



# DANTIA

Annual Report  
2023 - 2024

[dantia.com.au](https://dantia.com.au)



#### ACKNOWLEDGEMENT OF COUNTRY

We remember and respect the Ancestors who cared for and nurtured this Country. It is in their footsteps that we travel these lands and waters. We acknowledge the Awabakal people and Elders past, present and future. We affirm our commitment to working with the local Aboriginal Land Councils in Lake Mac.



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# CEO REPORT

## Driving Lake Macquarie's Growth and Innovation

I am pleased to provide this report outlining the key achievements of Dantia for the 2023/2024 financial year. Having commenced the year in an interim capacity, I was very pleased to be appointed by the Board to the permanent CEO of Dantia in September 2023. Since that time, I have been focussed on consolidating operations, building a solid and sustainable platform for the continued success of Dantia.

Dantia has a new and energetic team of high performing individuals who are passionate about working for the businesses and residents of Lake Macquarie. We have reimagined our vision and mission to align with the direction Dantia is seeking to progress. Our vision is to have Lake Macquarie considered Australia's most thriving regional city and we will do this by advancing Lake Macquarie's economy for new and existing businesses and residents by facilitating employment and economic growth through attracting investment, fostering innovation, advocating for infrastructure, and building Lake Macquarie's identity.



### We have maintained our strategic drivers of:

Identity, Investment, Infrastructure, and Innovation.

A key focus of Dantia this year was to revise our long-term strategic goals and objectives through an updated Economic Development Strategy. In addition, we have prepared a detailed 12-month operational plan for the upcoming financial year to assist in realising these goals and objectives.

“

Our vision is to have Lake Macquarie considered Australia's most thriving regional city.

”

### Among the 2023 – 2024 highlights are:

Prior to the 2022 federal election, Dantia advocated for the establishment of a mines grouting fund to assist development in Lake Macquarie. During the year the mines' grouting fund was announced, securing \$10 million.

During the year we hit the streets speaking with over 100 stakeholders in the business community to introduce Dantia and try and understand some of the challenges and opportunities they faced.

We continued work on Lake Mac Invest, our key project for the year. Lake Mac invest will provide a one stop shop for potential investors who are interested in Lake Macquarie. This portal has been based on research completed by both Dantia and the Institute of Regional Futures and we are looking forward to it going live later in 2024.

We successfully secured a full-time resource for the Circular Economy Living Lab who will be solely focused on the Circular Economy Living Lab. We also had some success for the CELL including collaborating with the University of Newcastle on the clean tech accelerator and State Government, University of Newcastle on a Circular Economy Accelerator.

We continue to establish Dantia's presence and influence across the business community. We held several leaders' forums to provide opportunities for business of Lake Macquarie to understand key challenges and opportunities like AI and how to get involved in the Belmont Desalination Plant Project. We will continue to provide these opportunities.

Along with the Dantia staff, the Dantia Board has been instrumental in this success, and I look forward next year.

A handwritten signature in black ink, appearing to read 'Tim Browne'.

Tim Browne  
CEO

# CHAIR REPORT

## Year in Review

The 2023/2024 financial year has been a great success for Dantia. Our Chief Executive Officer, who commenced the year on secondment has taken on the role permanently. Danita's Board of Directors have been actively engaged in their role and continue to make positive contributions to Dantia and the City of Lake Macquarie. The Board of Directors have a diverse range of skills in areas we consider pivotal for Lake Macquarie in the coming years including, planning and development, circular economy, governance, post mining land use, academia and manufacturing.

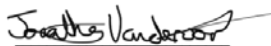
A key achievement of the year is the development and approval of Lake Macquarie's Economic Development Strategy (EDS). Under new leadership at the operational level and a highly engaged and energetic board we refreshed our Economic Development Strategy to better reflect where we wanted to drive economic growth over the long term. The Economic Development Strategy outlines our goals and objectives under our four pillars of Identity, Investment, Infrastructure and Innovation.

The Board and Danita staff have worked hard to build Dantia's reach and influence over the last 12 months. We have successfully hosted several leaders' forums, bringing together businesses to understand the key opportunities for jobs in our city. We continued our support for the Lake Macquarie business awards, which again demonstrated the depth and breadth of outstanding businesses located right here in Lake Macquarie.

“

The Board of Directors have a diverse range of skills in areas we consider pivotal for Lake Macquarie in the coming years.

”



Jonathan Vandervoort  
Chair



We have recently secured a full-time employee for a 12-month period whose focus is on the Circular Economy Living Lab (CELL), founded by Dantia, Lake Macquarie City Council and the University of Newcastle. We are excited about the upcoming year and gaining momentum for CELL.

I am looking forward to continuing to work with the Board and staff to deliver our goals and objectives, driving economic growth and jobs, and I am confident that Dantia's contribution to the city will be significant.

## AUDIT AND RISK REPORT

The Audit and Risk Committee has delegated authority from the Board to monitor the integrity of the financial reporting, endorse budget, oversee the auditing process, manage the risk framework, and ensure a robust risk assessment process is followed.

I would like to thank my fellow committee members for their contributions, insight and support. I also welcome Jonathan Milgate, who joined the committee in early 2024.

Building from our previous year where we determined our risk appetite statements and risk framework for the company which provides a robust process for highlighting and assessing risks that arise during normal business operations, we have now implemented several mitigation actions.

