'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.

##### **(j) Foreign currency transactions and balances**

###### **Transaction and balances**

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different

## Family Business Australia Limited

ABN 61 083 076 000

# Notes to the Financial Statements

## For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies

#### (j) Foreign currency transactions and balances

##### Transaction and balances

from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

#### (k) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group or refer to Note for details of the changes due to standards adopted.

#### (l) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Group has decided not to early adopt these Standards.

### 3 Critical Accounting Estimates and Judgments

The directors 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.

#### (a) Key estimates - impairment of property, plant and equipment

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

#### (b) Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

#### (c) Key estimates - employee benefits provision

As discussed in note 2(i), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 4 Revenue

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
- sponsorship	265,190	306,359	258,208	306,359
- membership fees	635,610	646,447	611,824	632,184
- function/events	1,163,903	1,877,546	1,139,035	1,868,362
- interest received	1,998	10,513	1,998	10,513
- government subsidies	371,556	171,482	366,103	164,817
	<b>2,438,257</b>	<b>3,012,347</b>	<b>2,377,168</b>	<b>2,982,235</b>

#### 5 Trade and Other Receivables

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
CURRENT				
Trade receivables	555,877	143,146	550,210	143,054
Provision for impairment	(5,119)	(4,275)	(5,119)	(4,275)
	<b>550,758</b>	<b>138,871</b>	<b>545,091</b>	<b>138,779</b>
Security deposit	12,024	12,542	12,024	12,542
Prepayments	176,120	118,038	176,120	118,038
<b>Total current trade and other receivables</b>	<b>738,902</b>	<b>269,451</b>	<b>733,235</b>	<b>269,359</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

#### Reconciliation of changes in the provision for impairment of receivables is as follows:

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Balance at beginning of the year	(4,275)	(4,275)	(4,275)	(4,275)
Movement through provision	(844)	-	(844)	-
<b>Balance at end of the year</b>	<b>(5,119)</b>	<b>(4,275)</b>	<b>(5,119)</b>	<b>(4,275)</b>

## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 6 Loans and Advances

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
CURRENT				
Loans to subsidiary	-	-	50,000	25,000
	-	-	50,000	25,000
	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
NON-CURRENT				
Loans to subsidiary	-	-	50,728	50,679
	-	-	50,728	50,679

The loan from parent was provided to fund the working capital and operational expenses of its subsidiary for three years. The loan is unsecured with interest equivalent to the interest earned by the Lender plus 2% on its cash deposits in respect of the relevant period. Annual repayments of \$25,000 per annum are to be made from July 2020 with the final payment of amount outstanding on 30 June 2022. However, the board agreed for a 12 month deferral of the loan payments.

#### 7 Property, plant and equipment

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Plant and equipment				
At cost	78,990	78,990	78,990	78,990
Accumulated depreciation	(77,236)	(64,603)	(77,236)	(64,603)
Total plant and equipment	1,754	14,387	1,754	14,387
Computer equipment and software				
At cost	315,049	307,716	315,049	307,716
Accumulated depreciation	(302,333)	(287,960)	(302,333)	(287,960)
Total computer equipment	12,716	19,756	12,716	19,756
Leasehold Improvements				
At cost	-	22,678	-	22,678
Accumulated amortisation	-	(22,678)	-	(22,678)
Total leasehold improvements	-	-	-	-
<b>Total property, plant and equipment</b>	<b>14,470</b>	<b>34,143</b>	<b>14,470</b>	<b>34,143</b>



## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 7 Property, plant and equipment

