AUSTRALIAN GLASS & WINDOW ASSOCIATION

ANNUAL REPORT 2019

VERSION 1
RELEASED AUGUST 2020

AUSTRALIAN
GLASS & WINDOW
ASSOCIATION

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CONTACT

Australian Glass and Window Association

ADDRESS

Suite 1, Level 1, Building 1. 20 Bridge Street Pymble NSW 2073

TELEPHONE

+61 2 9498 2768

WEBSITE

www.agwa.com.au

EMAIL

admin@agwa.com.au

ABOUT THE AUSTRALIAN GLASS & WINDOW ASSOCIATION

The Australian Glass and Window Association (AGWA) is the peak association representing over 1000 member companies covering window manufacturers, glass manufacturers, glass processors, merchants, glaziers and suppliers of supporting machinery, services and materials. We endorse compliant, sustainable and fit-for-purpose products and provide services to members that support their efforts to operate successfully.

Members enjoy increased and better member services, expanded technical support, bigger and better events bringing a whole industry together, improved communications, increased access to more training, an expanded and improved accreditation scheme, access to WHS support, more valuable marketing opportunities, and a revitalised state chapter presence increasing networking opportunities.

The mission of the AGWA is to be the peak membership organisation of the Australian glass and fenestration industry, to endorse compliant, sustainable and fit-for-purpose products and to provide services to members that support their efforts to operate successfully.

AUSTRALIAN GLASS & WINDOW ASSOCIATION

CHAIRMAN'S AGM REPORT

JEFF ROTIN
CHAIRMAN OF THE BOARD

As you will be aware, 2019 was the inaugural year of the newly formed Australian Glass and Window Association (AGWA) incorporated under the legal entity of AWA-AGWA Limited.

The inaugural AGWA Board was constructed to accommodate 13 Directors, being 6 previous Australian Glass and Glazing Association (AGGA) Directors, 6 previous Australian Window Association (AWA) Directors and AGWA's newly appointed Executive Director and Chief Executive Officer, Clinton Skeoch.

At the outset, the objective of the Board and AGWA management has been to foster a prosperous and sustainable window and glass industry through the growth of a strong and supportive industry association, and to be the voice of the window and glass industry in Australia to deliver value to members to support and grow the industry through delivering on our Strategic Pillars:

- A strong association - built on the foundations of good governance and financial sustainability to deliver member value.
- Safety and Accreditation – with a commitment to promoting compliance with standards and continuous improvement in safety management.
- Technical Expertise – to be recognised as the technical experts for the industry.
- Industry Voice – to be acknowledged as the united voice of the industry.
- Knowledge and Capacity Building - investing in building the knowledge and capacity of the industry.

These pillars have been devised to retain and grow membership, remove duplication of purpose between the two previous associations and increase value to members through more versatile, capable and in-depth resources in terms of technical, training and business development.

Most importantly, the aim has been to provide a strong and capable peak association for our members and industry to look to and rely upon to drive us forward and create new opportunities for our sector.

Our view was that bedding the new association down would likely be a two-year journey and as such the end of 2019 marked the half-way point of this process.

There has been much work to do to bring the separate systems, service offers and cultures of the two previous associations together and this has thrown up many challenges. Many of these were expected however some were less so. Without exception, the Board has been impressed by the ability of Clinton and the AGWA team to deal with mitigate these challenges.

Clinton and the AGWA team have worked hard to progress necessary changes on a number of fronts, including restructuring of member services and events, combination of back-end member information systems and the continued advocacy of industry in relation to regulatory issues with government departments and other industry stake-holders. Further details of these initiatives can be found in the CEO's report.

Throughout 2019 a number of highly successful state events (a hallmark of the previous AGGA structure) were held bringing together glass and window members alike. Similarly, the national conference held in Darling Harbour provided further opportunities to bring together members of the two previous associations. As with all such events, these have produced learnings on future improvements and a better understanding of what our much wider member-base is looking for in terms of these and other activities.