“

The completion and implementation of a full suite of contemporary policies is an important step to managing risk in the organisation.

”



During the year Dantia undertook a complete review of internal policies covering all manner of operational requirements. A thorough and detail process was undertaken, including engaging an independent expert to advise on our requirements.

A handwritten signature in black ink, appearing to read 'Annie Jiang'.

Annie Jiang  
Chair, Audit and Risk Committee



# REMUNERATION AND NOMINATIONS REPORT

The Remuneration and Nominations Committee supports the Board by offering independent and objective reviews, advice, and guidance on policies and activities related to the recruitment, selection, succession planning, training, performance evaluation, and remuneration of the Dantia Chair, Non-Executive Directors, and CEO.

The Dantia Remuneration and Nominations Committee plays a critical role in ensuring that the organisation's leadership remains strong and well-structured. By leveraging diverse perspectives and expertise, the committee upholds high standards of governance, ensuring that Dantia's leadership aligns with its strategic goals and values.

This year, Tim Browne was made the permanent CEO of Dantia. Tim came from Lake Macquarie City Council on secondment and due to excellent performance took the role of CEO. There has been a number of staff movements this year including the appointment of a Senior Business Development Manager and an executive Assistant who is currently building skills as a Business Development Manager. With these roles now resolved we are anticipating a period of stability.

“

The Dantia Board and CEO have an excellent working relationship and continue to achieve outstanding results.”



The Dantia Board remained in place for the year. The Dantia Board brings together a diverse range of skills and backgrounds in the areas Dantia see as being key for the future of Lake Macquarie. The Committee is excited about the next 12 months for Dantia to continue to deliver on our priorities for economic development.

We would like to especially acknowledge the hard work of all the staff at Dantia; the accomplishments of a small team are greatly appreciated, together with their willingness to step in and get any job done.

A handwritten signature in black ink, appearing to read 'Stephen Barr'.

Stephen Barr  
Chair, Remuneration and Nominations Committee

## FINANCIAL REPORT



# DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2024.

## DIRECTORS

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

### Name

Jonathan Vandervoort (Chair)

Annie Jiang (Deputy Chair)

Kay Fraser

Josh Jeffress

Morven Cameron

Stephen Barr

Wayne Lowe

Jonathan Milgate

Andrew Hutton

Zee Upton

## PRINCIPAL ACTIVITIES

The principal activities of the Company is commercial operations focused on advancing the sustainable economic prosperity of Lake Macquarie City through working with business, government, the community and other partners.

There were no other significant changes in the nature of the activities of the entity occurred during the year.

## SHORT TERM OBJECTIVES

The company's short term objectives are to continue positioning Lake Macquarie as a thriving regional city, attract new investment, and increase jobs and economic activity, through the delivery of actions outlined in the Operational Plan.

## LONG TERM OBJECTIVES

The company's long-term objectives include advancing and enhancing Lake Macquarie's economy to benefit both new and existing businesses and residents. This will be achieved by facilitating employment opportunities and facilitating economic growth through attracting investments, promoting innovation, advocating for infrastructure development, and solidifying Lake Macquarie's distinctive identity. By employing a proactive and decisive approach, Dantia engages in collaborative efforts with a diverse range of partners spanning government, business, and industry sectors. Dantia's long-term goals and objectives are outlined in the 2024-2032 Economic Development Strategy.

## STRATEGY FOR ACHIEVING THE OBJECTIVES

The Company has identified four strategic drivers that will drive the City's future local economy: Identity, Investment, Infrastructure and Innovation. Together these form the strategic platform from which the Company will seek to enhance and grow Lake Macquarie's economy.

## HOW PRINCIPAL ACTIVITIES ASSISTED IN ACHIEVING THE OBJECTIVES

The Company's principal activities assisted in advancing the economic growth of Lake Macquarie working with businesses, government, the community and other partners.

## PERFORMANCE MEASURES

The following measures are used within the Company to monitor performance:

Number of new investment leads;

Jobs created and pathways identified;

Market reach across the region and broader NSW;

Businesses assisted with project assessment and economic modelling;

The successful operation of Dashworks; and

The number of events and business profiles.

## MEMBERS GUARANTEE

The Lake Macquarie Economic Development Company Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of company, the amount capable of being called from each member and any person or association who ceased to be a member in the period prior to the winding up, is limited to \$10 for members subject to the provisions of the company's constitution.

As at 30 June 2024 the collective liability of members was \$10.

# DIRECTORS' REPORT

## INFORMATION ON DIRECTORS



**Name:** Jonathan Vandervoort

**Title:** Board Chair, Lake Macquarie Economic Development Company, Member, Audit & Risk Committee, Member Remuneration and Nominations Committee

**Experience and expertise:**

Jonathan has extensive business and leadership skills developed from over ten years in Executive and Director roles with major listed mining companies and export shipping terminals, and a further five years as a Group Executive with a Federal Government national rail infrastructure provider. Jonathan, as CEO, also coordinated the strategic establishment of a small innovative logistics supply chain entity which quickly became internationally recognised as the model of supply chain management.

For ten years Jonathan was a volunteer director of Business Hunter including two years as Board President/Chair. Jonathan is a keen boating enthusiast and has always called Lake Macquarie home. He competes regularly at our local amateur sailing clubs and is a volunteer boat crew member with Marine Rescue Lake Macquarie.



