



2014

TCCI

Annual Report

Invigorating Business

Tasmanian Chamber of Commerce and Industry Limited
77 009 475 987

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CHAIR OF THE BOARD'S REPORT

It is my great pleasure to present to you my report on a year marked by challenges, vision, commitment, intelligence and sheer hard work.

At the beginning of the new financial year, the Board with the Chief Executive Officer formed a very clear direction and implementation plan that was required if we were to build on the previous year's hard work to ensure the viability of the TCCI.

Directors rigorously reviewed financial reports on a weekly basis and engaged in a positive and robust analysis of our financial activities and our projected cash flow. Directors assisted with membership strategies, and developing and growing positive relationships with all stakeholders.

In addition, our streamlined staff team remained focussed on productivity, opportunity for business development and improvement, and quality service.

Our campaigns for small business ("Too Big to Ignore") and for majority government raised the profile and recognition of our effectiveness. Our statewide events have grown significantly in number, and the increased subscription of attendees suggests a high level of resonance with our existing and potential members. Our membership has increased with pleasing feedback about the role of our Chamber.

We have embarked upon strengthening our relationship with the New South Wales Business Chamber, which has already resulted in efficiencies and improved services for our members. We anticipate that our joint work will provide further opportunities for businesses in emerging markets and improve the calibre of business support.

Unusually, my fellow Directors have been hands on to assist in the necessary and rigorous work to finally set our ship on a course that benefits our members and the desired growth for Tasmania.

As a Board we have welded ourselves into a tightly focussed and effective team, ably supported by Michael Bailey and our talented and hardworking staff.

In February, our Chair, Andrew Heap stepped aside for a period of four months due to personal reasons before ultimately stepping down, and I acted as Deputy Chair; in July, I was unanimously elected Chair. Andrew was the captain of our ship as we travelled from life-threatening storms towards a calm horizon. I would like to pay my respects to his determination and commitment to seeing TCCI succeed.



As this year ends, we are losing one of our Directors, Bill Aronson, who has decided not to stand again. Bill has played a large part in assisting us set the vision and to develop a range of ideas and approaches to our many challenges. We will miss his contributions.

TCCI has also been fortunate to have had the skills and expertise of Polly Venning and Gary O'Donovan as Board-appointed Skills Directors for this term. They have made unique and lasting contributions to our development and progress.

As Deputy Chair and Chair I have had the enormous privilege of working with an energetic and committed team of Directors and staff. I pay tribute to them all and in particular to our Chief Executive Officer, Michael Bailey.

Susan Parr

Chair of the Board

CHIEF EXECUTIVE OFFICER'S REPORT

It has been an active and exciting last financial year for the Tasmanian Chamber of Commerce and Industry. Our pleasing financial performance has been the culmination of a huge amount of work from our passionate and professional team members who have strived to lift the organisation back to a sustainable footing. Although it was an extraordinarily busy 12 months, packed with terrific events, training, programs, industrial relations and advocacy, there are some items that stand out and deserve specific mention.

In August we conducted the first jobs forum, which brought together over 40 groups and associations with state government to focus on how to improve the Tasmanian economy. Of the 13 ideas to come from this event, 12 were acted upon within the first 3 months. Pleasingly, the state opposition also went to the election with a plan for business that mirrored the ideas generated from this important event.



Our general events calendar was filled with a strong program of functions across the state. These were characterised by events with government, members and partners, and included: the budget road show in Hobart, Launceston and Burnie; Telstra Gadget Lunches in Hobart and Launceston; Business Breakfasts across the state; and general networking functions. Congratulations to Kristen Finnigan for managing our events brilliantly and developing a diverse and interesting calendar.

Training continued to support the needs of our membership. Training programs were conducted in the South, North and North West, and there was particular interest in regulation update sessions. These included updates relating to industrial relations and workplace health and safety regulations. Colleen Reardon has managed our training with tremendous expertise; she also contributed greatly by representing the Tasmanian Chamber of Commerce and Industry on state and national education and training boards.

Our industrial relations model continued to evolve with a stronger helpline service and key statewide staff. This new, streamlined model has provided an exceptionally high level of service to our members across the state and will remain a focus for our members into the future. Crystal Garwood and Abbey Guilbert have established themselves as leading Tasmanian industrial relations consultants and have provided significant advice to our members statewide.