##### (a) Movements in carrying amounts of property, plant and equipment

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

	Plant and Equipment	Computer Equipment	Leasehold Improvements	Total
Parent	\$	\$	\$	\$
<b>Year ended 30 June 2021</b>				
Balance at the beginning of year	14,387	19,756	-	34,143
Additions	-	7,332	-	7,332
Depreciation expense	(12,633)	(14,372)	-	(27,005)
<b>Balance at the end of the year</b>	<b>1,754</b>	<b>12,716</b>	<b>-</b>	<b>14,470</b>
Parent	\$	\$	\$	\$
<b>Year ended 30 June 2020</b>				
Balance at the beginning of year	27,149	36,176	-	63,325
Additions	-	3,475	-	3,475
Depreciation expense	(12,762)	(19,895)	-	(32,657)
<b>Balance at the end of the year</b>	<b>14,387</b>	<b>19,756</b>	<b>-</b>	<b>34,143</b>
Consolidated	\$	\$	\$	\$
<b>Year ended 30 June 2021</b>				
Balance at the beginning of year	14,387	19,756	-	34,143
Additions	-	7,332	-	7,332
Depreciation expense	(12,633)	(14,372)	-	(27,005)
<b>Balance at the end of the year</b>	<b>1,754</b>	<b>12,716</b>	<b>-</b>	<b>14,470</b>
Consolidated	\$	\$	\$	\$
<b>Year ended 30 June 2020</b>				
Balance at the beginning of year	27,149	36,176	-	63,325
Additions	-	3,475	-	3,475
Depreciation expense	(12,762)	(19,895)	-	(32,657)
<b>Balance at the end of the year</b>	<b>14,387</b>	<b>19,756</b>	<b>-</b>	<b>34,143</b>

# Family Business Australia Limited

ABN 61 083 076 000

## Notes to the Financial Statements For the Year Ended 30 June 2021

### 8 Leases

#### The Group as a lessee

The Group has leases over a range of assets including land and buildings, and parking.

Information relating to the leases in place and associated balances and transactions are provided below.

#### *Terms and conditions of leases*

##### Buildings

The Group leases land and building for their corporate office and parking spaces with lease term of 5 years with an extension of 1 year ending on 30 November 2021. FBA has not entered into a new office lease as at 30 June 2021.

#### Right-of-use assets

	Buildings	Total
	\$	\$
<b>Parent</b>		
<b>Year ended 30 June 2021</b>		
Balance at beginning of year	89,213	89,213
Depreciation - buildings	(62,974)	(62,974)
<b>Balance at end of year</b>	<b>26,239</b>	<b>26,239</b>
	<b>Buildings</b>	<b>Total</b>
	\$	\$
<b>Year ended 30 June 2020</b>		
Balance at beginning of year	152,187	152,187
Depreciation charge	(62,974)	(62,974)
<b>Balance at end of year</b>	<b>89,213</b>	<b>89,213</b>
	<b>Buildings</b>	<b>Total</b>
	\$	\$
<b>Consolidated</b>		
<b>Year ended 30 June 2021</b>		
Balance at beginning of year	89,213	89,213
Depreciation charge	(62,974)	(62,974)
<b>Balance at end of year</b>	<b>26,239</b>	<b>26,239</b>
	<b>Buildings</b>	<b>Total</b>
	\$	\$
<b>Year ended 30 June 2020</b>		
Balance at beginning of year	152,187	152,187
Depreciation charge	(62,974)	(62,974)
<b>Balance at end of year</b>	<b>89,213</b>	<b>89,213</b>

## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 8 Leases

##### Lease liabilities

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

	<b>Consolidated</b>				
	<b>&lt; 1 year</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Total undiscounted lease liabilities</b>	<b>Lease liabilities included in this Statement Of Financial Position</b>
	\$	\$	\$	\$	\$
<b>2021</b>					
Lease liabilities	26,285	-	-	26,285	26,285
<b>2020</b>					
Lease liabilities	59,729	26,285	-	86,014	86,014

	<b>Parent</b>				
	<b>&lt; 1 year</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Total undiscounted lease liabilities</b>	<b>Lease liabilities included in this Statement Of Financial Position</b>
	\$	\$	\$	\$	\$
<b>2021</b>					
Lease liabilities	26,285	-	-	26,285	26,285
<b>2020</b>					
Lease liabilities	59,729	26,285	-	86,014	86,014

##### Extension options

The building lease contains extension options which allow the Company to extend the lease term for a further 5 year period. The company has taken up an extension for 1 year from 1 December 2020 to 30 November 2021.

##### Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Group is a lessee are shown below:

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	\$	\$	\$	\$
Interest expense on lease liabilities	(2,385)	(4,847)	(2,385)	(4,847)
Depreciation of right-of-use assets	(62,974)	(62,974)	(62,974)	(62,974)
	<b>(65,359)</b>	<b>(67,821)</b>	<b>(65,359)</b>	<b>(67,821)</b>

## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 8 Leases Statement of Cash Flows

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Total cash outflow for leases	59,730	66,173	59,730	66,173

#### 9 Trade and Other Payables

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
CURRENT				
Trade payables	42,406	59,376	42,296	59,376
GST payable	165,046	57,428	157,299	58,467
Other payables	56,762	23,357	50,643	20,182
Accruals	59,874	39,069	57,361	39,069
	<b>324,088</b>	179,230	<b>307,599</b>	177,094

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.

#### 10 Employee Benefits

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current liabilities				
Annual leave	77,895	56,692	77,895	56,692
	<b>77,895</b>	56,692	<b>77,895</b>	56,692
Non-current liabilities				
Long service leave	30,346	26,243	30,346	26,243
	<b>30,346</b>	26,243	<b>30,346</b>	26,243

# Family Business Australia Limited

ABN 61 083 076 000

## Notes to the Financial Statements For the Year Ended 30 June 2021

### 11 Reserves

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>Foreign currency translation reserve</b>				
Opening balance	812	(213)	-	-
Other movements	(492)	1,025	-	-
	<b>320</b>	<b>812</b>	<b>-</b>	<b>-</b>

#### (a) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income - foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

### 12 Retained Earnings

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Retained earnings (accumulated losses) at the beginning of the financial year	328,646	299,347	417,507	310,625
Net profit/(loss) for the year	(16,388)	29,299	8,447	106,882
<b>Retained earnings at end of the financial year</b>	<b>312,258</b>	<b>328,646</b>	<b>425,954</b>	<b>417,507</b>

### 13 Financial Risk Management

The Group is exposed to a variety of financial risks through its use of financial instruments.

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Group is exposed to are described below:

#### Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 13 Financial Risk Management

##### Financial instruments used

The principal categories of financial instrument used by the Group are:

- Trade receivables
- Cash at bank
- Trade and other payables
- Lease liabilities

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
<b>Financial assets</b>				
Held at amortised cost				
Cash and cash equivalents	1,524,742	872,026	1,488,114	868,038
Loans and advances	-	-	50,728	50,679
Trade and other receivables	738,902	269,452	733,234	269,360
Financial assets	<u>286,774</u>	<u>285,291</u>	<u>286,774</u>	<u>285,291</u>
<b>Total financial assets</b>	<u>2,550,418</u>	<u>1,426,769</u>	<u>2,558,850</u>	<u>1,473,368</u>
<b>Financial liabilities</b>				
Financial liabilities at amortised cost	<u>324,088</u>	<u>179,230</u>	<u>307,602</u>	<u>177,095</u>
<b>Total financial liabilities</b>	<u>324,088</u>	<u>179,230</u>	<u>307,602</u>	<u>177,095</u>

#### 14 Key Management Personnel Remuneration

Key management personnel remuneration (Chief Executive Officer, Chief Financial Officer, Products Manager, Marketing Manager, Membership Manager, Events Manager and State Managers) included within employee expenses for the year is shown below:

	2021	2020
	\$	\$
Aggregate compensation	<u>865,999</u>	<u>963,215</u>
	<u>865,999</u>	<u>963,215</u>

## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 15 Auditors' Remuneration

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Remuneration of the auditor [rdl.accountants] for:				
- auditing the financial statements	10,000	8,800	10,000	8,800
- assisting with financial statements	3,000	1,500	3,000	1,500
- general consulting	12,350	2,600	12,350	2,600
<b>Total</b>	<b>25,350</b>	<b>12,900</b>	<b>25,350</b>	<b>12,900</b>

#### 16 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020:None).

#### 17 Related Parties

##### (a) Key management personnel

Key management personnel - refer to Note 14.