**Name:** Annie Jiang

**Title:** Board Deputy Chair, Lake Macquarie Economic Development Company, Chair Audit & Risk Committee

**Qualifications:**

Australian Institute of Company Directors graduate

**Experience and expertise:**

Annie is a systematic and strategic leader focused on the value and importance of every organisation's role in the transition to a circular economy and the benefits of long-term sustainability.

Annie has held executive roles in Australia and China with a focus in the information technology, international trade, and education sectors. With decades of experience behind her and feeling comfortable with her professional success Annie has sought to diverge her career path towards environmental, social and governance (ESG) related challenges and opportunities. Annie completed environmental studies and combined this with her entrepreneurial skills, giving rise to her start up Go Circular, a for-purpose organisation focusing on instilling circular economics values and ideals in the Hunter and across Australia. Her success has recently been recognised through becoming a finalist in two categories of the Hunter Business Awards including Outstanding Business Leader.

Annie brings to the Dantia Board a wealth of experience in international business, organisational growth, economic sustainability and a passion for the long-term success of the local region.

## DIRECTORS' REPORT



**Name:** Zee Upton

**Title:** Board Member, Lake Macquarie Economic Development Company

**Qualifications:**

Bachelor's Degree, Science (Biochemistry and Genetics) Graduating with Honours, Doctor of Philosophy (Ph.D.), Biochemistry

**Experience and expertise:**

Professor Zee Upton, a biochemist by training, is the Deputy Vice-Chancellor of Research & Innovation at the University of Newcastle and has extensive experience facilitating interdisciplinary technology programs focused on skin and tissue repair. Before joining the University in 2021, she was the Executive Director of the Skin Research Institute of Singapore and the (A\*STAR) Institute of Medical Biology in Singapore. She also spent 15 years at the Queensland University of Technology where she established the Wound Management Innovation Cooperative Research Centre and founded a start-up that listed on the Australian Stock Exchange. Professor Upton's work includes collaboration with industry and overseeing the development of many highly successful technology programs.



**Name:** Jonathan Milgate

**Title:** Board Member, Lake Macquarie Economic Development Company

**Qualifications:**

Information Services and System Engineering (University of Newcastle), Masters of Business Administration and also studied Design Thinking at the Massachusetts Institute of Technology (MIT)

**Experience and expertise:**

Jonathan is the Chief Technology Officer at Camplify. He has over a decade of experience in leadership roles in software and product development, working across a wide range of organisations in the area, from startups to billion-dollar multi-nationals. Scaling engineering teams with a focus on data analytics and the user experience.

Jonathan is a well known figure in the local tech scene, building and fostering a community of engaged technologists. He was a key member of the team that brought DevOps Days to Newcastle, the region's largest technology conference to date.



**Name:** Josh Jeffress

**Title:** Board Member, Lake Macquarie Economic Development Company

**Qualifications:**

Bachelor Industrial Design (with Hons), Mechanical Engineering (Trade)

**Experience and expertise:**

Josh is the Founder and Managing Director at Design Anthology, developing customer-focused, innovative, and commercially viable products for a wide range of industries. He has over 25 years' experience in both traditional and advanced manufacturing and over 15 years' experience as an industrial designer. He has received awards for design and innovation including Lake Macquarie Young Business Person of the Year Award, multiple Lake Macquarie Excellence in Innovation Awards, as well as several International Good Design awards.



**Name:** Mayor Kay Fraser

**Title:** Board Member, Lake Macquarie Economic Development Company

**Qualifications:**

Australian Institute of Company Directors

**Experience and expertise:**

Kay is the Mayor of Lake Macquarie City. She is an experienced director, manager, and community champion with extensive background in local government. She is a four-term elected local government representative who has served as Mayor of the City of Lake Macquarie since 2016. She also serves on the Board of The Place Charlestown.



## DIRECTORS' REPORT



**Name:** Morven Cameron

**Title:** Board Member, Lake Macquarie Economic Development Company Member, Remuneration and Nominations Committee

**Qualifications:**

Various qualifications in graduate and post graduate areas specialising in leadership.

**Experience and expertise:**

Morven is the Chief Executive Officer of the Lake Macquarie City Council. In 2019 Morven was awarded as the Hunter Business Person of the year and received the Minister's Awards for Women in Local Government.



**Name:** Stephen Barr

**Title:** Board Member, Lake Macquarie Economic Development Company Chair, Remuneration and Nominations Committee

**Qualifications:**

Bachelor of Surveying (Honours), Master of Planning, Master of Business, Registered Planner PIA

**Experience and expertise:**

Stephen has been involved in the development industry since 1992. He is the principal and founder of Barr Property and Planning providing advice on environmental, social, and economic impacts of development. He has previously worked as a surveyor and lead planner on various large scale greenfields residential projects, industrial developments.



**Name:** Wayne Lowe

**Title:** Board Member, Lake Macquarie Economic Development Company Member.

**Qualification:**

Bcom(Accounting) and Financial Planning

**Experience and expertise:**

Wayne has founded and managed a number of financial services companies and is now the Managing Director of FNZ Australia which is a part of the Global technology and wealth management firm the FNZ Group. Wayne has been a Director of the Lake Macquarie Foundation, Hunter Founders Forum and the Hunter Angels Trust, which were established to support local businesses and charitable causes in Lake Macquarie and the greater Hunter Region.