The state chapters and specialist groups including IGMA, technical, marketing and safety committees have all continued to do good work while adjusting to the changing organisational structure and I take this opportunity to thank all those who volunteer to support these groups for their hard work and commitment.

Details of the 2019 calendar year financials can be found in the Treasurer's report however I am pleased to report that both incomes and expenses have been well managed to finish the year positively in terms of funds and cash-flow.

For 2020, work continues in earnest to bring together the remaining outstanding functions, information systems and services of the previous AGGA and AWA structures however with much work already done in this area there has already been and will continue to be renewed and sharpened focus on training resources, technical development and industry advocacy in addition to the substantial work already underway to support our members and the industry through the effect and outcome of the current COVID-19 pandemic. I am sure all of you will have seen much of the regular and valuable support information the AGWA team have been releasing to members regarding this in the past three months.

In closing, on behalf of the Board of Directors, I would like to thank and congratulate Clinton and the entire AGWA team for their substantial efforts and ongoing commitment to the association, our members and the industry at-large.

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2019 THE YEAR THAT WAS

CLINTON SKEOCH
EXECUTIVE DIRECTOR & CEO

2019 started with the slogan of "stronger together" for the newly merged association and that has certainly proven to be correct.

The year saw us bring together seven associations from across Australian to form the Australian Glass and Window Association, a new association with a deep heritage. A heritage founded on the hard work and dedication of the industry leaders, volunteers and employees who worked hard to make our industry that little bit better each year.

During 2019 the new association lost 30 members but, more importantly, gained 54 new members with many seeking to join the united and focused new association.

2019 was also the year of our first really "combined" AusFenEx. The occasion brought together 1431 participants to the new Darling Harbour International Convention Centre. Where, over three days, they saw and heard about important developments and gained insight into the evolving world that is the window and glass industry in Australia. They also viewed the many excellent products on display by 64 exhibitors. It was a place to meet with old and new friends to celebrate the best that the industry can produce. I also thank the exhibitors and sponsors for their support in making the conference a success.

While accreditation has been a rich part of both industry sectors in the past, 2019 saw the window accreditation scheme celebrate its 21st birthday with reach, transparency, engagement and rigour despite all the many headwinds and trials that time can throw up. However, the team at AGWA spent a large part of 2019 merging, moulding and refining the accreditation schemes to make it more meaning for the Association as a broader sector. This involved reviewing, refining and documenting what accreditation could be in the future with the core pillars of training and safety added to compliance to create the new AGWA Accredited Company Program.

Another development was the formation of the State Chapter structure that put in place representation in our key initiative areas to ensure communication and representation is in place for each and every state to broaden our committees to ensure wide engagement was occurring. I was able to attend each State Awards Dinner which was, for me, a wonderful opportunity to not only celebrate the individual successes in each market, but to meet in person the individuals in each state who support the work of the association.

While it is true that as a merged organisation, we have more resources to be able to support our members, the AGWA staff cannot do it all on their own. The association is sustained through its many committees who help to guide, review and contextualise the outcomes we need to achieve particularly in the areas of safety, training, regulatory policy development, standards and technical matters.
The unbiased contribution on behalf of the whole industry of these individuals cannot be underestimated and they are relied upon, appreciated and applauded by the team at AGWA.

Through this support as well as the collective efforts of the AGWA team we have, during 2019, been able to:

- Answer 1214 technical enquiries and 507 consumer calls.
- Manage 89 dispute resolutions.
- Have 1549 people undertake our online training courses.
- Provide face-to-face training for 225.
- Set up a Human Resources helpline for members.
- Attend Standards Australia meetings for Members, Councillors and Nominating Organisations and provided representation at multiple Standards committee meetings.
- Secure seats on the ABCB Residential and Commercial Energy working groups.

