TRAVELLERS CHOICE

ANNUAL REPORT

2026







OUR PURPOSE
To sustainably create, protect and return value to members.

OUR VISION
To be the network of choice for successful travel businesses.

OUR VALUES
Transparent. Responsive. Accessible. Innovative.
Trustworthy. Supportive.

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CHAIR'S STATEMENT

Independent companies have traditionally joined consortia to enjoy three core benefits: enhanced buying power, extended marketing reach and the ability to share or mitigate risk.

For some industries, managing risk is vital. In the agricultural sector, for instance, small operators pool resources to cushion the impact of price volatility, extreme weather and vulnerable supply chains. In other fields, consortia enable members to share the financial burdens and exposure that come with necessary investments in infrastructure and technology.

For travel retailers, sharing risk – particularly when it comes to investment – has not typically been a priority. But as the pace of change constantly picks up, travel consortia must ensure they remain fit for purpose.

It is no longer enough to simply source good deals and pursue collective marketing campaigns. Consortia must now also identify how developments such as shifting demand patterns, generative Artificial Intelligence (AI) and new distribution channels are reshaping the landscape. And in some instances, they need to invest early in solutions that help their members address emerging threats and opportunities. By doing so, they give independent businesses the space and confidence to focus on what they do best – nurturing trusted and enduring relationships with customers.



Over the past 12 months, Travellers Choice has continued to take a measured approach to fulfilling this role.

Our Company's generative AI project provides the clearest example of our approach. Over the past year we have worked hard to build 'live' content and collaborated with developers to create an itinerary-building platform for our members. As with any early early-stage technology, it has encountered numerous obstacles, but we have made considerable progress. Our AI Catalogue Search is now in beta testing across the network, and the Board expects members to see productivity gains as it moves into wider use.

Our work to create our Member Performance Summary (MPS) dashboard during 2025/26 is already giving business managers more timely information with which to respond to changes in the market. By enabling better tracking of sales trends, clearer benchmarking and deeper analysis of up-to-date data, the dashboard is helping members work smarter rather than harder.

These projects required investments of time and resources. But their success was also dependent on working closely with our broad range of preferred suppliers, and that process has helped us forge closer connections – in the interpersonal, as well as the technological sense. As I mentioned at this year's Member Meetings, strong relationships with partners have never been more important if our Company and its members are to appeal to consumers by offering product diversity and personalised experiences.

As always, prudent investments in areas such as technology and data analysis tools, as well as our professional development programs, have been made possible by the Company's strong financial performance.

This year's net profit before tax of $3.11 million was a particularly pleasing result. As well as being a 55% increase on our pre-tax profit for 2024/25, it was achieved despite the uncertainty generated by an unexpected and protracted conflict in the Middle East, which tested the resolve of consumers, not to

mention the agility and ingenuity of travel agents.

The Board chose to return $2.85 million of the pre-tax profit to members, a record for our Company, in the form of an unfranked dividend of 6% on issued capital (being 30 cents per share) and trading rebates based on sales support for airline and wholesale partners.

Looking ahead, we remain circumspect about consumer demand. Conditions in the Middle East remain unsettled and war in Ukraine shows little sign of ending. Both are likely to keep transport and energy costs high, adding to inflation and the cost-of-living pressures.

Stress on household budgets is now showing in forward bookings. Despite a softening in sales in the first quarter of 2027, however, we have not yet seen evidence of a precipitous decline in travel spending or aspirations. On current trading and the budget it has adopted, the Board expects the Company to remain profitable in 2026/27.

On behalf of all Travellers Choice shareholders, I would like to acknowledge the contributions of my fellow Directors: Ben Apsey, Mark Brady, Naome Burdon, Greg Close, Michelle Everson and Jacqui Wilson-Smith. I would particularly like to recognise the debt our Company owes to Greg, who stepped down from the Board in April this year after nine years' service, and Mark, who will retire at this year's AGM after 12 years' service. Greg's and Mark's directorships both covered the most challenging period in our industry's history. Their commitment and dedication to the organisation have been unwavering, and I express my most sincere thanks for their service to the Company.

Enormous gratitude is also due to our Managing Director, Christian Hunter, and his entire team, not just for delivering the initiatives outlined in this report but for doing so with such care and commitment. When it comes to helping our members succeed, their determination and focus are unmatched.

Finally, on behalf of the Board, our senior management and our staff, I would like to thank you, our members, for your continued support over the past year. The encouragement you provide is always genuine and, I can assure you, always appreciated.



Trent Bartlett
Board Chair

MANAGING DIRECTOR'S REPORT

There has been a lot of talk over the past few years about how travel, in the post-COVID era, has become a protected item on the Australian household budget. It's an encouraging notion, backed by solid research, but for anyone who has been at the frontline of retail travel over the past few decades it has been difficult not to view the claim with a degree of caution.

The list of events that has dramatically impacted the travel industry during this period is long, and includes regional conflicts, pandemics, natural disasters and acts of terrorism. Throughout those challenges, while Australian travellers have proved relatively resilient, the travel sector has invariably suffered.

