

The Baking Industry Association of Queensland

ABN 42 742 317 256

Financial Statements

For the Year Ended 31 December 2021

The Baking Industry Association of Queensland

ABN 42 742 317 256

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For the Year Ended 31 December 2021

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The Baking Industry Association of Queensland

Independent Auditor's Report to the members of The Baking Industry Association of Queensland

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of The Baking Industry Association of Queensland (the Reporting Unit) and its subsidiaries (together the Group), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the committee of management statement.

The audit report has been prepared based on the requirements of section 768 of the *Industrial Relations Act 2016*.

In my opinion, the accompanying financial report presents fairly, in all material respects, the financial position of The Baking Industry Association of Queensland and its subsidiaries as at 31 December 2021 and of its financial performance and its cash flows for the year ended on that date in accordance with:

- (i) Tier 1 reporting requirements under Australian Accounting Standards; and
- (ii) any other requirements imposed by the Reporting Guidelines under section 765 of the *Industrial Relations Act 2016* or Part 11 of Chapter 12 of the Act.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Industrial Relations Act 2016*, and for such internal control as the Committee of Management 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 Committee of Management is responsible for assessing the Reporting Unit'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 Committee of Management either intends to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

The Baking Industry Association of Queensland

Independent Auditor's Report to the members of The Baking Industry Association of Queensland

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Managements.
- Conclude on the appropriateness of the Committee of Managements' 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 Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

The Baking Industry Association of Queensland

Independent Auditor's Report to the members of The Baking Industry Association of Queensland

Report on other legal and regulatory requirement

- I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.
- I declare that I am an approved auditor as defined by section 766 of the *Industrial Relations Act 2016* being a member of Chartered Accountants Australia & New Zealand who holds a current Public Practice Certificate.

SAAS Audit Pty Ltd



James Kenward
Director

138 Juliette Street
Greenslopes QLD 4120

Dated: 22/6/2022

The Baking Industry Association of Queensland

ABN 42 742 317 256

Certificate By Prescribed Designated Officer

I, Mark Dennien being the President of The Baking Industry Association of Queensland, certify:

- that the documents lodged herewith are copies of the full report for The Baking Industry Association of Queensland for the period ended 31 December 2021; and
- that the documents lodged are copies of the documents presented to a general meeting of members of the reporting unit on in accordance with section 782 of the *Industrial Relations Act 2016*.



.....
Mark Dennien (President)
Prescribed designated officer

Dated:

The Baking Industry Association of Queensland

ABN 42 742 317 256

Operating Report For the Year Ended 31 December 2021

In accordance with section 764 of the *Industrial Relations Act 2016* ("the Act") the Committee of Management presents its operating report on the Group, being the Company (the 'Reporting Unit') and its controlled entities, for the year ended 31 December 2021.

1. Operating results and review of operations for the year

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Reporting Unit were:

- To act as an advocate for Queensland bakers and the industry in general.
- To provide advice to members on staffing and employment issues.

The principal activities of the Reporting Unit's controlled entities were:

- Baking Industry Group Limited is a membership-based organisation, operating at a national level acting as an advocacy group for members and holding events and competitions.
- Baking Industry Training Australia Pty Ltd is a fully registered training organisation that delivers nationally accredited training for the baking industry.
- Bread House Pty Ltd is an asset holding entity within the Group, providing training facilities and the Group's head office.
- National Baking Industry Association Pty Ltd is no longer active, its operations have been moved into Baking Industry Group Limited.

There have been no significant changes to the principal activities of the organisation.

The profit from ordinary activities of the Group after tax was \$366,908 (2020: loss \$43,103). The improvement in the result for the year was influenced by the following key matters:

- a significant gain on the sale of an investment property by the Group

Significant changes in financial affairs

A property with carrying value in the prior year of \$2,382,491 was sold in the current year. There have been no other significant changes to the financial affairs of the organisation.

Right of members to resign

Members of the organisation have the right to resign from the organisation under section 726 of the Act and rule 8(1) of the rules of the organisation.

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

No officer or member of the Reporting Unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

The Baking Industry Association of Queensland

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Operating Report

For the Year Ended 31 December 2021

1. Operating results and review of operations for the year

Number of members

The number of members of the Reporting Unit at 31 December 2021 was 62 (2020: 70).

Number of employees

The Reporting Unit does not have any full time equivalent employees at 31 December 2021. The Reporting Unit's controlled entities had a total of 5 full time equivalent employees at 31 December 2021.