Our advocacy has included meetings on, or submissions to, countless governmental policy requests including, among others:

- Building Stronger Foundations industry submission.
- Building Codes submissions on industry issues with product non-compliance.
- Compliance Directorate Submission, on non-complying building products.
- The NSW Upper House Public Accountability Committee survey on the regulation of building standards.
- Building quality and building disputes Submission to the Building Policy Branch on industry licensing and regulation.
- Submission on skill shortage trade classification.
- Industry Reference Committee training submission.
- Submissions to the NSW police minster on SLED licensing.
- Working with the Department of Industry, Science Energy and Resources and NatHERS on a simple window energy methodology proposal and
- The Building Ministers Forum submission on the need for better enforcement of regulation.

Other items of note include:

- Media interviews and articles for a variety of publications.
- Added to the AFTI online training.
- Launched the National Technical Alert (NTA) Program for our committees with 24 submissions.
- Rationalised our magazine programs to form BuiltView.
- Relaunched the Master Glazier program.
- Engagement with the HIA technical committee meetings.
- AGWA, BPIC and AFRC Board meetings.
- 255 Member factory audits including 14 in China.

At the moment, with some time now having passed since 2019 it is easy to reflect on what we have achieved in bringing together the rich heritage now embedded in AGWA and, while the challenges ahead are uncertain, I believe there is a lot to be confident about. As I have said many times – the Association is here to support your business, to grow the industry and to ensure a safe, sustainable and level playing field for all. I look forward to what the Association can to do for our members into the future.

I would like to take this opportunity to thank all the staff at AGWA who have helped build what we have today and also to thank the inaugural AGWA board for their wise counsel, support and guidance in a year that was full of challenges, opportunities and progress.

BOARD REPORT

The directors present their report on AWA-AGGA Limited for the financial year ended 31 December 2019.

BOARD MEMBERS

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

Jeff Rotin
Dowell Windows
Chairman

Greg Hunt
G.James Australia Pty Ltd
Vice Chairman

Clinton Skeoch
Australian Glass & Window Association
Executive Director/CEO

Elizabeth North
AVS Windows & Doors
Treasurer

David Brogan
Breezway Australia

Wayne Cook
ASSA ABLOY

Phillip Mauviel
Jim's Glass

Peter Den Boer
Jason Windows

Paul Gray
Southern Star Windows Pty Ltd

Roy Loftus
Nu-Look Glass & Aluminium Windows

Gerald McCluskey
Lansdon Glass

Adrian Grocott
Express Glass

Renee Van Vugt
(resigned 06/2019)

Colin Saunders
(appointed 08/2019)

PRINCIPAL ACTIVITIES

The principal activity of AWA-AGGA Limited during the financial year were:

The Company is the national industry entity representing window, door glass and glazing manufactures and their industry suppliers. The company provides the members with education and training to promote and advance the awareness of windows, glass and glazing as a major architectural component in building design. The company provides technical support for members regarding windows and glass. The Company provides a national voice when representing the industry in discussions and negotiations with government, local authorities, business and trade associations and organisations and the private sector.

