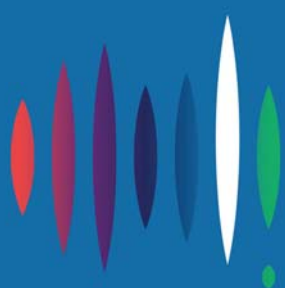
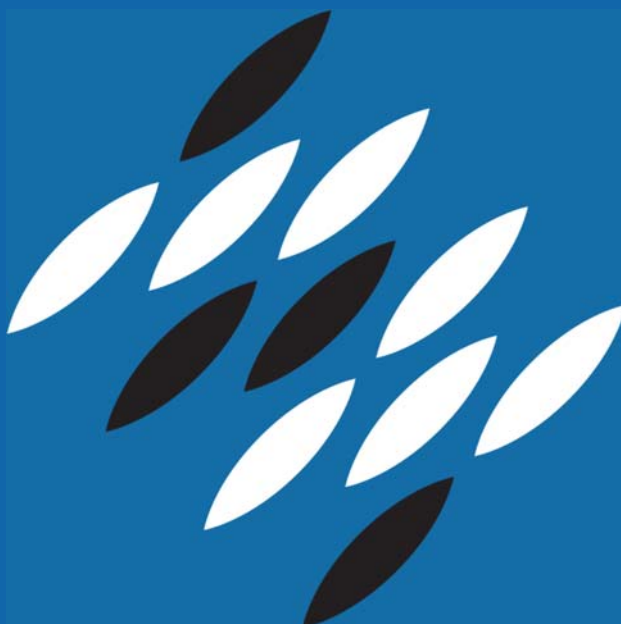


**ENERGY CONSUMERS
AUSTRALIA LIMITED**

**ANNUAL FINANCIAL
STATEMENTS**

For the year ended 30 June 2022



**ENERGY
CONSUMERS
AUSTRALIA**

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Directors' Report

The Directors of Energy Consumers Australia Limited (the Company) present their report together with the financial statements of the Company for the year ended 30 June 2022 and the Independent Auditor's Report.

Directors

The following Directors were the Responsible Entities of Energy Consumers Australia Limited during or since the end of the financial year. Directors were in office for the full year unless otherwise stated.

Marie (Louise) Sylvan AM
BA, MPA, FAICD

Chair and Director

Appointed 29 January 2015

Louise has significant experience in consumer affairs policy analysis and advocacy. She is Chair of the Reliable Affordable Clean Energy for 2030 Cooperative Research Centre; a non-executive director of the Social Enterprise Fund Australia, the Australian Centre for Social Innovation; and Member of the Advisory Panels of the Net Zero Australia project and the Australian Privacy Foundation. Louise is a policy adviser to the Australian Risk Policy Institute. Formerly Chief Executive Officer of the Australian National Preventive Health Agency, Louise was also a Commissioner of the Productivity Commission and Deputy Chair of the Australian Competition and Consumer Commission (ACCC).

Gavin Dufty
B. Social Science

Director

Appointed 29 January 2019

Gavin has significant consumer advocacy and energy policy experience. Gavin is Manager Policy and Research at St Vincent de Paul Society, Victoria. He has worked as a consumer representative in the energy sector for over 30 years undertaking research and policy evaluation on its impacts on domestic consumers. Gavin is currently a director on the board of Energy and Water Ombudsman (Victoria) (EWOV) and is a consumer representative on number of industry and government committees. Gavin is a member of the 2022 integrated system plan consumer panel - member consumer reference group NSW renewable energy roadmap and was awarded 2001 centennial medal for services to the community.



Helen Garnett PSM
BSc (Hons) PHD FAICD FTSE

Director, Member Risk and Audit Committee

Appointed 29 January 2019

Helen has significant corporate experience gained through directorships on government entities and ASX-listed companies in the energy, mining, agriculture and education sectors as well as entities involved in regional economic development and the arts. She currently chairs Generator Property Management and is a director of Developing East Arnhem Land, The Crawford Fund, Becquerel Laboratories and Larrakia Development Corporation. Helen is also a member of our Risk and Audit Committee.

Virginia Hickey
BA, LLB, FAICD

Director, Chair Reference Committee

Appointed 22 February 2016

Virginia is a lawyer, corporate governance expert and a company director. She was previously a partner of commercial law firm, Finlaysons. She has significant experience in national regulatory environments through her previous governance

positions as a National Competition Councillor, a National Transport Commissioner, and as the Independent Chair of the Telecommunications Ombudsman Council. Virginia also Chairs our Reference Committee.