**Name:** Andrew Hutton

**Title:** Board Member - Lake Macquarie Economic Development Company, Member Audit & Risk Committee.

**Qualifications:**

Andrew holds formal qualifications in MNCG1002A - Risk Management & Facilitation.

**Experience and expertise:**

Andrew is the Managing Director and founder of Integrated Environmental Management Australia (IEMA) a specialist Environmental Management Advisory consultancy. Opening its doors in 2018, IEMA was the winner of the "Start Up Superstar" category at the 2019 Lake Macquarie Business Awards. Today IEMA has 30 staff and works across the mining, extractives, port, infrastructure, and agricultural sectors. Prior to starting IEMA, Andrew was a Technical Director with a global environment consultancy fulfilling roles as an Executive member of the Asia Pacific Regional Management Team (RMT) and the Asia Pacific Regional Sector Leader for Mining and Minerals.

Andrew is recognised as a leader in Mine Closure Planning with experience across a range of commodities preparing closure plans from concept plans through to detailed plan and execution.

# DIRECTORS' REPORT

## MEETINGS OF DIRECTORS

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Attended	Held
Jonathan Vandervoort (C)	5	6
Annie Jiang (VC)	4	6
Kay Fraser	5	6
Josh Jeffress	5	6
Morven Cameron	5	6
Stephen Barr	4	6
Wayne Lowe	4	6
Andrew Hutton	5	6
Zee Upton	6	6
Jonathan Milgate	6	6

**Held:** represents the number of meetings held during the time the director held office.

## DIVIDENDS

There were no dividends paid during the year or declared at year end.

## REVIEW OF OPERATIONS

The surplus for the year after income tax was \$25,657 (2023: deficit of \$65,075).

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the directors there are no significant developments or expected results of operations that have occurred or expected to occur subsequent to year end.

## INDEMNIFYING OFFICERS OR AUDITOR

During the year, the Company held a director's and officer's liability policy. The insurance policy provides cover for the directors named in this report, the company secretary, officers and former directors and officers of the Company. This policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an auditor or the company.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Jonathan Vandervoort  
Director - Chair

16 October 2024

# INDEPENDENT AUDITOR'S REPORT

## HEAD OFFICE

Suite 6, 6 Reliance Drive  
Tuggerah NSW 2259



## ALL CORRESPONDENCE

PO Box 3686  
Tuggerah NSW 2259

E: [audit@bcaudit.com.au](mailto:audit@bcaudit.com.au)

T: (02) 4314 8020

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAKE MACQUARIE ECONOMIC DEVELOPMENT COMPANY LIMITED

### Audit Opinion

We have audited the accompanying financial report of The Lake Macquarie Economic Development Company Limited ("the Company") which comprises the statement of financial position as at 30 June 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration.

In our opinion, the financial report of The Lake Macquarie Economic Development Company Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures (including the 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 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; and we have 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 of 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 – Simplified Disclosures to the extent described in Note 2 to the financial report, 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.



LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



Directors: Martin Le Marchant CA, Johan Van Der Westhuizen CA

Associate Directors: Cecille Capucio CA



# INDEPENDENT AUDITOR'S REPORT



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.

## **Information other than the financial report and auditor's report thereon**

The directors are responsible for the other information. The other information comprises the information included in the entities annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, 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 disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. 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.

# INDEPENDENT AUDITOR'S REPORT



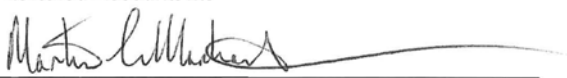
We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

**Name of Firm**

Bishop Collins Audit Pty Ltd  
Chartered Accountants

**Name of Registered Company Auditor**

  
Martin Le Marchant

**Auditor's Registration No.**

431227

**Address**

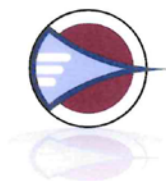
Suite 6, 6 Reliance Drive, Tuggerah, NSW 2259

**Dated**

16 October 2024

# AUDITOR'S INDEPENDENCE DECLARATION

**HEAD OFFICE**  
Suite 6, 6 Reliance Drive  
Tuggerah NSW 2259



**BISHOP COLLINS**  
**AUDIT PTY LTD**  
ABN: 98 159 109 305

**ALL CORRESPONDENCE**  
PO Box 3686  
Tuggerah NSW 2259  
**E:** audit@bcaudit.com.au  
**T:** (02) 4314 8020

## INDEPENDENT AUDITOR'S DECLARATION TO THE MEMBERS OF THE LAKE MACQUARIE ECONOMIC DEVELOPMENT COMPANY LIMITED


We hereby declare that to the best of our knowledge and belief during the year ended 30 June 2024, 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.