2. General information

Names of Committee of Management members and period positions held during the financial year

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

Mark Dennien
John Dabrowski
Christopher Hurford
Myles Morris
Rodney Stanaway

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

Signed in accordance with a resolution of the Committee of Management:



President:

Mark Dennien

Dated: 22/06/2022

The Baking Industry Association of Queensland

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Committee of Management Statement

For the Year Ended 31 December 2021

On 22/6/22 the Committee of Management of The Baking Industry Association of Queensland passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2021.

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - iii) the financial records of the reporting unit have been kept and maintained in accordance with the Act; and
 - iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the reporting unit or Registrar duly made under section 787 of the Act has been provided to the member or Registrar; and
 - vi) where any order for inspection of financial records has been made by the Queensland Industrial Relations Commission under section 788 of the Act, there has been compliance.
- (f) the reporting unit did not fully comply with Section 741 of the Act - Financial Management Training, Mark Dennien, John Dabrowski, Christopher Hurford and Myles Morris, all members of the Committee of Management, attended DWS IR Finance & Governance Training provided by dws Hospitality Specialists on 13 January 2020 but Rodney Stanaway has not attended the required training, this will be arranged should he be re-elected to the Committee.

This declaration is made in accordance with a resolution of the Committee of Management.



President
Mark Dennien

Dated: 22/06/2022

The Baking Industry Association of Queensland

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2021

	Note	Consolidated		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
Revenue					
Member subscriptions		32,940	33,929	21,153	22,425
Training courses		442,348	373,936	-	-
Rental revenue (property)		173,624	273,399	-	-
Government grants and other subsidies		53,570	251,366	-	-
Gain on disposal of non-current assets held for sale		666,956	-	-	-
Australian Baker Magazine income		-	1,034	-	-
Functions and promotions		12,802	-	-	-
Commissions		4,763	5,323	4,763	5,323
Income from managed investments		19,634	4,376	-	-
Interest		4,070	604	2	42
Total revenue		1,410,707	943,967	25,918	27,790
Other Income					
Increase in fair value of investments		10,341	4,680	-	-
Sundry income		1,974	6,914	-	-
Total other income		12,315	11,594	-	-
Total income		1,423,022	955,561	25,918	27,790
Expenses					
Employee benefits expense	4	(454,178)	(473,219)	-	-
Depreciation and amortisation expense		(66,915)	(119,896)	(1,363)	(1,819)
Other expenses	5	(369,860)	(362,226)	(44,079)	(38,093)
Finance costs	4	(17,628)	(33,147)	-	-
Total expenses		(908,581)	(988,488)	(45,442)	(39,912)
Profit/(loss) before income tax		514,441	(32,927)	(19,524)	(12,122)
Income tax expense	6	(147,533)	(10,176)	-	-
Profit/(loss) from continuing operations		366,908	(43,103)	(19,524)	(12,122)
Profit/(loss) for the year		366,908	(43,103)	(19,524)	(12,122)
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		366,908	(43,103)	(19,524)	(12,122)

The accompanying notes form part of these financial statements.

The Baking Industry Association of Queensland

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Statement of Financial Position

As At 31 December 2021

	Note	Consolidated		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	907,504	206,125	15,416	15,102
Trade and other receivables	8	40,794	59,252	10,748	13,320
Current tax receivable	18	-	9,835	-	-
Other assets	10	84,249	100,486	1,289	1,389
Non-current assets held for sale	9	-	2,382,491	-	-
TOTAL CURRENT ASSETS		1,032,547	2,758,189	27,453	29,811
NON-CURRENT ASSETS					
Trade and other receivables	8	-	-	680,332	667,852
Investments in associates	11	25,000	25,000	-	-
Other financial assets	12	1,888,059	175,688	-	-
Property, plant and equipment	13	810,444	896,205	4,075	5,438
TOTAL NON-CURRENT ASSETS		2,723,503	1,096,893	684,407	673,290
TOTAL ASSETS		3,756,050	3,855,082	711,860	703,101
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	15	76,342	77,274	9,369	305
Lease liabilities	17	31,776	19,018	-	-
Current tax liabilities	18	150,418	-	-	-
Employee benefits	19	28,398	26,380	-	-
Other financial liabilities	20	67,553	58,060	20,258	22,411
Other liabilities	21	375	375	-	-
Liabilities directly associated with Non-current assets classified as held for sale	9	-	611,987	-	-
TOTAL CURRENT LIABILITIES		354,862	793,094	29,627	22,716
NON-CURRENT LIABILITIES					
Borrowings	16	-	-	1,368,297	1,346,925
Lease liabilities	17	-	31,776	-	-
Employee benefits	19	38,608	34,540	-	-
TOTAL NON-CURRENT LIABILITIES		38,608	66,316	1,368,297	1,346,925
TOTAL LIABILITIES		393,470	859,410	1,397,924	1,369,641
NET ASSETS/(LIABILITIES)		3,362,580	2,995,672	(686,064)	(666,540)
EQUITY					
Reserves	22	78,203	78,203	78,203	78,203
Retained earnings		3,284,377	2,917,469	(764,267)	(744,743)
TOTAL EQUITY		3,362,580	2,995,672	(686,064)	(666,540)