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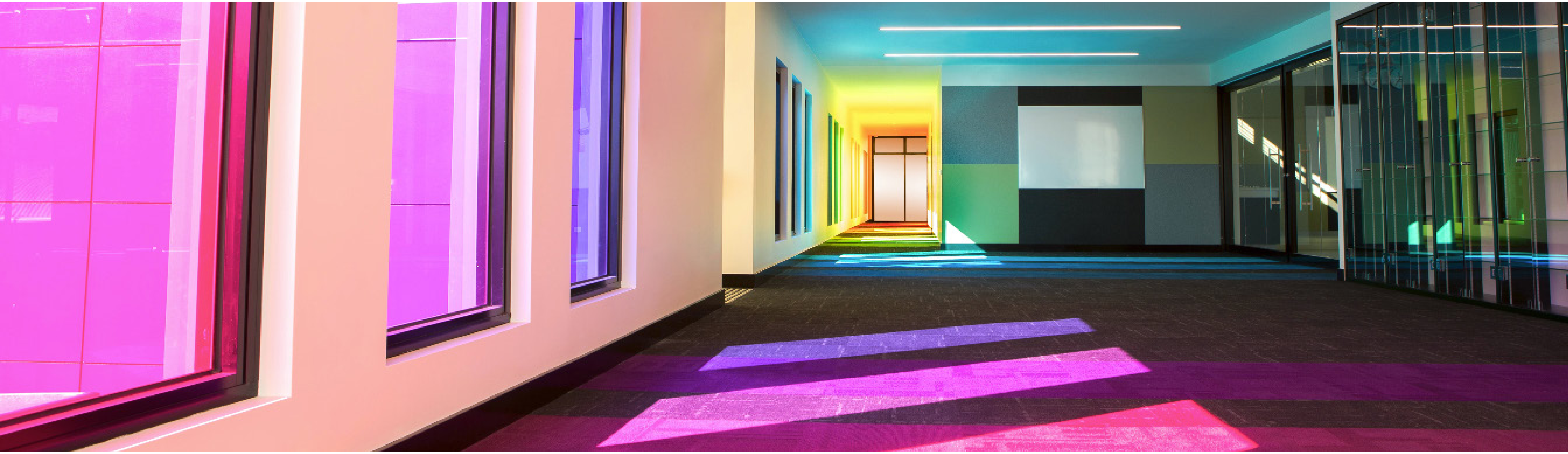

SHORT TERM OBJECTIVES

The Company's short term objectives are to:

- Successfully complete the merger of the AWA and the national and state AGGA bodies.
- Provide members with support with training, technical support, accreditation, advocacy and advice.

LONG TERM OBJECTIVES

The Company's long term objectives are to:

- Drive product conformity and compliance
- Provide advice and support to members
- Facilitate technical capability and knowledge
- Develop relevant skill-sets through training
- Influence industry and product sustainability
- Advocate to governments and regulators
- Promote to members, stakeholders, the community and consumers
- Finance the achievement of the mission
- Ensure good goverance of the association
- Retain and grow membership

STRATEGY FOR ACHIEVING THE OBJECTIVES

To achieve these objectives, the Company has adopted the following strategies:

- Develop first-in-class technical leadership, advice and capacity for the industry.
- To provide effective education solutions to members and support registered-training organisations in attracting and developing the work force of the future.
- To provide effective mediation, compliance and accreditation services to the glass, glazing and window industry to ensure members are compliant.
- To support, foster and celebrate industry development through effective and valued industry events.
- Provide effective advocacy to ensure the best opportunities for industry growth.

HOW PRINCIPAL ACTIVITIES ASSISTED IN ACHIEVEING THE OBJECTIVES

The principal activites assisted the Company in achieveing its objectives by:

- Providing technical advice
- Industry specific training
- Marketing the association
- Advocacy to government and regulators

PERFORMANCE MEASURES

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

- Member retention and growth
- Training completions (both face to face and online)
- Technical services rendered
- No of technical and advocacy submissions made and outcomes for members.

MEMBER'S GUARNTEE

The AWA-AGGA Limited is a company limited by guarentee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $10.00 for members that are corporations and for all other members, subject to the provisions of the company's constitution.

FUTURE DEVELOPMENTS AND RESULTS

Future development will be focused on consolidating the program development achieved during 2019 and continuing to provide value to members, both large and small, across out core focus areas.

MEETINGS OF DIRECTORS

During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

DIRECTORS	Number Eligible to Attend	Number Attended
Jeff Rotin (Chairman)	6	5
Greg Hunt (Vice Chairman)	6	5
Clinton Skeoch (Executive Director and Secretary)	6	6
Elizabeth North (Treasurer)	6	5
David Brogan	6	6
Wayne Cook	6	6
Phillip Mauviel	6	6
Peter Den Boer	6	6
Paul Gray	6	4
Roy Loftus	6	5
Gerard McCluskey	6	5
Adrian Grocott	6	5
Renee Van Vugt (resigned 06/2019)	2	2
Colin Saunders (appointed 08/2019)	4	2

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 December 2019 has been received and can be found on page 5 of the financial report.