**Name of Firm**

Bishop Collins Audit Pty Ltd  
Chartered Accountants

**Name of Registered Company Auditor**

  
Martin Le Marchant

**Auditor's Registration No.**

431227

**Address**

Suite 6, 6 Reliance Drive, Tuggerah, NSW 2259

**Dated**

16 October 2024



LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



**Directors:** Martin Le Marchant CA, Johan Van Der Westhuizen CA

**Associate Directors:** Cecille Capucio CA



# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDING 30 JUNE 2024

	NOTE	2024 \$	2023 \$
<b>REVENUE</b>	4	858,960	1,095,028
Other income	5	426,121	1,515,606
Total revenue		<u>1,285,081</u>	<u>2,610,634</u>
<b>EXPENSES</b>			
Advertising and promotion expense		(40,173)	(56,465)
Auditor's remuneration	22	(15,000)	(20,000)
Consulting and professional fees		(92,949)	(85,521)
Employee benefits expense		(608,628)	(715,158)
Events Expense		(86,122)	(3,506)
Depreciation and amortisation expense	6	(191,981)	(358,229)
Insurance expense		(15,918)	(15,711)
Interest expense		(19,559)	(45,651)
Loss on disposal of assets		-	(70,174)
Lease rentals on operating lease expense		(7,789)	(26,861)
Legal fees		(4,746)	(18,193)
Occupancy expense		(43,503)	(108,194)
Repairs and maintenance expense		(5,825)	(3,665)
Subscription expense		(29,861)	(26,376)
Telephone and fax expense		(24,643)	(77,999)
Other expenses		(61,789)	(62,946)
Bad debt expense		-	(1,000,000)
Total expenses		<u>(1,248,486)</u>	<u>(2,694,649)</u>
<b>SURPLUS/(DEFICIT) BEFORE INCOME TAX (EXPENSE)/BENEFIT</b>		36,595	(84,015)
Income tax (expense)/benefit		<u>(10,938)</u>	<u>18,940</u>
<b>SURPLUS/(DEFICIT) AFTER INCOME TAX (EXPENSE)/BENEFIT FOR THE YEAR</b>	20	25,657	(65,075)
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>25,657</u></u>	<u><u>(65,075)</u></u>

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

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	NOTE	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	130,608	17,782
Trade and other receivables	8	20,597	37,882
Other	9	90,093	50,284
Total current assets		241,298	105,948
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	75,487	87,021
Right-of-use assets	11	867,608	79,402
Intangibles	12	2,366	2,957
Deferred tax	13	36,596	47,535
Total non-current assets		982,057	216,915
<b>TOTAL ASSETS</b>		1,223,355	322,863
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	58,669	201,468
Lease liabilities	15	171,615	92,431
Provisions	16	15,248	24,069
Other	17	304,682	66,132
Total current liabilities		550,214	384,100
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	18	710,497	-
Provisions	19	541	2,317
Total non-current liabilities		711,038	2,317
<b>TOTAL LIABILITIES</b>		1,261,252	386,417
<b>NET LIABILITIES</b>		<b>(37,897)</b>	<b>(63,554)</b>
<b>EQUITY</b>			
accumulated deficits	20	(37,897)	(63,554)
<b>TOTAL DEFICIENCY IN EQUITY</b>		<b>(37,897)</b>	<b>(63,554)</b>

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

# STATEMENT OF CHANGES IN EQUITY

YEAR ENDING 30 JUNE 2024

	ACCUMULATED DEFICIT \$	TOTAL DEFICIENCY IN EQUITY \$
Balance at 1 July 2022	1, 521	1, 521
Deficit after income tax benefit for the year	(65, 075)	(65, 075)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(65, 075)	(65, 075)
Balance at 30 June 2023	<b>(63, 554)</b>	<b>(63, 554)</b>

	RETAINED DEFICIT \$	TOTAL DEFICIENCY IN EQUITY \$
Balance at 1 July 2023	(63, 554)	(63, 554)
Surplus after income tax benefit for the year	25, 657	25, 657
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	25, 657	25, 657
Balance at 30 June 2024	<b>(37, 897)</b>	<b>(37, 897)</b>

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



# STATEMENT OF CASH FLOWS

YEAR ENDING 30 JUNE 2024

	NOTE	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from funding/sponsorship/rent (inclusive of GST)		1,261,778	1,615,076
Payments to suppliers and employees (inclusive of GST)		(951,751)	(1,292,898)
		310,027	322,178
Interest received		697	692
Interest paid		(19,599)	(45,651)
Net cash from operating activities	21	291,125	277,219
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment	10	(4,054)	(55,766)
Proceeds from disposal of property, plant and equipment		82	11,418
Net cash used in investing activities		(3,972)	(44,348)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments for leases		(174,327)	(292,986)
Net cash used in financing activities		(174,327)	(292,986)
Net increase/(decrease) in cash and cash equivalents		112,826	(60,115)
Cash and cash equivalents at the beginning of the financial year		17,782	77,897
Cash and cash equivalents at the end of the financial year	7	<b>130,608</b>	<b>17,782</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 1

### GENERAL INFORMATION

The financial report covers The Lake Macquarie Economic Development Company Limited as a for profit individual entity.

The Lake Macquarie Economic Development Company Limited is a company by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

#### Principal place of business

The Lake Macquarie Economic Development Company Limited  
1/63 Ridley Street  
Charlestown NSW 2290

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The functional and presentation currency of The Lake Macquarie Economic Development Company Limited is Australian dollars.

## NOTE 2

### MATERIAL ACCOUNTING POLICY INFORMATION

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

#### New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

#### Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for profit oriented entities.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

#### *Comparatives*

Certain comparative figures have been reclassified to better conform to the current year's presentation.

#### Excess of liabilities over assets

The Company's ability to continue as a going concern is dependent upon the grant funding being received from Lake Macquarie City Council. The Company has received confirmation of continuing financial support from Lake Macquarie City Council to the year ended 30 June 2032. The funding agreement was executed on 7 June 2021.