The accompanying notes form part of these financial statements.

The Baking Industry Association of Queensland

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Statement of Changes in Equity

For the Year Ended 31 December 2021

2021

	Consolidated		
	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 January 2021	2,917,469	78,203	2,995,672
Profit for the year	366,908	-	366,908
Balance at 31 December 2021	<u>3,284,377</u>	<u>78,203</u>	<u>3,362,580</u>

2020

	Consolidated		
	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 January 2020	2,960,572	78,203	3,038,775
Loss for the year	(43,103)	-	(43,103)
Balance at 31 December 2020	<u>2,917,469</u>	<u>78,203</u>	<u>2,995,672</u>

2021

	Parent		
	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 January 2021	(744,743)	78,203	(666,540)
Loss for the year	(19,524)	-	(19,524)
Balance at 31 December 2021	<u>(764,267)</u>	<u>78,203</u>	<u>(686,064)</u>

2020

	Parent		
	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 January 2020	(732,621)	78,203	(654,418)
Profit for the year	(12,122)	-	(12,122)
Balance at 31 December 2020	<u>(744,743)</u>	<u>78,203</u>	<u>(666,540)</u>

The accompanying notes form part of these financial statements.

The Baking Industry Association of Queensland

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Statement of Cash Flows For the Year Ended 31 December 2021

	Note	Consolidated		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers		749,520	720,909	29,281	23,364
Payments to suppliers and employees		(857,265)	(826,650)	(37,861)	(40,317)
Interest received		4,070	4,980	2	42
Interest paid		(17,628)	(33,147)	-	-
Income taxes received/(paid)		12,720	(64,496)	-	-
Receipt from grants		53,570	251,366	-	-
Investment income received		19,634	-	-	-
Net cash provided by/(used in) operating activities	29	(35,379)	52,962	(8,578)	(16,911)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of property, plant and equipment		(6,924)	(22,273)	-	-
Purchase of financial assets		(1,702,030)	-	-	-
Loans to related parties - payments made	29	-	-	(12,480)	(10,616)
Loans to related parties - proceeds from repayments		1,500	-	-	-
Proceeds from sale of non-current assets held for sale		3,075,217	-	-	-
Net cash provided by/(used in) investing activities		1,367,763	(22,273)	(12,480)	(10,616)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Net (payments of)/proceeds from related party loans	29	-	-	21,372	1,901
Repayment of borrowings		(611,987)	(6,437)	-	-
Payment of lease liabilities		(19,018)	(20,698)	-	-
Net cash provided by/(used in) financing activities		(631,005)	(27,135)	21,372	1,901
Net increase/(decrease) in cash and cash equivalents held		701,379	3,554	314	(25,626)
Cash and cash equivalents at beginning of year		206,125	202,571	15,102	40,728
Cash and cash equivalents at end of financial year	7	907,504	206,125	15,416	15,102

The accompanying notes form part of these financial statements.

The Baking Industry Association of Queensland

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Notes to the Financial Statements

For the Year Ended 31 December 2021

The financial report covers The Baking Industry Association of Queensland and its controlled entities ('the Group'). The Baking Industry Association of Queensland is a not-for-profit 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.

Comparatives are consistent with prior years, unless otherwise stated.

Amounts in the financial statements and Operating Report have been rounded to the nearest dollar.

1 Basis of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Industrial Relations Act 2016*. The reporting unit has applied the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 *Application of Tiers of Australian Accounting Standards*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected financial assets.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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.

A list of controlled entities is contained in Note 26 to the financial statements.

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.

Associates

Interests in associates, where the investor has significant influence over the investee, are accounted for using the equity method in accordance with AASB 128 *Investments in Associates and Joint Ventures*. Under this method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

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Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies

(b) Revenue recognition

Revenue is recognised as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: 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.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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 revenue

Interest is recognised using the effective interest method.