With the support of WorkCover, the TCCI extended its free workplace health and safety program supporting business statewide. The program will run for three years and provides free advice to businesses on their requirements in the challenging WHS space. It is a key aim of the Chamber to

ensure that business understands its obligations and develops healthy workplace cultures. Thank you to Todd Lewis for developing the program and to Janelle Whitehouse and Craig Hortle for broadening it.

The Chamber won a national award for its increase in the number of electronic Certificates of Origin issued, the TCCI was awarded the national award for the Most Improved provider. This accolade is a reflection of a tremendous amount of work by Jemma Crosswell, our Membership Coordinator and the Membership Support team.

Tradestart continues to provide support and advice to existing and potential Tasmanian exporters. We are lucky in Tasmania to have the most highly regarded Tradestarter in the nation. Thank you to Sally Chandler for continuing to exceed expectations in this critical economic area for the state.

Our organisation would grind to a halt without the support of our membership and admin team. Jemma Crosswell, Kendall Lovell and Sally Carr keep the wheels turning with the professional accounting support of Balanced Bookkeepers.

Media coverage on important advocacy issues has been consistent and focused over the past 12 months. We have had coverage on major issues in all local media, national media and international media. This is thanks to Tom O'Meara and Associates who help to promulgate the policy positions of our board as key messages.

Our board has once again allowed the organisation to flourish. They are passionate about the TCCI and completely focused on making business better in our state. Thank you to Andrew Heap and Susan Parr for their accessibility, humour and drive. I have called each hundreds of times over the past 12 months on a range of issues and opportunities. Thank you also to Paul Arnold, John De Bruyn, Damon Wells, Richard Lowrie, Polly Venning, Bill Aronson and Prof Gary O'Donovan for their tireless contribution and passion.

The focus of the TCCI team in the coming years is to significantly grow our membership and that of the state's regional chambers. It is critical that business has a clear and consistent voice in our state, and too many businesses are leaving the heavy lifting to too few. Every business in Tasmania should be a member of a Chamber of Commerce.

Thank you to our members, and rest assured that the Tasmanian Chamber of Commerce and Industry will continue to be a passionate and measured voice for business and to deliver the products and services that our members want.

Michael Bailey
CEO

DIVISIONAL REPORTS

membership

TCCI membership remains strong with approximately 1500 members, and it is growing. Membership levels by region are proportionate to the distribution of businesses across the state, with close to 50% of membership in the South, 30% in the North and 20% in the North West. Small businesses, i.e. with fewer than 20 employees, continue to make up the majority of the TCCI membership at 69%; 25% of member businesses employ between 21 and 100; and the remaining 6% have more than 100 employees.

Feedback from the membership has seen one additional membership level added: Personal Membership. The Personal Membership platform is as the name suggests, for individuals who want to join the TCCI network and take advantage of membership benefits.



Who Should Be Your Premier? event

workplace relations

The Workplace Relations team has supported the final year of transitioning pay, loading and penalty arrangements under the Modern Awards. A range of training activities covering the entire spectrum of human resources and industrial relations has also continued to be rolled out. These workplace relations solutions are designed to be fit for purpose and tailored to individual business needs.

The Workplace Relations Helpline continues to be a valuable service for members of all levels.

education

An annual calendar of short courses was again delivered to support business-training needs across the state, and this year it included a greater offering in the North West. Demand for customised training solutions to address specific workplace issues and skills needs continues to grow.

Partnerships with registered training organisations (RTOs) continued to return great benefit to the TCCI membership by providing access to tailored and subsidised accredited training options.

events

A broad range of events was held this year including the following highlights: a Jobs Forum in August and its follow-up event in November; a visit from the Australian Chamber of Commerce and Industry CEO; TasRail briefings and two Skills Forums. 2014 saw the State Election, and two signature TCCI First 100 Days of Government events were held in Hobart and Launceston to welcome the new government. Networking events and briefing



sessions provided valuable information and opportunities for members and the broader business community and continued to be a fundamental component of the events calendar.

First 100 Days of Government event
Michael Bailey TCCI CEO, Susan Parr TCCI Chair and the Hon. Will Hodgman Premier of Tasmania.