This agreement states that the Council must ensure its funding is available (within the confines for each year's grant) for:

- payment of the Company's salary, wages, group tax and superannuation guarantee obligations;
- payment of workers compensation insurance and other necessary insurance premiums;
- payment of contractual obligations lawfully incurred by the Company, including rent of its business premises.

However, the agreement also allows for the funding to be terminated, with notice, if certain clauses of the agreement are not met. The funding agreement requires management to meet several requirements on performance reporting, governance and key performance indicators which are set up by the Company. The Council generally measures the

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 2

### MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

performance of the Company and the value the Council and its stakeholders receive for its funding by the Company's success in attracting and supporting new businesses to the City and supporting existing business in the City to ensure they are in a strong position to grow and develop.

As a result of these matters, a material uncertainty exists that may cause significant doubt on the Company's ability to continue as a going concern. This risk has been identified in the Company Risk Register. As articulated in the Risk Register although the Council may decide to wind up the Company's operations, this poses no real risk to the Company realising its assets or liabilities at the amounts stated in the annual report for the following reasons:

1. Council will need to give 36 months' notice of discontinuing funding;
2. Council will need to take over:
  - payment of the Company's salary, wages, group tax and superannuation guarantee obligations as per contract terms;
  - payment of workers compensation insurance and other necessary insurance premiums as per contract terms;
  - payment of contractual obligations lawfully incurred by the Company, including rent of its business premises.

Furthermore the likelihood of such an event is mitigated and considered highly unlikely given:

- the Council CEO may sit on the Company board;
- three briefings conducted with the Council annually;
- approval of the Lake Macquarie City Economic Development Strategy 2024-2032;
- years of successful performance reporting and delivery of governance and key performance indicators.

Accordingly, the Directors believe the Company will be able to satisfy the conditions under the agreement such that it will not be terminated and, accordingly have prepared the financial report on going concern basis.

### Revenue recognition

The company recognises revenue as follows:

#### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

#### *Grants*

Grants are recognised in the statement of profit or loss and other comprehensive income in accordance with AASB120 whereby government grant revenue is recognised in the profit and loss statement on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

#### *Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 2

### MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### *Rent income*

Rent income is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

#### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

#### **Income tax**

The income tax expense for the period comprises current income tax expense and deferred tax expense whether, for the purposes of preparing the financial statements, it is a for-profit entity.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities are therefore measured at the amount expected to be paid to (recovered from) the relevant taxation authority.

#### **Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### **Cash and cash equivalents**

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

#### **Trade and other receivables**

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

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

#### **Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	6 years
Plant and equipment	2 -10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.



# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### Right-of-use assets

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

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

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

### Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

### Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

### Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### Employee benefits

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### *Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 2

### MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### **Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### **Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

## NOTE 3

### CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### *Estimation of useful lives of assets*

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

#### *Income Tax*

The company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on the company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

#### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 3

### CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

#### *Employee benefits provision*

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date 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.

#### *Economic Dependence*

The Lake Macquarie Economic Development Company Limited is dependent upon the Lake Macquarie City Council for the majority of its revenue to operate the business at the date of this report. The Board of Directors have no reason to believe the Lake Macquarie City Council will not continue to support The Lake Macquarie Economic Development Company Limited.

## NOTE 4

### REVENUE

	2024 \$	2023 \$
Government grants	<b>858,960</b>	<b>1,095,028</b>

## NOTE 5

### OTHER INCOME

	2024 \$	2023 \$
Management Fee income	20,833	4,167
Interest income	697	692
Sponsorship income	50,000	50,000
Rental income	354,509	460,747
Debt forgiven	-	1,000,000
Other income	82	-
Other income	<b>426,121</b>	<b>1,515,606</b>

## NOTE 6

### DEPRECIATION AND AMORTISATION

	2024 \$	2023 \$
Depreciation of property, plant and equipment	15,588	44,731
Depreciation of right-of-use assets	175,802	312,758
Amortisation of intangibles	591	740
	<b>191,981</b>	<b>358,229</b>

## NOTE 7

### CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2024 \$	2023 \$
Cash at bank and on hand	<b>130,608</b>	<b>17,782</b>

## NOTE 8

### CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	2024 \$	2023 \$
Trade and other receivables	13,048	24,036
BAS receivable	7,549	13,846
	<b>20,597</b>	<b>37,882</b>

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 9

### CURRENT ASSETS - OTHER

	2024 \$	2023 \$
Prepayments	50,093	24,159
Operating lease deposit	40,000	26,125
	<b>90,093</b>	<b>50,284</b>

## NOTE 10

### NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	2024 \$	2023 \$
Leasehold improvements - at cost	258,049	258,049
Less: Accumulated depreciation	(255,147)	(250,284)
	<b>2,902</b>	<b>7,765</b>
Office equipment - at cost	171,258	167,205
Less: Accumulated depreciations	(98,673)	(87,949)
	<b>72,585</b>	<b>79,256</b>
	<b>75,487</b>	<b>87,021</b>

#### Reconciliations

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

	Leasehold improvements \$	Office equipment \$	Total \$
Balance at 1 July 2023	7,765	79,256	87,021
Additions	-	4,054	4,054
Depreciation expense	(4,863)	(10,725)	(15,588)
Balance at 30 June 2024	<b>2,902</b>	<b>72,585</b>	<b>75,487</b>

## NOTE 11

### NON-CURRENT ASSETS - RIGHT-OF-USE ASSETS

	2024 \$	2023 \$
Land and buildings - right-of-use	964,009	714,617
Less: Accumulated depreciation	(96,401)	(635,215)
	<b>867,608</b>	<b>79,402</b>