Other income

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

(c) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements. Deferred tax

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Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies

(c) **Income Tax**

assets have not been recognised in relation to tax losses at the year end as there is not sufficient probability that taxable profits will be available in the future against which the losses can be utilised.

(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.

(e) **Cash and cash equivalents**

Cash and cash equivalents comprise 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.

(f) **Property, plant and equipment**

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

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

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

Fixed asset class	Depreciation rate
Buildings	5%
Furniture, Fixtures and Fittings	20%
Motor Vehicles	25%
Office Equipment	25-37.5%
Skills centre equipment	25-35%

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.

(g) **Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Assets classified as held for sale are not amortised or depreciated.

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Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies

(g) Non-current assets held for sale

Non-current assets classified as held for sale and any associated liabilities are presented separately in the statement of financial position.

(h) 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 Group 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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(i) Contract assets

Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

(k) Leases

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

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.

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies

(k) Leases

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.

(l) Contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

(m) 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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(n) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 31 December 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

(o) 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 and does not consider that they will have any significant impact on the the Group.

The Baking Industry Association of Queensland

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Notes to the Financial Statements

For the Year Ended 31 December 2021

3 Critical Accounting Estimates and Judgments

The committee members make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

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

The significant estimates and judgements made have been described below.

Key estimates - useful lives of property, plant and equipment

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

Key judgments - taxes

The Association estimates its tax liabilities based on the Committee's understanding of tax law. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact tax liabilities in which such determination is made.

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Notes to the Financial Statements

For the Year Ended 31 December 2021

4 Result for the Year

The result for the year was derived after charging / (crediting) the following items:

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Finance Costs				
- Interest on leases	2,640	3,760	-	-
- Interest on bank loans and overdrafts	15,387	27,885	-	-
- Other interest expense	(399)	1,502	-	-
Total finance costs	17,628	33,147	-	-

The result for the year includes the following specific income and expenses:

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Income				
Capitation fees*	-	-	-	-
Levies*	-	-	-	-
Expenses				
Employee benefit expenses (employees other than office holders):				
Wages and salaries	411,788	411,408	-	-
Leave and other entitlements	5,563	22,966	-	-
Superannuation contributions	36,827	38,845	-	-
Employee benefit expenses	454,178	473,219	-	-
Impairment of receivables:				
Affiliation fees*	-	-	-	-
Consideration to employers for payroll deductions*	-	-	-	-
Compulsory levies*	-	-	-	-
Grants paid*	-	-	-	-
Penalties - via IR Act 2016*	-	-	-	-

* the above items are disclosed as a requirement of the section 765 Reporting Guidelines even if 'nil'.

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Notes to the Financial Statements

For the Year Ended 31 December 2021

5 Other expenses

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Accounting fees	14,142	15,135	1,200	1,800
Apprenticeship training cost	13,235	5,014	-	-
Audit fees	15,300	17,500	2,295	2,250
Bank charges	3,545	2,785	404	384
Cleaning	9,245	6,840	-	-
Computer expenses	13,997	7,880	1,162	816
Consulting and professional fees	22,596	33,771	30,013	23,595
Body corporate & management fees	9,090	9,200	-	-
Donations and sponsorship	-	15	-	-
Electricity and gas	19,786	35,369	-	-
Filing fees	550	788	-	-
Insurance	29,843	25,132	3,215	3,251
Investment manager's fees	989	1,866	-	-
Industrial relations support costs	8,400	8,400	-	-
Land tax	15,445	23,725	-	-
Motor vehicle expenses	27,691	30,868	-	-
Office expenses	4,282	2,256	-	-
Pest control	214	168	-	-
Postage	3,782	2,745	1,141	939
Printing and stationery	27,999	24,579	2,318	2,308
Event expenses	19,047	14,627	-	-
Registration fees	4,669	6,844	-	-
Repairs and maintenance	19,914	27,278	1,790	-
Sponsorship	-	1,150	-	-
Staff recruitment and training	26,105	14,575	-	1,980
Subscriptions	6,233	6,186	541	770
Telephone and fax	9,754	9,920	-	-
Travel	42,258	25,870	-	-
Waste disposal	1,547	1,660	-	-
Website expenses	202	80	-	-
	369,860	362,226	44,079	38,093

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Notes to the Financial Statements

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6 Income Tax Expense

(a) The major components of tax expense comprise:

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current tax expense				
Local income tax - current period	150,418	10,176	-	-
Under/(over) provision in respect of prior years	(2,885)	-	-	-
	147,533	10,176	-	-