Christopher Spangaro
BLegS (Hons), GAICD

Director, Member Risk and Audit Committee

Appointed 29 January 2019

Chris has a background in law and public policy. He is a member of Independent Pricing and Regulatory Tribunal's (IPART) Energy Savings Scheme Tribunal Committee. Chris is a former Senior Director of the Australian Energy Market Commission (AEMC) where he led the Retail and Wholesale Markets team addressing key aspects of consumer energy pricing and protection as well as the reshaping of wholesale market rules. He previously worked for the NSW Independent Pricing and Regulatory Tribunal as General Manager of the Greenhouse Gas Abatement Scheme and as Manager, Water Pricing. Chris is also a member of our Risk and Audit Committee.



NET SURPLUS AFTER INCOME TAX

The net deficit of the Company for the financial year after income tax was \$393,357 (2020/21: net surplus of \$1,000,542).

REVIEW OF OPERATIONS

Following a review of the Company's operations during the financial year and the results of those operations, in the opinion of the directors, the Company performed according to expectations.

Energy Consumers Australia Limited's (ECA) funding is passed through from fees collected by the Australian Energy Market Operator (AEMO), with the amount set in the annual budget approved by ECA's Member (the South Australian Minister for Energy and Mining) in consultation with the Energy National Cabinet Reform Committee.

PRINCIPAL ACTIVITIES

Objective

The principal activity of the Company during the course of the year was to promote the long-term interests of Consumers of Energy with respect to the price, quality, safety, reliability and security of supply of Energy services by providing and enabling strong, coordinated, collegiate evidence-based consumer advocacy on National Energy Market matters of strategic importance or material consequence for Energy Consumers, in particular for Residential Consumers and Small Business Customers.

Activities

- Effectively and objectively participate in National Energy Market issues and influence regulatory activities and energy market reform to benefit consumers
- Engage and communicate with consumers and consumer advocates about NEM policies, reforms and issues
- Build national and jurisdictional expertise and capacity through research, knowledge development and consultation
- Undertake robust research to build knowledge, engage and influence policy development and educate consumers in the energy markets
- Fund and manage grants to build knowledge and sectoral capacity supporting policy development and consumer education in the National Energy Market
- Create and maintain effective working relationships with key stakeholders
- Develop and apply an understanding of the distinct market differences between jurisdictions within the National Energy Market
- Frequently and collaboratively engage and communicate with representatives from the Energy Industry on issues in the interests of Consumers.

There have been no significant changes in the nature of these activities during the year.



Strategic Plan 2021-24

Energy Consumers Australia published its first 3-year Strategic Plan 2021-24 in August 2021.

This was our first full year working towards the impact areas under our new Strategic Plan 2021-24. The Strategic Plan builds on our deep experience as an independent advocate for residential and small business energy consumers across many of the forums, consultations and determinations that influence the everyday function of the Australian Energy System. Within its pages, we commit to maintaining and strengthening our unique position as an organisation that engages constructively and collaboratively with people, processes and bodies across the energy system but always does so in order to advance the interests of Australian energy consumers.

The context for Energy Consumers Australia's strategic priorities and major projects is our vision that Consumer values, expectations and needs are realised through a modern, flexible and resilient energy system.

In 2021-22, we doubled our efforts across an integrated work program with three core cross-cutting strategic impact areas.

- Prices at affordable levels that deliver value for money for households and businesses
- Markets that work for consumers, with fit for purpose consumer protections and support for consumers in vulnerable circumstances
- A decentralised distributed energy system that provides affordable, abundant and clean energy, while being safe, secure and reliable

Our Strategic Plan also marks an evolution of our role in the energy system. We have always seen collaboration with stakeholders as a core value but have recently tried to re-orient our work program to better reflect that approach. Examples of this include our new approach to the Grants Program, which now includes a Collaboration stream, as well as the creation of a new Consumer Empowerment Funding Program to back consumer representatives in network revenue setting processes.

We are also adapting our communications to reflect our strategic priorities, with a renewed emphasis on direct engagement with consumers, building a relationship with them based on trust - both to create a genuine shared vision of the future, and to help consumers navigate a complex market that relies more and more on their participation. In 2021-22 in response to significant price rises we developed our Consumers Advice Hub and launched our Plug-In campaign.