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

CLINTON SKEOCH
Director

ELIZABETH NORTH
Director

Dated 15 May 2020

INDEPENDENT AUDITOR'S DECLARATION

Crispin & Jeffery Chartered Accountants

ADDRESS & PHONE
Level 16
68 Pitt Street
Sydney
NSW 2000
P +61 2 9908 4744

POSTAL ADDRESS
PO Box H237
Australia Square
NSW 1215

OTHER CONTACTS
F +61 2 9233 8237
E staff@cjeffery.com.au
W www.cjeffery.com.au

PARTNERS
Jonathan R Blake
Mark G Arthur
William R Matley

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of AWA – AGGA Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2019, 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.

Crispin & Jeffery

Chartered Accountants

Level 16, 68 Pitt Street

Sydney, NSW, 2000

Mark G Arthur

Sydney

Dated this 15th **day of** May **2020**

ABN 20 706 861 260 • Liability limited by a scheme approved under Professional Standards Legislation

FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2019

	Note	2019 $	2018 $
Revenue			
Revenue from operating activities		4,316,930	13
Total Revenue		4,316,930	13
Expenses			
Employee benefits expense		1,727,908	-
Depreciation and amortisation expenses		41,246	-
Depreciation expenses - right-of-use assets		190,128	-
Other expenses		2,060,557	281
Total Expenses		4,019,839	281
Surplus/(deficit) before income tax expense		297,091	(268)
Income tax expense	1(a)	-	-
Net Surplus/(deficit) for the year		297,091	(268)
Other comprehensive income		-	-
Total comprehensive income		297,091	(268)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Note	2019 $	2018 $
ASSETS			
Current assets			
Cash and cash equivalents	2	1,706,681	359,732
Trade and other receivables	3	248,351	-
Other current assets	4	9,569	-
Total current assets		1,964,601	395,732
Non-current assets			
Property, plant and equipment	5	61,898	-
Right-of-use assets	6	205,329	-
Total non-current assets		267,227	-
TOTAL ASSETS		2,231,828	359,732
LIABILITIES			
Current liabilities			
Trade and other liabilities	7	367,797	-
Lease liabilities	8	174,475	-
Short-term provisions	9	98,398	-
Loan from AGGA		-	360,000
Total current liabilities		640,669	360,000
Non-current liabilities			
Lease liabilities	8	27,836	-
Long-term provisions	9	25,765	-
Total non-current liabilities		53,601	-
TOTAL LIABILITIES		694,270	360,000
NET ASSETS		1,537,558	(268)
EQUITY			
Retained surplus		1,537,558	(268)
TOTAL MEMBERS' FUNDS		1,537,558	(268)

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2019

	Note	Reserves $	Retained earnings $	Total equity $
Balance at 1 January 2018		-	-	-
Surplus from ordinary activities		-	(268)	(268)
Total before other comprehensive income		-	(268)	(268)
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	-	-
Balance at 31 December 2018		-	(268)	(268)
Balance at 1 January 2019		-	(268)	(268)
Surplus from ordinary activities		-	297,091	297,091
Total before other comprehensive income		-	296,823	296,823
Retained earrings transferred from AWA and AGGA on 1 January 2019	11	-	1,240,735	1,240,735
Total other comprehensive income		-	1,240,735	1,240,735
Balance at 31 December 2019		-	1,537,558	1,537,558