(b) Reconciliation of income tax to accounting profit:

Profit/(loss)	514,441	(32,927)	(19,524)	(12,122)
Tax	25.00 %	27.50 %	- %	- %
	128,610	(9,055)	-	-

Add:

Tax effect of:

- non-deductible expenses	5,440	9,127	-	-
- losses carried forward to future periods	68,922	20,329	-	-
- results of reporting unit not taxable	4,881	3,334	-	-
- non-deductible member income arising from principle of mutuality	-	13,328	-	-
- group entity subject to tax at 30%	25,070	848	-	-
	232,923	37,911	-	-

Less:

Tax effect of:

- unrealised gain not subject to income tax	2,585	1,287	-	-
- non-taxable government grants	-	26,448	-	-
- non-taxable member income arising from principle of mutuality	847	-	-	-
- over provision for income tax in prior year	2,885	-	-	-
- other non-taxable items	79,073	-	-	-
	79,073	-	-	-

Income tax expense	147,533	10,176	-	-
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Weighted average effective tax rate	29 %	(31)%	- %	- %
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The increase in the weighted average effective consolidated tax rate for 2021 is principally as a result of increased taxable income.

7 Cash and Cash Equivalents

Cash at bank and in hand	390,779	206,125	15,416	15,102
Other cash and cash equivalents	516,725	-	-	-
	907,504	206,125	15,416	15,102

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Notes to the Financial Statements

For the Year Ended 31 December 2021

8 Trade and Other Receivables

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
CURRENT				
Trade receivables	33,767	57,752	10,440	13,320
Provision for impairment	-	-	-	-
	33,767	57,752	10,440	13,320
GST receivable	6,988	-	308	-
Amount due from Associate	11	1,500	-	-
Other receivables	39	-	-	-
	40,794	59,252	10,748	13,320
Total current trade and other receivables				
NON-CURRENT				
Related party receivables	28	-	680,332	667,852
	-	-	680,332	667,852
Total non-current trade and other receivables				

Collateral held as security

The Group does not hold any collateral over any receivables balances.

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

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

9 Assets held for sale

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Non-current assets held for sale				
Investment property	-	2,382,491	-	-
	-	2,382,491	-	-
Total non-current assets held for sale				

The Association's investment property (a commercial property in Milton) was sold during the current year.

The liabilities associated with non-current assets held for sale were:

Associated liabilities				
Borrowings	-	611,987	-	-
	-	611,987	-	-
Total				

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Notes to the Financial Statements

For the Year Ended 31 December 2021

10 Other Assets

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
CURRENT				
Prepayments	22,237	37,317	1,289	1,389
Contract assets	62,012	63,169	-	-
	84,249	100,486	1,289	1,389

11 Interests in Associates

	Principal place of business / Country of Incorporation	Percentage Owned (%)*	Percentage Owned (%)*
		2021	2020
Associates:			
National Pie Council Pty Ltd	Australia	25	25

*The percentage of ownership interest held is equivalent to the percentage voting rights for all associates.

The Association's interest in National Pie Council Pty Ltd, which the Committee of management do not consider material, is recorded at its cost of \$25,000. The Committee believe this cost is not materially different from the fair value of the holding based the June 2021 financial report of National Pie Council Pty Ltd which disclosed net assets of \$117,478.

An amount of \$1,500 was owed to the Association by National Pie Council Pty Ltd at 31 December 2020, this was cleared in the current year. This balance was interest free with no fixed date of repayment.

12 Other Financial Assets

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
NON-CURRENT				
Managed fund investments at fair value through profit or loss	1,888,059	175,688	-	-
Total	1,888,059	175,688	-	-

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Notes to the Financial Statements

For the Year Ended 31 December 2021

13 Property, plant and equipment

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Buildings				
At cost	1,167,395	1,167,395	-	-
Accumulated depreciation	(416,136)	(376,850)	-	-
Total buildings	751,259	790,545	-	-
Total land and buildings	751,259	790,545	-	-
PLANT AND EQUIPMENT				
Furniture, fixtures and fittings				
At cost	74,552	124,797	-	-
Accumulated depreciation	(63,086)	(84,695)	-	-
Total furniture, fixtures and fittings	11,466	40,102	-	-
Office equipment				
At cost	128,766	121,842	29,757	29,757
Accumulated depreciation	(111,996)	(98,155)	(29,463)	(29,361)
Total office equipment	16,770	23,687	294	396
Skills centre				
At cost	66,696	66,696	36,083	36,083
Accumulated depreciation	(62,261)	(60,177)	(32,302)	(31,041)
Total skills centre	4,435	6,519	3,781	5,042
Right of Use Assets-Motor Vehicles				
At cost	97,250	97,250	-	-
Accumulated depreciation	(70,736)	(61,898)	-	-
Total Right of Use Assets-Motor Vehicles	26,514	35,352	-	-
Total plant and equipment	59,185	105,660	4,075	5,438
Total property, plant and equipment	810,444	896,205	4,075	5,438