Energy Consumers Australia builds its evidence base to support systems change, through its research ([including our Energy Consumers Surveys](#)) and grants funding.

Details of our strategic policy priorities and impact are provided in our annual report.

AFTER BALANCE DATE EVENTS

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 subsequent financial years.



ACTIONS

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

DIRECTORS' MEETINGS

The number of meetings of directors held during the year and the number of meetings attended by each director is set out below:

Board Meetings

DIRECTOR	MEETINGS ENTITLED TO ATTEND	MEETINGS ATTENDED
Marie (Louise) Sylvan	10	10
Gavin Dufty	10	10
Helen Garnett	10	10
Virginia Hickey	10	9
Chris Spangaro	10	9

Risk and Audit Committee Meetings

DIRECTOR	MEETINGS ENTITLED TO ATTEND	MEETINGS ATTENDED
Catherine Cooper	4	4
Helen Garnett	4	3
Chris Spangaro	4	4

Catherine Cooper is the Chair of the Risk and Audit Committee. Catherine is not a Director of Energy Consumers Australia. Marie (Louise) Sylvan is not a member of the Risk and Audit Committee however attends meetings as a representative of the Board.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums in respect of a contract insuring all the directors and officers of the Company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of a director or officer other than conduct involving a wilful breach of duty. The total amount of insurance contract premiums paid was \$42,235 (2021: \$34,241).



INDEMNIFICATION OF AUDITORS

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

CONTRIBUTION IN WINDING UP

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 that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. At 30 June 2022 the number of members was 1 (2021: 1).

AUDITOR INDEPENDENCE

The Auditor's Independence Declaration for the year ended 30 June 2022 has been received and can be found on page 9 of the annual financial report.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Marie Louise Sylvan
Director
Date: 15 September 2022

Auditor's Independence Declaration

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of Energy Consumers Australia Limited for the year ended 30 June 2022.



HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

Sydney, NSW
15 September 2022



K L Luong
Director

hlb.com.au

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

Statement of Comprehensive Income

For the year ended 30 JUNE 2022

	NOTE	2022 \$	2021 \$
Income			
Industry levies	5	8,068,640	8,178,550
Interest income	5	15,959	17,846
Other income	5	118,810	138,092
Total income		8,203,409	8,334,488
Expenses			
Grant payments	6	2,222,840	1,685,560
Project expenses		1,497,223	1,661,319
Office expenses		937,002	863,203
Depreciation and amortisation charges	11,13(a)	244,102	33,838
Premise expenses		125,372	220,597
Staff expenses		3,409,592	2,705,852
Board expenses		160,635	163,577
Total expenses		8,596,766	7,333,946
Net (deficit)/surplus before income tax		(393,357)	1,000,542
Income tax expense		-	-
Net (deficit)/surplus after income tax		(393,357)	1,000,542
Other comprehensive income for the year		-	-
Total other comprehensive income for the year		(393,357)	1,000,542

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 JUNE 2022	NOTE	2022 \$	2021 \$
Current Assets			
Cash and cash equivalents	7	1,645,635	2,703,097
Trade and other receivables	9	37,719	53,621
Prepayments		184,461	177,808
Deposits	10	733,046	731,925
Total Current Assets		2,600,861	3,666,451
Non-Current Assets			
Deposits	10	214,548	-
Property, plant and equipment	11	393,196	34,991
Intangible assets	12	-	-
Right-of-use assets	13(a)	949,527	635
Total Non – current Assets		1,557,271	35,626
Total Assets		4,158,132	3,702,077
Current Liabilities			
Trade and other payables	14	614,713	795,969
Employee entitlements	15	181,528	149,276
Lease liability	13(b)	189,617	645
Total Current Liabilities		985,858	945,890
Non – Current Liabilities			
Lease liability	13(b)	764,133	-
Employee entitlements	15	61,197	48,261
Make good provision	15	32,375	-
Total Non – Current Liabilities		857,705	48,261
Total Liabilities		1,843,563	994,151
Net Assets		2,314,569	2,707,926
Equity			
Initial contribution reserve	16	1,189,415	1,189,415
Retained surplus	16	1,125,154	1,518,511
Total Equity		2,314,569	2,707,926