#### Reconciliations

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

	Land and Buildings \$	Total \$
Balance at 1 July 2023	79,402	79,402
Renewal of lease	964,008	964,008
Depreciation expense	(175,802)	(175,802)
Balance at 30 June 2024	<b>867,608</b>	<b>867,608</b>



# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 12

### NON-CURRENT ASSETS - INTANGIBLES

	2024 \$	2023 \$
Website development - at cost	14,840	14,840
Less: Accumulated amortisation	(12,474)	(11,883)
	<b>2,366</b>	<b>2,957</b>

#### Reconciliations

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

	Website Development \$	Total \$
Balance at 1 July 2023	2,957	2,957
Amortisation expense	(591)	(591)
Balance at 30 June 2024	<b>2,366</b>	<b>2,366</b>

## NOTE 13

### NON-CURRENT ASSETS - DEFERRED TAX

	2024 \$	2023 \$
<i>Deferred tax asset comprises temporary differences attributable to:</i>		
Amounts recognised in profit or loss:		
Employee benefits	7,437	23,833
Superannuation payable	1,897	4,896
Property, plant and equipment	27,262	26,054
Prepayments	-	(7,248)
Deferred tax asset	<b>36,596</b>	<b>47,535</b>

## NOTE 14

### CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	2024 \$	2023 \$
Trade payables	27,306	52,788
Other payables	31,363	148,680
	<b>58,669</b>	<b>201,468</b>

## NOTE 15

### CURRENT LIABILITIES - LEASE LIABILITIES

	2024 \$	2023 \$
Lease liability	<b>171,615</b>	<b>92,431</b>

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 16

### CURRENT LIABILITIES - PROVISIONS

	2024 \$	2023 \$
Annual leave	<b>15,248</b>	<b>24,069</b>

## NOTE 17

### CURRENT LIABILITIES - OTHER

	2024 \$	2023 \$
Revenue received in advance	63,169	53,757
Subsidies and grants received in advance	241,513	-
Rental bond received	-	12,375
	<b>304,682</b>	<b>66,132</b>

## NOTE 18

### NON-CURRENT LIABILITIES - LEASE LIABILITIES

	2024 \$	2023 \$
Lease liability	<b>710,497</b>	-

## NOTE 19

### NON-CURRENT LIABILITIES - PROVISIONS

	2024 \$	2023 \$
Long service leave	<b>541</b>	<b>2,317</b>

## NOTE 20

### EQUITY - ACCUMULATED DEFICITS

	2024 \$	2023 \$
Retained surpluses/(accumulated deficits) at the beginning of the financial year	(63,554)	1,521
Surplus/(deficit) after income tax (expense)/benefit for the year	25,657	(65,075)
Accumulated deficit at the end of the financial year	<b>(37,897)</b>	<b>(63,554)</b>

## NOTE 21

### RECONCILIATION OF SURPLUS/(DEFICIT) AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	2024 \$	2023 \$
Surplus/(deficit) after income tax (expense)/benefit for the year	25,657	(65,075)
Adjustments for:		
Depreciation and amortisation	191,981	358,229
Net loss/(gain) on disposal of property, plant and equipment	(82)	70,174
Change in operating assets and liabilities:		
Decrease in trade and other receivables	17,285	34,777
Decrease/(increase) in deferred tax assets	10,939	(18,940)
Increase in prepayments	(39,809)	(29,643)
Decrease in trade and other payables	(142,799)	(80,457)
Increase/(decrease) in employee benefits	(10,597)	3,538
Increase in other liabilities	238,550	4,616
Net cash from operating activities	<b>291,125</b>	<b>277,219</b>

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 22

### REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by the auditor of the company, and its network firms:

	2024 \$	2023 \$
<i>Bishop Collins Audit</i>		
Assurance services	13,000	14,000
Other fees	-	4,000
	<b>13,000</b>	<b>18,000</b>
<i>Network firm - Bishop Collins Pty Ltd</i>		
Preparation of the tax return	<b>2,000</b>	<b>2,000</b>

## NOTE 23

### KEY MANAGEMENT PERSONNEL DISCLOSURES

	2024 \$	2023 \$
The aggregate compensation made to members of key management personnel of the company is:	<b>297,773</b>	<b>441,976</b>

## NOTE 24

### RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

#### *Key management personnel*

Disclosures relating to key management personnel are set out in note 23.

#### *Transactions with related parties*

The following transactions occurred with related parties:

	2024 \$	2023 \$
Revenue:		
Government grants from Lake Macquarie City Council	858,960	1,095,028
Rental income from Lake Macquarie City Council	2,652	9,965
Management fee income from Circular Economy Living Lab	20,833	4,167
Payment for other expenses:		
Stipends paid to Directors	46,538	46,381
Other expenses paid to Lake Macquarie City Council	84,097	30,225

#### *Receivable from and payable to related parties*

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

	2024 \$	2023 \$
Current receivables:		
Trade receivables from Circular Economy Living Lab Ltd	-	4,920
Current payables:		
Trade payables to key management personnel	-	106
Director fees	1,097	12,731

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 24

### RELATED PARTY TRANSACTIONS (CONTINUED)

#### *Loans to/from related parties*

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

#### *Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

## NOTE 25

### CONTINGENT LIABILITIES

The Company has a contingent liability as at 30 June 2024 in respect of a bank guarantee totalling \$40,000 (2023: \$26,125).

