

TRAVELLERS CHOICE

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED
31 DECEMBER 2022





OUR PURPOSE

To provide an exceptional customer experience to our members by supporting them with innovative services, attractive rewards and outstanding people.

OUR VISION

To be the network of choice for successful travel businesses.

OUR VALUES

We focus on the customer, we work as a team, we are driven by results.

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DIRECTORS' REPORT

Your Directors present their report on the Company for the half-year ended 31 December 2022.

DIRECTORS

The following persons were Directors of Travellers Choice Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

- Trent Bartlett
- Mark Brady
- Greg Close
- Phil Dalley
- Trinity Hastwell
- Christian Hunter
- Jacqueline Wilson-Smith

OPERATING RESULTS

The Company produced an operating income before providing for income tax for the half-year of \$1,244,431 (31 December 2021: loss before income tax \$177,301).

REVIEW OF OPERATIONS

The financial period commenced on 1st July 2022.

The Directors have resolved that any dividend or trading rebate distributions will be considered at year-end.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial half-year were to provide business services and support to travel agent member shareholders of Travellers Choice in accordance with the Company's objectives.

No significant changes in the nature of these activities occurred during the financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the Company's state of affairs occurred during the financial half-year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 2.

This Directors' Report is signed in accordance with a resolution of the Board of Directors:



Trent Bartlett
Director

Dated this 13th day of March 2023

AUDITOR'S INDEPENDENCE DECLARATION



AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF TRAVELLERS CHOICE LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Travellers Choice Limited. As the audit partner for the review of the financial report of Travellers Choice Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in black ink that reads 'AMW Audit'.

AMW AUDIT
Chartered Accountants (Auditor registration number 314299)

A handwritten signature in black ink that reads 'M. Shone'.

MARTIN SHONE
Principal

Perth, WA

Dated this 13th day of March 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	NOTE	HALF-YEAR ENDED 31 DECEMBER 2022	HALF-YEAR ENDED 31 DECEMBER 2021
		\$	\$
Revenue	2	1,701,430	387,377
Cost of sales		-	-
Gross profit		2,097,914	387,377
Other revenues	2	1,007,490	344,491
Computer expenses		(18,106)	(14,167)
Consultancy fees		(49,449)	(49,033)
Depreciation and amortisation expenses	3	(32,236)	(78,273)
Director fees		(42,500)	(42,391)
Fees (Corp/TCF/Lic./BSP)		(11,251)	(29,976)
Finance costs	3	(754)	(9,379)
Insurance expense		(11,429)	(9,340)
Legal costs		(756)	(16,132)
Marketing costs		(168,589)	(39,617)
Member overrides		(114,579)	(45,000)
Rent	3	(2,100)	7,376
Salaries & wages		(420,645)	(438,105)
Subscriptions for members		(413,106)	(20,969)
Ticketing fee		(75,886)	(69,618)
Other expenses from ordinary activities		(103,103)	(54,545)
Profit/ (loss) before income tax		1,244,431	(177,301)
Income tax expense		-	-
Profit/ (loss) for the half-year		1,244,431	(177,301)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		-	-
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income/ (loss) attributable to members of the Company		1,244,431	(177,301)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	31 DECEMBER 2022	30 JUNE 2022
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	858,563	771,627
Trade and other receivables	214,611	70,617
Other assets	1,530,089	322,199
TOTAL CURRENT ASSETS	2,603,263	1,164,443
NON-CURRENT ASSETS		
Property, plant and equipment	13,728	13,514
Intangible assets	4,209	7,555
Right of Use Asset	26,561	53,122
Financial assets	385,396	496,530
Deferred tax assets	82,504	82,504
TOTAL NON-CURRENT ASSETS	512,398	653,225
TOTAL ASSETS	3,115,661	1,817,668
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	440,915	261,139
Current tax liabilities	326,562	429,179
Provisions	137,432	126,121
Lease Liabilities	15,349	53,122
TOTAL CURRENT LIABILITIES	920,258	869,561
NON-CURRENT LIABILITIES		
Provisions	26,849	23,984
Deferred tax liabilities	116,404	116,604
TOTAL NON-CURRENT LIABILITIES	143,253	140,388
TOTAL LIABILITIES	1,063,511	1,009,949
NET ASSETS	2,052,150	807,719
EQUITY		
Issued ordinary share capital	367,265	367,265
Retained earnings	1,638,220	393,789
Reserve	46,665	46,665
TOTAL EQUITY	2,052,150	807,719

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	ISSUED ORDINARY SHARE CAPITAL	RESERVE	RETAINED EARNINGS	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2021	367,265	(33,822)	79 9,159	1,132,602
Loss for the half-year	-	-	(177,301)	(177,301)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half-year	-	-	(177,301)	(177,301)
Dividends and rebates paid	-	-	-	-
Balance at 31 December 2021	367,265	(33,822)	621,858	955,301
Balance at 1 July 2022	367,265	46,665	393,789	807,719
Loss for the half-year	-	-	1,244,431	1,244,431
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half-year	-	-	1,244,431	1,244,431
Dividends and rebates paid	-	-	-	-
Balance at 31 December 2022	367,265	46,665	1,638,220	2,052,150