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

As at 30 JUNE 2022

	(NOTE 16) INITIAL CONTRIBUTION RESERVE \$	(NOTE 16) RETAINED SURPLUS \$	TOTAL EQUITY \$
Balance at 30 June 2020	1,189,415	517,969	1,707,384
Net surplus for 2020-21	-	1,000,542	1,000,542
Other comprehensive income for the year	-	-	-
Balance at 30 June 2021	1,189,415	1,518,511	2,707,926
Balance at 30 June 2021	1,189,415	1,518,511	2,707,926
Net deficit for 2021-22	-	(393,357)	(393,357)
Other comprehensive income for the year	-	-	-
Balance at 30 June 2022	1,189,415	1,125,154	2,314,569

The above statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 JUNE 2022

	NOTE	2022 \$	2021 \$
Cash flows from operating activities			
Cash outflows			
Payments for suppliers		(2,903,486)	(3,016,066)
Payments for employees		(3,551,233)	(2,861,357)
Payment of grants		(2,628,171)	(1,707,546)
GST paid to the ATO		(353,333)	(261,795)
Interest paid on lease liability	13(b)	(36,668)	(111)
Cash used in operations		(9,472,891)	(7,846,875)
Cash inflows			
Receipts from AEMO and grants		9,180,858	9,037,440
Interest received		14,838	20,087
Cash generated from operations		9,195,696	9,057,527
Net cash (used in)/provided by operating activities	8(b)	(277,195)	1,210,652
Cash flows from investing activities			
Cash outflows			
Purchase of deposits		(214,548)	-
Purchase of property, plant and equipment	11	(433,882)	(34,200)
Cash used in investing activities		(648,430)	(34,200)
Cash inflows			
Term deposit reclassification from cash and cash equivalents to deposits		-	253,046
Cash provided by investing activities		-	253,046
Net cash (used in)/provided from investing activities		(648,430)	218,846
Cash flows from financing activities			
Cash outflows			
Payment of principal portion of lease liability	13(b)	(131,837)	(20,769)
Cash used in financing activities		(131,837)	(20,769)
Net cash provided from financing activities		(131,837)	(20,769)

	NOTE	2022 \$	2021 \$
Net (decrease)/increase in cash and cash equivalents		(1,057,462)	1,408,729
Cash and cash equivalents at the beginning of the year		2,703,097	1,294,368
Cash and cash equivalents at the end of the year	8(a)	1,645,635	2,703,097

The above statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2022

1. CORPORATE INFORMATION

The financial report of Energy Consumers Australia Limited (the Company) for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the directors on 15 September 2022.

Energy Consumers Australia is a company limited by guarantee incorporated in Australia on 29 January 2015. The Company's objectives are to promote the long-term interests of Consumers of Energy with respect to the price, quality, safety, reliability and security of supply of Energy services by providing and enabling strong, coordinated, collegiate evidence-based consumer advocacy on National Energy Market matters of strategic importance or material consequence for Energy Consumers, in particular for Residential Consumers and Small Business Customers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation and Statement of compliance

The financial report is a general-purpose financial report and it has been prepared in accordance with the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Australian Accounting Standards contain requirements specific to not-for-profit entities, including AASB 116 Property, Plant and Equipment, AASB 138 Intangible Assets, AASB 136 Impairment of Assets and AASB 1058 – Income of Not-for-Profit Entities. The financial report has been prepared on a historical cost convention.

The financial report is presented in Australian dollars (\$).

b) New accounting standards and interpretation

i. Changes in accounting policies

Energy Consumers Australia Limited has reviewed amendments to relevant accounting standards which came into effect from 1 July 2021.

AASB 2021-3 Amendments to Australian Accounting Standards – Covid-19 Related Rent Concessions beyond 30 June 2021. AASB 2021-3 extends the practical expedient introduced by AASB 2020-4 Amendments to Australian Accounting Standards – COVID-19 – Related Rent Concessions by a further 12 months – permitting lessees to apply the relief to rent concessions for which reductions in lease payments were originally due on or before 30 June 2022. Effective for annual periods beginning on or after 1 January 2020 (Company 1 July 2021). These amendments had no impact on the financial statements of ECA.

ii. Accounting Standards and Interpretations issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of ECA's financial statements are discussed below. ECA intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