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Notes to the Financial Statements

For the Year Ended 31 December 2021

13 Property, plant and equipment

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:

	Office Equipment \$	Skills Centre Equipment \$	Total \$
Parent			
Year ended 31 December 2021			
Balance at the beginning of year	396	5,042	5,438
Depreciation expense	(102)	(1,261)	(1,363)
Balance at the end of the year	294	3,781	4,075

	Office Equipment \$	Skills Centre Equipment \$	Total \$
Parent			
Year ended 31 December 2020			
Balance at the beginning of year	532	6,725	7,257
Depreciation expense	(136)	(1,683)	(1,819)
Balance at the end of the year	396	5,042	5,438

	Buildings \$	Furniture, Fixtures and Fittings \$	Office Equipment \$	Skills Centre Equipment \$	Right of Use Assets-Motor Vehicles \$	Total \$
Consolidated						
Year ended 31 December 2021						
Balance at the beginning of year	790,545	40,102	23,687	6,519	35,352	896,205
Additions	-	-	6,924	-	-	6,924
Disposals - written down value	-	(25,770)	-	-	-	(25,770)
Depreciation expense	(39,286)	(2,866)	(13,841)	(2,084)	(8,838)	(66,915)
Balance at the end of the year	751,259	11,466	16,770	4,435	26,514	810,444

	Buildings \$	Furniture, Fixtures and Fittings \$	Office Equipment \$	Skills Centre Equipment \$	Right of Use Assets-Motor Vehicles \$	Right of Use Asset-Office Equipment \$	Total \$
Consolidated							
Year ended 31 December 2020							
Balance at the beginning of year	831,900	53,734	26,910	9,024	47,136	4,769	973,473
Transfer	-	-	4,769	-	-	(4,769)	-
Additions	-	-	6,099	16,174	-	-	22,273
Depreciation expense	(41,355)	(13,632)	(14,091)	(18,679)	(11,784)	-	(99,541)
Balance at the end of the year	790,545	40,102	23,687	6,519	35,352	-	896,205

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Notes to the Financial Statements

For the Year Ended 31 December 2021

14 Investment Properties

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Balance at beginning of the period	-	2,402,846	-	-
Transfers to held for sale	-	(2,382,491)	-	-
Depreciation	-	(20,355)	-	-
Balance at end of the period	-	-	-	-

The Association's investment property was a commercial property in Milton. In the prior year it was reclassified as an asset held for sale.

Rental income from the property in the prior year was \$273,398, direct operating expenses (including repairs and maintenance but excluding depreciation) for the property in the prior year were \$66,018.

15 Trade and Other Payables

Current				
Trade payables	42,246	32,799	9,369	-
GST payable	-	3,908	-	285
Sundry payables and accrued expenses	16,148	16,669	-	20
Consideration to employers for payroll deductions	-	-	-	-
Other payables	17,948	23,898	-	-
	76,342	77,274	9,369	305

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.

16 Borrowings

NON-CURRENT

Unsecured liabilities:

Related party payables	28	-	-	1,368,297	1,346,925
Total non-current borrowings		-	-	1,368,297	1,346,925
Total borrowings		-	-	1,368,297	1,346,925

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Notes to the Financial Statements

For the Year Ended 31 December 2021

17 Lease liabilities

(a) Lease liabilities

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current	31,776	19,018	-	-
Non-current	-	31,776	-	-
	<u>31,776</u>	<u>50,794</u>	-	-

(b) Maturity analysis of lease liabilities based on contractual undiscounted cash flows

Minimum lease payments:

- not later than one year	32,576	21,497	-	-
- between one year and five years	-	32,576	-	-
Undiscounted liabilities	32,576	54,073	-	-
Less: finance changes	(800)	(3,279)	-	-
Lease liabilities in statement of financial position	<u>31,776</u>	<u>50,794</u>	-	-

Lease liabilities, previously included as borrowings, relate to hire purchase agreements in place for plant & equipment. The disclosures above have been retained to aid the users understanding of these balances.