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	HALF-YEAR ENDED 31 DECEMBER 2022	HALF-YEAR ENDED 31 DECEMBER 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and government	1,330,284	493,950
Payments to suppliers and employees	(1,213,476)	(1,165,419)
Interest received	2,681	64
Income tax paid	(102,617)	-
Net cash (used in)/ provided by operating activities	16,872	(671,405)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,543)	(1,640)
Proceed from recall of investments	111,134	-
Net cash used in investing activities	108,591	(1,640)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liability	(38,527)	(31,437)
Net cash used in financing activities	(38,527)	(31,437)
Net (decrease)/ increase in cash held	86,936	(704,482)
Cash and cash equivalents at beginning of half-year	771,627	1,788,140
Cash and cash equivalents at end of half-year	858,563	1,083,658

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

GENERAL INFORMATION

The financial statements cover Travellers Choice Limited. The financial statements are presented in Australian dollars.

Travellers Choice Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Suite 1, Level 1,
74 Wittenoom Street
East Perth WA 6004

Principal place of business

Suite 1, Level 1,
74 Wittenoom Street
East Perth WA 6004

A description of the nature of the Company's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 13 March 2023.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

b. Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

NOTE 2 REVENUE AND OTHER INCOME

	31 DECEMBER 2022	31 DECEMBER 2021
Revenue	\$	\$
Sales revenue:		
- Sale of services and commission	1,701,430	387,377
Other revenue:		
- Membership fees	331,583	100,829
- Insurance commission	142,489	10,942
- Conference fees	396,484	-
- Cruise club annual fees	-	1,639
- Interest received	2,681	64
- Marketing revenue	134,079	33,840
- COVID-19 Consumer Travel Support Program	-	100,000
- WA Travel Agent Support Program	-	10,000
- Gain on lease modification	-	87,177
- Other income	174	-
	1,007,490	344,491
Total revenue	2,708,920	731,868
a. Interest revenue from:		
- banks	2,681	64
	2,681	64

NOTE 3 EXPENSES

Loss before income tax from continuing operations includes the following specific expenses:

	31 DECEMBER 2022	31 DECEMBER 2021
	\$	\$
Depreciation of property, plant and equipment	(2,329)	(6,053)
Amortisation of intangible assets	(3,346)	(8,800)
Depreciation of right of use asset	(26,561)	(63,420)
	(32,236)	(78,273)
Finance costs		
Interest charges on lease liabilities	(754)	(9,379)
Rental (expense)/ credit on operating leases	(2,100)	7,376

NOTE 4 DIVIDENDS

There have been no dividends declared or paid during the period ended 31 December 2022.

NOTE 5 FAIR VALUE MEASUREMENTS

a. Valuation Techniques

In the absence of an active market for an identical asset or liability, the Company selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches:

- *Market approach* uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach* converts estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

b. Financial Instruments

The following table represents a comparison between the carrying amounts and fair values of financial assets and liabilities:

	31 DECEMBER 2022		30 JUNE 2022	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	858,563	858,563	771,627	771,627
Trade and other receivables	214,611	214,611	70,617	70,617
Financial assets at fair value through other comprehensive income	385,396	385,396	496,530	496,530
Total financial assets	1,458,570	1,458,570	1,338,774	1,338,774
Financial liabilities				
Trade and other payables (excluded GST)	441,602	441,602	264,127	264,127
Lease liabilities	15,349	15,349	53,122	53,122
Total financial liabilities	456,951	456,951	317,249	317,249



NOTE 6 CONTINGENT LIABILITIES

The Company has no contingent liabilities for the half-year ended 31 December 2022.

NOTE 7 EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Travellers Choice Limited, the Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 3 to 10 are in accordance with the Corporations Act 2001 and:
 - (a) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2022 and of the performance for the half-year ended on that date.
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.



Trent Bartlett
Director

Dated this 13th day of March 2023

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF TRAVELLERS CHOICE LIMITED ACN 121 496 900

Conclusion

We have reviewed the half-year financial report of Travellers Choice Limited (the "Company"), which comprises the statement of financial position as at 31 December 2021, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year then ended, a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Travellers Choice Limited does not comply with the *Corporations Act 2001* including:

- a. giving a true and fair view of the Travellers Choice Limited financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of Travellers Choice Limited 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual 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 Travellers Choice Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibilities of Directors for the Financial Report

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

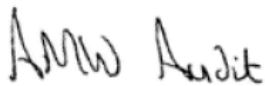
Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



AMW AUDIT

Chartered Accountants

Address: Unit 8, 210 Winton Road, Joondalup, Western Australia



MARTIN SHONE

Principal & Registered Company Auditor

Dated this 13th day of March 2023



TRAVELLERS CHOICE LIMITED

ACN 121 496 900

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