TITLE	DESCRIPTION	EFFECTIVE DATE FOR ECA	NOTE
AASB 7	Insurance Contracts	1 January 2023	(i)
AASB 2020-1	Amendments to AASs – Classification of Liabilities as Current or Non-current	1 January 2023	(ii)
AASB 2021-2	Amendments to AASB 108 – Definition of Accounting Estimates	1 January 2023	(iii)

- (i) This standard is not applicable to ECA's operations.
- (ii) The amendments are not expected to have a significant impact on ECA's financial statements.
- (iii) The amendments are not expected to have a significant impact on ECA's financial statements.

c) Revenue recognition

Revenue is measured at the fair value of the contributions received or receivable and is recognised when all the following conditions have been satisfied:

- the Company obtains control of the contribution or the right to receive the contribution
- it is probable that the economic benefits comprising the contribution will flow to the Company
- the amount of the contribution can be measured reliably.

i. Other income - interest income

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

d) Cash and cash equivalents and financial assets

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial assets are comprised of deposits with maturity terms greater than three months and are carried at amortised cost.

e) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for expected credit losses. Collectability of trade receivables is reviewed on an ongoing basis at an operating unit level. Individual debts that are known to be uncollectible are written off when identified.

f) Property, plant and equipment

Property, plant and equipment is initially measured at fair value at the date on which control is obtained

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Office furniture and equipment - 3 to 5 years
- Leasehold Improvements - 5 years

An item of property, plant and equipment and any significant part initially recognised are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The useful life of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful life as follows:

- Software and website development - 3 years

Intangible assets assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income in the expense category that is consistent with the function of the intangible assets.

h) Leases

ECA assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. ECA applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The lease payments for short-term leases are expensed on a straight-line basis over the lease term. ECA recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

ECA recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless ECA is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are amortised on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

ii. Lease Liabilities

At the commencement date of the lease, ECA recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by ECA and payments of penalties for terminating a lease, if the lease term reflects ECA exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, ECA uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

i) Trade and other payables

Trade and other payables are carried at amortised cost due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

j) Provisions and employee benefits

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Lease make good

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by

adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in the statement of comprehensive income.

Employee leave benefits

Wages, salaries, annual leave, long service leave and personal leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating personal leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave is recognised in respect of employees' services up to the reporting date once they have been an employee for five years or greater. It is measured at the amount expected to be paid when the liabilities are settled.

k) Income tax and other taxes

i. Income tax

ECA was advised by the Australian Charities and Not-for-profits Commission on 28 March 2019 that ECA was registered as a charity from 16 February 2015. ECA was advised by the Australian Taxation Office on 4 April 2019 that it had been granted income tax exemption from 16 February 2015.

ii. Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows 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.

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

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise receivables, payables, cash and short-term deposits.

The Company currently manages its exposure to key financial risks, including interest rate risk, through ongoing monitoring of the Company's financial instruments by management. If significant exposures were identified, a recommendation for a strategy to mitigate the financial risk would be proposed to the Board of Directors for review and approval. Once approved, the Company would implement the agreed strategy to minimise the financial exposure.

Risk exposures and responses

i. Interest Rate Risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the company's cash at bank and short-term deposits.

At balance date, the Company had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

	2022	2021
	\$	\$
Financial Assets		
Cash and cash equivalents*	1,645,635	2,703,097
	1,645,635	2,703,097
Financial Liabilities		
Lease liabilities	953,750	645
	953,750	645
Net exposure	691,885	2,702,452

*Comprises \$827,791 (2021: \$1,904,442) subject to variable rates and \$753,046 (2021: \$753,046) subject to fixed rates. There is also \$64,798 (2021: \$45,609) not subject to any interest rates.

The following sensitivity analysis is based on the variable interest rate risk exposures in existence at the Statement of Financial Position date:

At 30 June 2022, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax profit and equity would have been affected as follows:

JUDGEMENTS OF REASONABLY POSSIBLE MOVEMENTS:	POST TAX SURPLUS HIGHER/(LOWER)		OTHER COMPREHENSIVE INCOME HIGHER/(LOWER)	
	2022 \$	2021 \$	2022 \$	2021 \$
+1% (100 basis points)	5,795	13,331	-	-
(0.5%) (50 basis points)	(2,897)	(6,665)	-	-

Credit Risk

Credit risk arises from the financial assets of the Company, which comprise cash and cash equivalents, deposits and trade and other receivables. The Company's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Company only trades with recognised, creditworthy third parties and as such collateral are not requested nor it is the Company's policy to securitise its trade and other receivables.

Receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant.

Liquidity Risk

Liquidity risk arises from the financial liabilities of the Company and the Company's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due. The Company closely monitors its cash position and regularly updates its cash flow projections to ensure it has sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Maturity analysis of financial assets and liabilities based on management's expectations

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows.

YEAR ENDED 30 JUNE 2022	<6 MONTHS \$	6-12 MONTHS \$	1-5 YEARS \$	>5 YEARS \$	TOTAL \$
Financial Assets:					
Cash and cash equivalent	1,645,635	-	-	-	1,645,635
Trade and other receivables	37,719	-	-	-	37,719
Deposits	-	733,046	214,548	-	947,594
	1,683,354	733,046	214,548	-	2,630,948
Financial Liabilities:					
Trade and other payables	614,713	-	-	-	614,713
Lease Liability	92,357	97,260	764,133	-	953,750
	707,070	97,260	764,133	-	1,568,463
Net Maturity	976,284	635,786	(549,585)	-	1,062,485

YEAR ENDED 30 JUNE 2021	<6 MONTHS \$	6-12 MONTHS \$	1-5 YEARS \$	>5 YEARS \$	TOTAL \$
Financial Assets:					
Cash and cash equivalent	2,703,097	-	-	-	2,703,097
Trade and other receivables	53,621	-	-	-	53,621
Deposits	-	731,925	-	-	731,925
	2,756,718	731,925	-	-	3,488,643
Financial Liabilities:					
Trade and other payables	795,969	-	-	-	795,969
Lease Liability	645	-	-	-	645
	796,614	-	-	-	796,614
Net Maturity	1,960,104	731,925	-	-	2,692,029

Fair Value

The methods of estimating fair value are outlined in the relevant notes to the financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires Management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

5. REVENUE FROM CONTINUING OPERATIONS

	2022	2021
	\$	\$
Electricity levies from AEMO*	6,051,480	6,133,912
Gas levies from AEMO*	2,017,160	2,044,638
	8,068,640	8,178,550
Other income	118,810	138,092
Interest income	15,959	17,846
Total Revenue	8,203,409	8,334,488

* ECA received additional funding of \$300,000 from the Australian Energy Market Operator in 2021 to cover the additional costs incurred by ECA through its participation in the appeal to the Australian Competition Tribunal of the New Energy Tech Consumer Code in 2020.

Economic dependency

The Company's principal funding is from one source (the Australian Energy Market Operator), continued funding is guaranteed in accordance with the National Electricity Rules and the National Gas Rules however the annual amount is dependent upon approval by ECA's Member (the South Australian Minister for Energy and Mining) in consultation with the Energy National Cabinet Reform Committee.

6. GRANT PAYMENTS

Grant payments of \$2,222,840 (2021: \$1,685,560) represent costs incurred in relation to approved grant applications and are recognised to the extent that the work has been undertaken by the applicant. Of the expense recognised during the year, \$nil (2021: \$nil) relates to amounts accrued at year end (refer to note 14).

The unrecognised contractual commitments relating to grant applications approved before or on 30 June 2022 are disclosed in note 18.

7. CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Cash at bank and in hand	1,645,635	2,703,097

Interest rate risk

Cash at bank earns a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

8. STATEMENT OF CASH FLOW RECONCILIATION

a) Reconciliation of cash and cash equivalents at the end of the reporting period:

	2022 \$	2021 \$
Cash and cash equivalents disclosed in the Statement of Financial Position	1,645,635	2,703,097
Balance as per the Statement of Cash Flows	1,645,635	2,703,097

b) Reconciliation of net (deficit)/surplus after tax to net cash flows from operations:

	2022 \$	2021 \$
Net (deficit)/surplus after income tax	(393,357)	1,000,542
Add back depreciation and amortisation of property, plant and equipment and intangible assets	75,677	14,658
Add back depreciation of right-of-use assets	168,425	19,180
	(149,255)	1,034,380

	2022 \$	2021 \$
Increase in trade and other receivables	(36,086)	(28,799)
Increase in deposits	(1,121)	-
Increase in prepayments	(6,652)	(72,493)
(Decrease)/Increase in trade and other payables	(129,269)	277,531
Increase in provisions	45,188	33
Net cash (inflow)/outflow from operating activities	(277,195)	1,210,652