This guarantee may give rise to liabilities to the Company if the obligations under the terms and conditions of related contracts are not met. The guarantee is secured by the \$40,000 interest bearing investment.

## NOTE 26

### EVENTS AFTER THE REPORTING PERIOD

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



# DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Jonathan Vandervoort  
Board Member

16 October 2024

## OPERATIONAL REPORT

# OPERATIONAL REPORT



## STATUS

Met



Partially Met



Not Met



## IDENTITY

Task	Status End June 2024
<b>Work with local media to identify opportunities to promote business case studies</b>	
Draft media releases and case studies →	●
<b>Hold business leaders forums to strategically assist driving economic development</b>	
Leaders forums →	●
<b>Support emerging technology industry</b>	
Establish Lake Macquarie as a prime location for technology-focuses companies to thrive →	●
Undertake internal research of setting up a technology industry network in Lake Macquarie →	●
<b>Explore and support the dynamics of the local business environment encompassing both established and emerging industries</b>	
Grant Guru →	●
Lake Macquarie Business Excellence Awards →	●
Identify key areas of industry opportunity and meet with them to assist with business growth and job creation →	●
Maintain a database of current and emerging business prospects by industry and associated actions log →	●

# OPERATIONAL REPORT

Task	Status
End June 2024	
<b>Utilise Dantia marketing assets (website, social media, investment communications, events) to achieve market penetration beyond the city and generate investment leads</b>	
Create engaging and relevant marketing	→ ●

## INVESTMENT

Task	Status
End June 2024	
<b>Increase unsolicited local (National and State) investment leads and opportunities</b>	
Develop a mechanism to attract, capture and manage investment opportunities - Invest Lake Macquarie	→ ●
<b>Provide support to local businesses seeking external funding for projects</b>	
Projects assessed and economic modelling and letters of support supplied	→ ●
<b>Ensure a timely, coordinated approach to external investment enquiries</b>	
Enquiries assessed and responded to in a timely manner	→ ●
<b>Build a database of external investment enquiries to the City</b>	
Database built and maintained	→ ●

## INNOVATION

Task	Status
End June 2024	
<b>Maximise performance of Dashworks Charlestown</b>	
Develop a mechanism to attract, capture and manage investment opportunities - Invest Lake Macquarie	→ ●
<b>Attract, grow/nuture and retain innovators, subject matter experts and hybrid workers to Lake Macquarie</b>	
Profile innovators and workers	→ ●
<b>Deliver a series of events and programs to start-up businesses, entrepreneurial activity and innovation</b>	
Run a program of events with an innovation and growth focus	→ ●
<b>Manage Circular Economy Living Lab (CELL)</b>	
Finalise governance structure	→ ●
Number of enquiries submitted via the Quick Guide	→ ●
Number of projects viable for CELL Year 1	→ ●
Promote awareness of CELL via website, social media, case studies and resources	→ ●
Identify and target key circular economy stakeholders by number of events and workshops	→ ●
Maintain and increase CELL contacts database	→ ●

# OPERATIONAL REPORT

## INFRASTRUCTURE

Task		Status End June 2024
<b>Assist in the establishment and expansion of robust technology infrastructure</b>		
Research and development of Economic modelling	→	●
Support tech infrastructure augmentation	→	●
Undertake situational analysis of Lake Macquarie Technology infrastructure	→	●

## BOARD AND STRATEGY

Task		Status End June 2024
<b>Deliver 100 per cent of board calendar tasks and funding agreement obligations</b>		
Meet all obligations	→	●
<b>Keep the Economic Development Strategy, investment prospectus and Operational Plan updated, current and relevant</b>		
Update regularly	→	●
<b>Ensure external audits are completed where applicable</b>		
Audits	→	●
<b>Ensure all board positions are filled and inductions complete</b>		
Inductions	→	●

## RISK AND COMPLIANCE

Task		Status End June 2024
<b>Maintain up to date risk register and conduct reviews</b>		
Review	→	●
<b>Ensure appropriate insurances are current and placed</b>		
Keep insurances current	→	●
<b>Ensure annual audit is completed in time and actions delivered</b>		
Audit	→	●
<b>Maintain obligations under the <i>Corporations Act 2001</i> and any other applicable laws</b>		
Maintain legal obligations	→	●



# OPERATIONAL REPORT

Task	Status
<b>Review company policies as per established annual timetable</b>	<b>End June 2024</b>
Review policies	→ ●
<b>Maintain efficient financial and accounting procedures and systems</b>	
Maintain systems efficiencies	→ ●
<b>Monitor budget to maximise organisational capacity</b>	
Monitor budget	→ ●
<b>Maintain statutory superannuation and guarantee obligations</b>	
Maintain superannuation obligations	→ ●

## PEOPLE AND CULTURE

Task	Status
<b>Implement performance reviews and development plans for key staff</b>	<b>End June 2024</b>
Performance reviews	→ ●

## REPORTING

Task	Status
<b>Complete Annual Report as per the funding agreement</b>	<b>End June 2024</b>
Complete Annual Report	→ ●
<b>Complete and present to Lake Macquarie City Councillors on Economic Development Strategy (current), Operation Plan and briefings as per the funding agreement</b>	
Presentations	→ ●





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