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers		4,155,325	-
Payments to suppliers and employees		(3,566,226)	(281)
Interest received		10,089	13
Net cash provided by operating activities	10	599,188	(268)
Cash flows from investing activities			
Purchase of office equipment and software		-	-
Proceed from Disposals		400	-
Net cash provided by (used in) investing activities		400	-
Cash flows from financing activities			
Recieved from AWA and AGGA		940,688	360,000
Payment for the principal portion of lease liabilities		(192,122)	-
Net cash provided by financing activities		748,565	360,000
Net increase/(decrease) in cash held		1,346,949	359,732
Cash and cash equivalents at beginning of financial year		359,732	-
Cash and cash equivalents at end of financial year	2, 10	1,706,681	359,732

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report covers AWA-AGGA Limited as an individual entity. AWA-AGGA Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of AWA-AGGA Limited is Australian Dollars.

The financial report was authorised for issue by the Directors on 7 May 2020.

Comparatives are consistent with prior years, unless otherwise stated.

(a) Income Tax

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

(b) Property, Plant and Equipment

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

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets are depreciated on diminishing value method and prime cost method over their estimated useful lives to the entity commencing from the time the asset is held ready for use.

Class of Assets	Depreciation Rate
Leasehold improvements	16.67 - 20% (PC)
Office furniture and equipment	10 - 30% (DM and PC)
Computer equipment	33.33 - 40% (DM and PC)
Online software	40% (DV)

(c) Financial Instruments

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

(d) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(e) Revenue and Other Income

Membership fees are brought to account on a time basis covering the period of membership. Conference income is recognised when the fee is receivable.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown 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.

(g) Adoption of new and revised accounting statements

The Company has adopted the AASB 16 'Leases' standards as of 1 January 2019. Under AASB 16, all leases will be recognised in the lessee's statement of financial position

Lease is defined ad a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease of an underlying asset, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to AWA-AGGA Limited are classified as financial leases.

(h) Operations and Principal Activities

Operations comprise the representation of the window manufacturers as an industry body developing standards, enforcement of those standards, providing training and generally and representing the industry.

At the commencement date, the Company shall measure the right-of-use asset at cost which comprises:

i. the amount of the initial measurement of the present value of the lease liability

ii. any lease payments made at or before the commencement date, less any lease incentives received

iii. any initial direct costs incurred by the lessee

At the commencement date, the Company shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implict in the lease, if that rate can be readily determined. If that rate cannot be readily determined, an incremental borrowing rate should be used.

NOTES TO THE FINANCIAL STATEMENTS

A short-term lease is defined as a lease that, at the commencement date, has a lease term of 12 months or less. Short-term lease and lease of low-value assets are exempt from the requirement of the AASB 16 'Leases". For the two categories to which this exemption is applied, lease payments are recognised as an expense over the lease term.

Lease payments for operation leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Interest on the lease liability in each period during the lease term should be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. For this purpose, the periodic rate of interest is the discount rate used in the initial measurement of the lease liability or, if applicable, the revised discount rate.

(d) Critical Accounting Estimates and Judgments

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

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

NOTES TO THE FINANCIAL STATEMENTS

		Note	2019 $	2018 $
2.	CASH AND CASH EQUIVALENTS			
	Cash at Bank – Cheque Account		140,631	359,732
	CBA Online Saver		1,261,717	-
	Term Deposit No 1		101,553	-
	Term Deposit No 2		101,235	-
	Term Deposit No 3		101,545	-
			1,706,681	359,732
3.	TRADE AND OTHER RECEIVABLES			
	Current			
	Trade Receivables		151,517	-
	Less Provision for Impairment of Receivables		(60,774)	-
			90,743	-
	Interest Bearing Deposit - Bank Guarantee (Sydney)		110,435	-
	(Melbourne)		7,174	-
	Interest Bearing Deposit - Bank Guarantee (Credit Card)		40,000	-
			248,351	-
4.	OTHER ASSETS			
	Current			
	Prepayments		8,773	-
	Other current assets		796	-
			9,569	-
5.	PROPERTY, PLANT AND EQUIPMENT			
	Leasehold Improvements		157,816	-
	Less Accumulated Amortisation		(128,827)	-
	TOTAL LAND AND BUILDINGS		28,989	-
	Office Furniture and Equipment		48,870	-
	Less Accumulated Depreciation		(28,867)	-
			20,003	-