9. TRADE AND OTHER RECEIVABLES

	2022 \$	2021 \$
Current Assets		
Accounts receivables	-	2,454
Accrued income	1,344	51,167
GST receivables	36,375	-
Total	37,719	53,621

10. DEPOSITS

	2022 \$	2021 \$
Current Assets		
Term Deposits	633,046	500,000
Security Deposits	100,000	231,925
Total Current Assets	733,046	731,925
Non-Current Assets		
Security Deposits	214,548	-
Total Non-Current Assets	214,548	-
Total Deposits	947,594	731,925

11. PROPERTY, PLANT AND EQUIPMENT

	2022 \$	2021 \$
Office furniture and equipment:		
Office furniture and equipment – at cost	257,650	220,128
Less: Accumulated depreciation	(206,884)	(185,658)
Balance as at 30 June	50,766	34,470
Leasehold Improvements:		
Leasehold improvements – at cost	437,492	41,445
Less: Accumulated depreciation	(95,062)	(40,924)
Balance as at 30 June	342,430	521
Total property, plant and equipment:		
Property, plant and equipment – at cost	695,142	261,573
Less: Accumulated depreciation	(301,946)	(226,582)
Balance as at 30 June	393,196	34,991
Reconciliation		
Office furniture and equipment:		
Balance as at 1 July	34,470	16,411
Additions	37,835	31,091
Depreciation	(21,539)	(13,032)
Balance as at 30 June	50,766	34,470
Leasehold Improvements:		
Balance as at 1 July	521	1,488
Additions	396,047	-
Depreciation	(54,138)	(967)
Balance as at 30 June	342,430	521
Total property, plant and equipment:		
Balance as at 1 July	34,991	17,899
Additions	433,882	31,091
Depreciation	(75,677)	(13,999)
Balance as at 30 June	393,196	34,991

12. INTANGIBLE ASSETS

	2022 \$	2021 \$
Website development:		
Website development – at cost	64,235	64,235
Less: Accumulated depreciation	(64,235)	(64,235)
Balance as at 30 June	-	-
 Reconciliation		
Website development:		
Balance as at 1 July	-	659
Amortisation	-	(659)
Balance as at 30 June	-	-

13(A) RIGHT-OF-USE ASSETS

	2022 \$	2021 \$
Rental leases:		
Rental lease – right-of-use	1,105,833	-
Less: Accumulated depreciation	(166,450)	-
	939,383	-
Photocopier lease:		
Photocopier lease – right-of-use	11,484	5,718
Less: Accumulated depreciation	(1,340)	(5,083)
	10,144	635
Total right-of-use assets	949,527	635

Reconciliation

Reconciliation of the carrying amount of the right-of-use assets from the start of the financial year to the end of the financial year is set out below:

Rental leases:		
Balance as at 1 July	-	-
Additions	1,105,833	-
Depreciation	(166,450)	-
Balance as at 30 June	939,383	-
Photocopier Lease:		
Balance as at 1 July	635	19,815
Additions	11,484	-
Depreciation	(1,975)	(19,180)
Balance as at 30 June	10,144	635
Total right-of-use assets	949,527	635

13(B) LEASE LIABILITIES

	2022 \$	2021 \$
Lease Liabilities		
Current	189,617	645
Non-current	764,133	-
Total	953,750	645

Interest expense recognised in the statement of comprehensive income was \$36,668 (2021: \$111) and interest payable and principal payments made to lessors in respect to lease liabilities was \$131,837 (2021: \$20,769). The weighted average incremental borrowing rate that applied to the lease liabilities in the year was 4.5%. (2021: 4.5%). With the exception of short-term leases, each lease held by ECA is reflected in the statement of financial position as a right-of-use asset and a lease liability. Payments made for short-term leases are expensed on a straight-line basis. Amount recognised in the statement of comprehensive income relating to these leases were \$57,441 (2021: \$199,686).

14. TRADE AND OTHER PAYABLES

	2022 \$	2021 \$
Current liabilities		
Accounts payables	459,656	519,402
GST payables	-	51,988
Payroll payables	81,144	62,147
Other accrued expenses	73,913	162,432
Total	614,713	795,969

15. PROVISIONS

	2022 \$	2021 \$
Current Liabilities		
Annual leave	181,528	149,276
Total Current Liabilities	181,528	149,276
Non-Current Liabilities		
Long service leave	61,197	48,261
Lease make good	32,375	-
Total Non-Current Liabilities	93,572	48,261
Total Provisions	275,100	197,537

Lease make good

The lease make good provision represents the estimated costs to make good the premises leased by ECA at the end of the respective lease terms.