##### (b) Transactions with related parties

Directors and key management personnel received reimbursement of expenses as incurred during the year.

##### (c) Receivable from and payable to related parties

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

##### (d) Loans to/from related parties

Inter-entity loan maintained at arms length - refer to Note 6. There are no other loans to/from related parties.

##### (e) Other related parties transactions

During the financial year Grant Thornton New Zealand paid sponsorship fees to Family Business New Zealand Limited and provided business advisory services for Family Business New Zealand Limited on arms length basis.

## Family Business Australia Limited

ABN 61 083 076 000

### Notes to the Financial Statements For the Year Ended 30 June 2021

#### 18 Cash Flow Information

##### (a) Reconciliation of result for the year to cashflows from operating activities

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Profit/(loss) for the year	(16,388)	29,299	8,447	106,882
Cash flows excluded from profit/(loss) attributable to operating activities				
Non-cash flows in profit:				
- foreign currency differences	(492)	1,025	-	-
- depreciation and amortisation	89,979	95,631	89,979	95,631
Changes in assets and liabilities:				
- (increase)/decrease in trade and other receivables	(469,451)	252,195	(463,876)	252,288
- increase/(decrease) in trade and other payables	144,859	(19,500)	130,502	(23,273)
- increase/(decrease) in other liabilities	947,448	(418,554)	923,312	(432,861)
- increase/(decrease) in provisions	25,306	16,500	25,306	16,500
Cash flows from operations	<u>721,261</u>	<u>(43,404)</u>	<u>713,670</u>	<u>15,167</u>

#### 19 Events Occurring After the Reporting Date

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

#### 20 COVID-19 Event

The COVID-19 pandemic has resulted in substantial measures instigated by Government in order to limit the spread of the virus. These measures have had a significant impact on the Australian economy, and are likely to do so for some time to come. At this stage, it is impossible to accurately estimate the financial effect that the COVID-19 virus and associated measures will have on the company. At the date of this report the company is forecasting a decrease in gross income, however appropriate cost control measures have been set by Board and senior management to offset this since the forecasting increases were not met. In addition, the company has received government support through the JobKeeper program and other federal and state government packages. The directors of the company consider that the company has sufficient financial resources to enable it to continue to operate for the coming year, and as a result, these financial statements have been prepared on a going concern basis.

#### 21 Statutory Information

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

Family Business Australia Limited  
Suite 3, Level 5  
24 Albert Road  
South Melbourne Vic 3205



# Family Business Australia Limited

ABN 61 083 076 000

## Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2021 are in accordance with the *Corporations Act 2001* and:
  - a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board; and
  - b. give a true and fair view of the financial position and performance of the Company and consolidated group;
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.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....  
  
K Matthews

Director .....  
  
M Kagan

Dated 13th September 2021

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF FAMILY BUSINESS AUSTRALIA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



Matthew Hung, CA  
rdl.accountants

13<sup>th</sup> September 2021  
Blackburn, Victoria

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAMILY BUSINESS AUSTRALIA LIMITED

**Report on the Financial Report***Opinion*

We have audited the accompanying financial report of Family Business Australia Limited (the company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the financial report of Family Business Australia Limited is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) 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* (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.

*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 in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the 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.

*Auditor's Responsibility*

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 *skepticism* 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 the directors.
- 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 the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in black ink, appearing to read 'Matthew Hung', with a stylized flourish at the end.

Matthew Hung, CA  
rdl.accountants

13<sup>th</sup> September 2021  
Blackburn, Victoria