NOTES TO THE FINANCIAL STATEMENTS

	Note	2019 $	2018 $
Computer Equipment		80,243	-
Less Accumulated Depreciation		(68,744)	-
		11,499	-
Associations Online Software		40,300	-
Less Accumulated Depreciation		(38,893)	-
		1,407	-
Total Plant and Equipment		32,909	-
TOTAL PROPERTY, PLANT AND EQUIPMENT		61,898	-

6. RIGHT-OF-USE ASSETS

AWA-AGGA Limited received the lease entitlements from Australian Window Association Inc. on 1 January 2019 for Sydney office and Melbourne office. The leases meet all requirement of the AASB 16 'Leases'. Accordingly, AWA-AGGA Limited recognise the value of the leases in the statement of financial position.

The Gardenvale lease transferred from Australian Glass & Glazing Association Inc. to AWA-AGGA Limited on 1 January 2019 had expired on 14 September 2019 and was renewed. This lease therefore has exemption from the AASB 16.

a. Initial measurement of the right-use-of assets

At 1 January 2019, the right-of-use assets will be measured at cost which is the amount of the initial measurement of the lease liability.

b. Depreciation for the right-of-use assets

The right-of-use assets should be depreciated from 1 January 2019 to the earlier of the end of the useful life of right-of-use assets and the end of the lease term. The lease for Sydney office expired on 30 November 2020 (23 months from 1 January 2019) and the lease for Melbourne office expired on 28 February 2022 (38 months from 1 January 2019).

	2019 $	2018 $
Right-of-use Asset - Sydney Office		
At Cost	316,811	-
Less Accumulated Depreciation	(165,293)	-
Carrying Amount	151,518	-
Right-of-use Asset - Melbourne Office		
At Cost	78,646	-
Less Accumulated Depreciation	(24,836)	-
Carrying Amount	53,810	-
	205,329	-

NOTES TO THE FINANCIAL STATEMENTS

	Note	2019 $	2018 $
7. TRADE AND OTHER LIABILITIES			
Current			
Goods and Services Tax		26,195	-
Subscriptions in Advance		12,850	-
Member Deposits		211,074	-
Trade creditors		30,089	-
Sundry Creditors		34,112	-
PAYG Withholding Tax		30,089	-
Superannuation Payable		13,337	-
Other Current Liabilities		10,041	-
		367,797	-
8. LEASE LIABILITIES			
Current			
Lease Liability - Sydney Office		149,537	-
Lease Liability - Melbourne Office		24,938	-
		174,475	-
Non-Current			
Lease Liability - Melbourne Office		27,836	-
		27,836	-
9. PROVISIONS			
Current			
Provision for Annual Leave		68,458	-
Provision for Long Service Leave		29,940	-
		98,398	-
Non-Current			
Provision for Long Service Leave		25,765	-
		25,765	-

NOTES TO THE FINANCIAL STATEMENTS

	Note	2019 $	2018 $
10. CASH FLOW INFORMATION			
a. Reconciliation of cash			
Cash at the end of financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash on Hand		-1	-
Cash at Bank		140,631	359,732
CBA On Line Saver		1,261,717	-
Term Deposits		304,333	-
		1,706,681	359,732
b. Reconciliation of cash flow from operations with profit			
Profit after income tax		297,091	(268)
Non-cash flows in profit:			
Depreciation & amortisation		231,374	-
Bad debt written off		60,454	-
Loss on disposal of assets		614	-
Lease incentive rebate		(31,240)	
Changes in Assets & Liabilities:			
Decrease/(Increase) in Receivables		(248,350)	
Decrease/(Increase) in Other Assets		(9,569)	
Decrease/(Increase) in Right-of-use Assets		(395,457)	
Decrease/(Increase) in Provisions		124,163	
Decrease/(Increase) in Taxes, Creditors & Accruals		570,108	-
Net cash provided by operating activities		599,188	(268)