18 Tax assets and liabilities

(a) Current Tax Asset

Income tax receivable	-	9,835	-	-
Current tax receivable	<u>-</u>	<u>9,835</u>	-	-

(b) Current Tax Liability

Income tax payable	150,418	-	-	-
Current tax liabilities	<u>150,418</u>	<u>-</u>	<u>-</u>	<u>-</u>

(c) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following:

Tax losses	252,355	209,094	-	-
Temporary differences	19,292	18,072	-	-

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therein.

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Notes to the Financial Statements

For the Year Ended 31 December 2021

19 Employee Benefits

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
Current liabilities				
Provision for annual leave	28,398	26,380	-	-
Non-current liabilities				
Long service leave	38,608	34,540	-	-

20 Other Financial Liabilities

CURRENT				
Contract liabilities (deferred income)	67,553	58,060	20,258	22,411
Total	67,553	58,060	20,258	22,411

21 Other Liabilities

CURRENT				
Liability for members shares	375	375	-	-
	375	375	-	-

The liability for members shares of \$375 represents members shares issued by Baking Industry Group, an entity controlled by the association. This share capital meets the definition of a financial liability in accordance with Accounting Standards.

22 General reserve

The general reserve records funds set aside for future expansion of the Association. The Association does not maintain any other funds referred to in the section 765 reporting guidelines.

23 Financial Risk Management

The Group's activities do not expose it to many financial risks, with only liquidity risk being needed to be actively managed.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. The Group's borrowings were settled in the current year from the proceeds of sale of the Group's investment property.

Credit risk

The Group is not exposed to any significant credit risk.

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Notes to the Financial Statements

For the Year Ended 31 December 2021

23 Financial Risk Management

Market risk

Foreign currency risk

The Group is not exposed to any significant foreign currency risk.

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group's bank loan was repaid in the current year. The Group is no longer exposed to any significant interest rate risk.

Financial instruments used

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

- Trade receivables
- Cash at bank
- Investments in managed funds
- Trade and other payables (including lease liabilities)

		Consolidated		Parent	
		2021	2020	2021	2020
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	7	907,504	206,125	15,416	15,102
Trade and other receivables	8	40,794	59,252	10,748	13,320
Investments in managed funds	12	1,888,059	175,688	-	-
		<u>2,836,357</u>	<u>441,065</u>	<u>26,164</u>	<u>28,422</u>
Financial liabilities					
Trade and other payables	15	76,342	77,274	9,369	305
Lease liabilities	17	31,776	50,794	-	-
		<u>108,118</u>	<u>128,068</u>	<u>9,369</u>	<u>305</u>

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Notes to the Financial Statements

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23 Financial Risk Management

Remaining contractual maturities of financial liabilities

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

The Group's liabilities have contractual maturities which are summarised below:

Consolidated	1 year or less		Between 1 and 2 years		Between 2 and 5 years		Over 5 years	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$
Bank loans	-	104,412	-	104,412	-	313,236	-	182,721
Lease liabilities	32,576	21,497	-	21,497	-	11,079	-	-
Trade and other payables	76,342	77,274	-	-	-	-	-	-
Total	108,918	203,183	-	125,909	-	324,315	-	182,721

24 Key Management Personnel Remuneration

The members of the committee of management are considered Key management personnel of the Association. The members of the committee did not receive any remuneration for their services as committee members in the current or preceding year.

25 Auditors' Remuneration

	Consolidated		Parent	
	2021	2020	2021	2020
	\$	\$	\$	\$
- auditing or reviewing the financial statements	15,300	17,500	2,295	2,250
- other services	-	-	-	-
Total	15,300	17,500	2,295	2,250

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Notes to the Financial Statements

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26 Interests in Subsidiaries

Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2021	Percentage Owned (%)* 2020
Subsidiaries:			
National Baking Industry Association Pty Ltd	Australia	100	100
Baking Industry Group Limited	Australia	-	-
Baking Industry Training Australia Pty Ltd	Australia	100	100
Bread House Pty Ltd	Australia	-	-

*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

Controlled entities with ownership interest of 50% or less

Baking Industry Group Limited is a company limited by guarantee and as such does not have any share capital. The company is a controlled entity as the board of directors of Baking Industry Group Limited mirrors the Committee of management of Baking Industry Association of Queensland. All financial and operating decisions of Baking Industry Group Limited are consistent with the policies of the Group.