16. RETAINED SURPLUS AND RESERVES

	2022 \$	2021 \$
Movements in retained earnings and reserves were as follows:		
Initial contributions:		
Balance as at 30 June 2021	1,189,415	1,189,415
Net movement for the year	-	-
Balance as at 30 June 2022	1,189,415	1,189,415
Retained surplus:		
Balance as at 30 June 2021	1,518,511	517,969
Net movement for the year	(393,357)	1,000,542
Balance as at 30 June 2022	1,125,154	1,518,511

On 29 January 2015, ECA received an initial funding contribution from the Consumer Advocacy Panel. In the 2016 financial year there was a CAP Grant adjustment to the initial contribution reserve bringing the total to \$1,189,415. 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 that each member is required to contribute a maximum of \$10 each (2021: \$10) towards meeting any outstanding obligations of the Company. At 30 June 2022 the number of members was 1 (2021: 1). Upon winding-up if there remains any property it must be transferred to some other institution having objects similar to the objects of ECA and a constitution which prohibits the distribution of its income and property among its members.

17. RELATED PARTY TRANSACTIONS

	2022	2021
	\$	\$
Key Management Personnel Remuneration		
Short term benefits	602,700	534,217
Post-employment benefit	65,285	75,936
Total	667,985	610,153

Management has conducted an assessment of key management personnel and determined to include the Director of Strategy & Corporate as this position has authority for planning and controlling activities of the entity. In line with AASB124 key management personnel remuneration will now include annual and long service leave. Prior year numbers have been restated in line with the new approach.

Gavin Dufty is a current Director of Energy Consumers Australia. Gavin is also Manager Policy & Research at St Vincent de Paul, Victoria. In April 2020, the ECA Board approved a grant to St Vincent de Paul, Victoria to the value of \$296,184. It is ECA policy that a Director who also works for a recipient of a grant cannot vote on the approval of the grant.

18. UNRECOGNISED CONTRACTUAL COMMITMENTS

Commitments relate to approved applications for which a grant has not yet been paid:

	2022	2021
	\$	\$
Payable within one year	944,811	714,692
More than one year but no later than two years	160,880	88,184
Total unrecognised contractual commitments	1,105,691	802,876

The above represents commitments for approved grant applications where the conditions for payment of the grant have not been met as at 30 June 2022.

19. AUDITOR REMUNERATION

During the year the following fees were paid or payable for services provided by HLB Mann Judd. In 2021, the fees were paid for services provided by Ernst and Young:

	2022 \$	2021 \$
Audit services		
Audit or review of the financial statements	32,000	46,800
Other services – Ernst and Young		
Change in auditor	4,500	-
Total	36,500	46,800

20. CONTINGENT LIABILITIES

The Company is not aware of any Contingent Liabilities that should be disclosed.

21. EVENTS AFTER REPORTING PERIOD

There were no events occurring after 30 June 2022 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 subsequent financial years.

Directors' Declaration

In accordance with a resolution of the directors of Energy Consumers Australia Limited, I state that:

1. In the opinion of the directors:
 - (a) The financial statements and notes of the company for the financial year ended 30 June 2022 are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) Giving a true and fair view of the company's financial position as at 30 June 2022 and its performance for the year ended on that date; and
 - (ii) Complying with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Regulation 2013*;
 - (b) The financial statements and notes also comply with International Financial Reporting Standards to the extent disclosed in Note 2 (b); and
 - (c) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Marie Louise Sylvan
Director

Date: 15 September 2022

Independent Auditor's Report to the Members of Energy Consumers Australia Limited

Opinion

We have audited the financial report of Energy Consumers Australia Limited ("the Company") which comprises the statement of financial position as at 30 June 2022, the statement of 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 has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 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 Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to those charged with governance, would be in the same terms if given 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.

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

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

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

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

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

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HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 management either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



HLB Mann Judd Assurance (NSW) Pty Ltd
Chartered Accountants

Sydney, NSW
15 September 2022

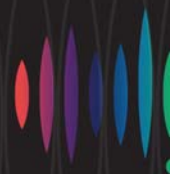


K L Luong
Director

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