NOTES TO THE FINANCIAL STATEMENTS

11. TRANSFERRED FROM AUSTRALIAN WINDOW ASSOCIATION INC (AWA) AND AUSTRALIAN GLASS & GLAZING ASSOCIATION INC (AGGA)

As at 1 January 2019, there were assets and liabilities transferred from Australian Window Association Inc (AWA) and Australian Glass & Glazing Association Inc (AGGA) to AWA-AGGA Limited; in accordance with the Deed of Transfer and Assignment.

	Note		2019 $
Transferred from AWA			516,168
Transferred from AGGA:			
- National and IGMA Branch		346,387-	
- New South Wales Branch		65,341	
- Western Australia Branch		133,022	
- Tasmania Branch		53,305	
- Queensland Branch		33,043	
- Victoria Branch		79,156	
- South Australia Branch		14,313	
			724,567
TOTAL TRANSFERRED TO AWA-AGGA LIMITED			1,240,735

12. MEMBERS' GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states each member is required to contribute a maximum of $10 each towards meeting any outstandings and obligations of the Company. At 31 December 2019 the number of members was 1,048 (2018:nil)

13. KEY MANAGEMENT PERSONNEL REMUNERATION

The totals of remuneration paid to the key management personnel of AWA-AGGA Limited during the year is $572,702 (2018:nil).

14. CONTINGENCIES

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2019 (31 December 2018:None).

15. EVENTS AFTER THE END OF THE REPORTING PERIOD

The financial report was authorised for issue on 7 May 2020 by the Board of Directors.

In regard to the current/recent COVID-19 pandemic in Australia, there is a direct impact on the operation of the Company in a subsequent year (FY20). The assessment of the impact has been performed and recognised by the management. The impact includes no face-toface training and audits and the cancellation of events and conferences. The membership, online course and administration functions continue as normal. The company also has adequate surplus cash reserves in place if significant revenue reductions evenuate to meet their obligation on liabilities.

Except from the above paragraph, there are no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

16. STATUTORY INFORMATION

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

AWA-AGGA Limited
Suite 1, Level 1, Building 1
20 Bridge Street, Pymble
NSW 2073

ANNUAL REPORT AUSTRALIAN GLASS AND WINDOW ASSOCIATION

STATEMENT BY MEMBERS OF THE BOARD

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 18, are in accordance with the Corporations Act 2001 and:

   a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and

   b. give a true and fair view of the financial position as at 31 December 2019 and of the performance for the year ended on that date of the Company.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

CLINTON SKEOCH
Director

ELIZABETH NORTH
Director

Dated 15 May 2020

INDEPENDENT AUDITOR'S REPORT

Crispin & Jeffery Chartered Accountants

ADDRESS & PHONE
Level 16
68 Pitt Street
Sydney
NSW 2000
P +61 2 9908 4744

POSTAL ADDRESS
PO Box H237
Australia Square
NSW 1215

OTHER CONTACTS
F +61 2 9233 8237
E staff@cjeffery.com.au
W www.cjeffery.com.au

PARTNERS
Jonathan R Blake
Mark G Arthur
William R Matley

Independent Audit Report

To the members of AWA – AGGA Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of AWA – AGGA Limited (the Company), which comprises the statement of financial position as at 31 December 2019, 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 directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 31 December 2019 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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W www.cjeffery.com.au

PARTNERS
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William R Matley

Responsibilities of Directors for the Financial Report

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

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

Auditor's 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 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.

Crispin & Jeffery

Chartered Accountants

Level 16, 68 Pitt Street

Sydney, NSW, 2000

Mark G Arthur

Sydney

Dated this 15th **day of** May **2020**

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