Shares in Bread House Pty Ltd are held by four individuals who are former committee members. These individuals hold the shares in trust for Baking Industry Association of Queensland. The company is a controlled entity as the board of directors of Bread House Pty Ltd mirrors the Committee of management of Baking Industry Association of Queensland. All financial and operating decisions of Bread House Pty Ltd are consistent with the policies of the Group.

27 Contingencies

In the opinion of the Committee of Management, the Company did not have any contingencies at 31 December 2021 (31 December 2020:None).

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Notes to the Financial Statements

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28 Related Parties

(a) The Group's main related parties are as follows:

Key management personnel - refer to Note 24 and below.

Associates - refer to Note 11.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions between the Group and related parties

No transactions occurred between the Group and related parties in the current year.

(c) Transactions between the Reporting Unit and controlled entities

Charges made between entities within the Group are determined on a commercial basis. Such charges are booked to intercompany accounts rather than being settled in cash. Balances between entities within the Group are interest free and have no fixed date of repayment.

	2021	2020
Balances due from controlled entities to the Reporting Unit		
National Baking Industry Association Pty Ltd	468,736	468,736
Baking Industry Group Limited	211,596	199,116
	<u>680,332</u>	<u>667,852</u>
Balances due to controlled entities by the Reporting Unit		
Baking Industry Training Australia Pty Ltd	232,309	253,100
Bread House Pty Ltd	1,135,988	1,093,825
	<u>1,368,297</u>	<u>1,346,925</u>
Other transactions		
Management and other fees charged to the Reporting Unit by controlled entities	9,448	11,595

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For the Year Ended 31 December 2021

29 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	366,908	(43,103)	(19,524)	(12,122)
Non-cash flows in profit:				
- depreciation	66,915	119,896	1,363	1,819
- net (gain)/loss on sale of non-current asset held for sale	(666,956)	-	-	-
- fair value movements on investments	(10,341)	(7,191)	-	-
Changes in assets and liabilities:				
- (increase)/decrease in trade and other receivables	16,958	(9,541)	2,572	(4,876)
- (increase)/decrease in other assets	15,080	(421)	-	-
- (increase)/decrease in prepayments	1,157	13,076	100	(107)
- increase/(decrease) in contract liabilities	9,493	(1,258)	(2,153)	(1,480)
- increase/(decrease) in trade and other payables	(932)	12,746	9,064	(145)
- increase/(decrease) in income taxes payable	160,253	(54,320)	-	-
- increase/(decrease) in employee benefits	6,086	23,078	-	-
Net cashflows from operating activities	(35,379)	52,962	(8,578)	(16,911)

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Notes to the Financial Statements

For the Year Ended 31 December 2021

29 Cash Flow Information

(b) Changes in liabilities arising from financing activities

	2020	Cash flows	2021
Consolidated	\$	\$	\$
Bank loan	611,987	(611,987)	-
Lease liabilities	50,794	(19,018)	31,776
Total liabilities from financing activities	662,781	(631,005)	31,776

	2019	Cash flows	2020
Consolidated	\$	\$	\$
Bank loan	618,424	(6,437)	611,987
Lease liabilities	71,492	(20,698)	50,794
Total liabilities from financing activities	689,916	(27,135)	662,781

	2020	Cash flows	2021
Parent	\$	\$	\$
Related party creditors	1,346,925	21,372	1,368,297
Total liabilities from financing activities	1,346,925	21,372	1,368,297

	2019	Cash flows	2020
Parent	\$	\$	\$
Related party creditors	1,345,024	1,901	1,346,925
Total liabilities from financing activities	1,345,024	1,901	1,346,925

(c) Information required by the section 765 Reporting Guidelines

	Parent	
	2021	2020
	\$	\$
Net cash inflows/(outflows) from loans from controlled entities of Reporting Unit		
Baking Industry Training Australia Pty Ltd	(20,791)	(6,286)
Bread House Pty Ltd	42,163	8,187
	21,372	1,901
Cash inflows/(outflows) from balances due from controlled entities of Reporting Unit		
Baking Industry Group Limited	(12,480)	(10,616)

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Notes to the Financial Statements

For the Year Ended 31 December 2021

30 Events Occurring After the Reporting Date

The Committee of Management has ongoing plans to restructure the group to ensure the current structure fulfils its rules and provides the best benefit to its members. In the current year the Committee has appointed new legal advisors and is hopeful that more progress towards a restructuring will be made in the 2022 financial year. Plans currently under consideration would include an orderly de-registration of the Reporting Unit (The Baking Industry Association of Queensland) with any surplus assets being transferred to Baking Industry Group Limited.

Except for the above, no other 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.