Key special events included:

- Jobs Forum in August 2013 and its follow up event in November;
- State Government's First 100 Days;
- Meet the 3 Amigos: Eric Hutchinson, Andrew Nikolic and Brett Whiteley, Tasmania's newest Federal MPs;
- Business briefings from KPMG, Telstra, beyondblue, Goanna Energy, TasWater, Bell Bay Aluminium and Cripps Nubake;
- TCCI inaugural Women in Business event with guests from the Australian Defence Force;
- Many hot-topic networking events held around the state; and
- Skills Forums in December 2013 and June 2014.



Women in Business event
Royal Australian Air Force Wing Commander Deborah Phillips, Kristen Finnigan TCCI and Royal Australian Navy Commander Stacey Porter.

communication

Communication continued to evolve to respond to member needs. The weekly CEO update continues to receive strong support from the membership along with fortnightly What's On e-newsletters. The TCCI has grown its social media presence through Facebook and Twitter.

tasmanian business reporter

The Tasmanian Business Reporter (TBR) is the state's oldest and most respected business publication; it is dedicated to support the interests of business and to deliver pertinent information to encourage economic growth in Tasmania.

The new-look and refreshed TBR with incisive, targeted editorial and relevant advertising has been well received in the statewide market. Requests from business for stories and columns in the TBR have spiralled, and advertisers are experiencing healthy client response. We are now planning to increase the paper's length to expand editorial coverage and increase quality advertising.



Relaunch of the Tasmanian Business Reporter

certificates of origin

Certificates of Origin authenticate that products are of Australian origin. TCCI has provided Certificate of Origin services to over 140 exporters. The implementation of eCertify, an electronic certification system, has significantly improved service and efficiency for exporters. TCCI was awarded the Highest Percentage Increase award for the number of electronic Certificates of Origin issued in the 2013/14 Financial year of all Australian eCertify users. This reflects the increase in number of Tasmanian exports.

advocacy

The TCCI continues to advocate strongly at both state and national levels. At state and local levels, this occurs through representation on advisory boards and committees, and directly with Members of Parliament, government agencies and relevant stakeholders. At the national level, there has been



increased participation and representation through Australian Chamber of Commerce and Industry forums, committees and through a national voice.

programs

education and training adviser

The ability to access education and training needs continues to impact on Tasmanian businesses. The Education and Training Adviser focuses efforts at the state and national level on important issues such as an industry-led vocational education and training system and the availability of work-ready job seekers.

The components of the national training system are still difficult for employers to understand and navigate. The Adviser continues to support industry to better understand and access the system. The Adviser provides information and assistance to industry through direct contact with enterprises, industry associations and stakeholders.

The Adviser continues to convey the needs of Tasmanian industry to the Tasmanian Government through a Memorandum of Understanding with Skills Tasmania as a Strategic Industry Partner.

growing business

The Growing Business Program was launched as a stand-alone service in 2014. It is designed to support businesses to review their operations and grow.

tradestart

The TCCI completed the 2010–2014 TradeStart services contract with a two-month extension to the end of August 2014. It was successful in the tender process with Austrade and was awarded the contract for the next four-year period 2014–2018.

The service provides a very valuable resource to businesses exporting goods and services to international markets. Under the terms of the contract with Austrade, the TradeStart Adviser assists businesses that are already exporting; however, it can also assist businesses that are new to export if their product or service is export ready.



work health and safety

The TCCI was successful in its application to WorkCover Tasmania for an Industry Partnership Grant to deliver work health and safety advisory services. The service includes two Work Health and Safety Specialists providing free information, tools and resources to businesses statewide.

FINANCIAL REPORT



ANNUAL REPORT

2014

The Board of Directors
Industry House
309 Liverpool Street
Hobart, Tasmania

9 September 2014

Dear Board Members

Tasmanian Chamber of Commerce and Industry Ltd

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of the Tasmanian Chamber of Commerce and Industry Ltd.

As lead audit partner for the audit of the financial statements of the Tasmanian Chamber of Commerce and Industry Ltd for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Carl Harris
Partner
Chartered Accountants

Independent Auditor's Report to the members of the Tasmanian Chamber of Commerce and Industry Ltd

We have audited the accompanying financial report of the Tasmanian Chamber of Commerce and Industry Ltd, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company as set out on pages 5 to 19.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity's preparation of the financial report that gives a true and fair view, 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Tasmanian Chamber of Commerce and Industry Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of the Tasmanian Chamber of Commerce and Industry Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Carl Harris
Partner
Chartered Accountants
Hobart, 9 September 2014

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