During the 2025/26 fiscal year this new paradigm – in which travel is more an essential rather than a discretionary spend – was put to the test. What we've seen so far has helped put reservations to rest.

In years past, a major conflict in the Persian Gulf, one that directly impacted a global aviation hub and exacerbated already intensifying cost-of-living pressures domestically, would have forced many Australians to delay or cancel travel plans.



Yet Australian travellers have proved more than simply sturdy. They have shown themselves to be determined. Travel routes, destinations and durations may have changed, but for the most part, journeys have proceeded.

Travel agents have also taken the latest disruptions in their stride. That should have surprised precisely no one, given our profession has been tempered by the economic apocalypse that was COVID, along with all the other challenges noted above.

Of course, to modify a famous phrase, no travel agent is an island.

Over the past year, Travellers Choice has, as always, been focused on providing the right support to our members, at the right time. With that in mind, our Sales and Marketing teams have worked hard to enhance their delivery of existing support services, while also developing and launching new initiatives. Following is a summary of their key activities and achievements during 2025/26.

SALES

Led by General Manager – Sales Nicola Strudwick, our Sales Team tackled a typically broad range of activities over the past year.

The team played a pivotal role in developing our new Member Performance Summary (MPS) dashboard, with valuable support from sales support executive Jane Southee in development and implementation. The team then travelled across the network to demonstrate to members how the data analysis tool could provide valuable new insights. The positive feedback from members attested to the overwhelming success of the roll-out. It would be a mistake to think this was entirely a reflection of the quality of the technology – the process also illustrated the confidence and trust members have in our dedicated business development managers – Tim Bolton, Graham Smith, Paula Moylan and Kerrie Selby.

Training was a key focus, with the Sales Team working with Cornerstone Learning and Development to create ProAdvance, the latest addition to our suite of professional development programs. Eleven senior consultants have now graduated from the six-month course with the skills and confidence required to take the next step on their respective career paths.

Nicola also served on ATIA's National Taskforce for Skills and Careers, which works with government and stakeholders to expand the travel industry workforce and enhance skills and professional standards. Thanks to her involvement in the Taskforce, Travellers Choice was honoured to welcome leaders from Service and Creative Skills Australia (SaCSA) to our 2025 Conference.

In terms of events, the Sales Team delivered the first Frontliners since COVID, with more than 50 travel consultants from across the network attending, along 37 preferred suppliers, who took part in a product expo. The event provided an opportunity for consultants to connect, share ideas and strengthen their relationships with suppliers. Frontliners is now well positioned to once again become a key fixture on the Travellers Choice calendar.

One of the reasons our Sales Team is so effective is that it enjoys exceptionally strong relationships with our preferred suppliers. Those relationships were once again invaluable during 2025/26 when the Sales Team supported members with almost 50 supplier escalations.

To ensure those bonds remain strong, the team reintroduced Supplier Development Plans this year. At the same time, it onboarded eight new partners to our preferred supplier list, ensuring each of these burgeoning relationships generated fresh sales opportunities for members.

Finally, the Sales Team delivered two new service partners, eSim provider Airalo and branded itinerary builder Travefy.

MARKETING

The Company's Marketing Team once again outperformed in 2025/26 when it secured almost $750,000 in preferred supplier and partner funding – double the figure raised in 2024/25. The funds were put towards 57 national marketing promotions, which incorporated around 300 Facebook/Instagram ad campaigns. In addition, our national advertising content was enhanced through the inclusion of promotional social stories (with animation) for all campaigns.

The team also supported more than 400 member requests for assistance with local area marketing campaigns, website development (including six new Site Builder websites), TC Mail promotions, amendments to Terms and Conditions, and the design of company logos.

The Company's Hosted Educational Program continued its renewal during the year, with the departure of famils to Norfolk Island, Sri Lanka and Morocco, along with memorable Choice Reward trips to Zanzibar/Masai Mara, Iceland and Alaska. In addition, the Marketing Team arranged for a select group of members to attend the annual CLIA Cruise360 conference.

During the year, the team welcomed a new addition, Marie-Adeline Paris. As Events Coordinator, Marie-Adeline is now supporting the planning and delivery of our annual Conference and Frontliners gatherings and helping expand our calendar of events across the network.

I would like to take the opportunity here to personally thank our Acting Marketing Supervisor Chlorissa Devries, who stepped up earlier this year to lead the Marketing Team. Thanks to Chlorissa's efforts, the team maintained its momentum and continued to provide members with the highest level of support.

OTHER NOTABLE ACHIEVEMENTS

Travellers Choice was honoured to be named Australia's Most Outstanding Travel Agency Group at the 2025 National Travel Industry Awards – the fifth consecutive time our Company took home this coveted award.

Industry awards are fun to receive, and they are certainly gratifying for our diligent staff. But as we all know, they are not the most important measure of success. The only opinions that truly matter are those of our members, which is why the Company was delighted to maintain its Net Promoter Score (NPS) of 90 for 2026. Such scores remain exceptionally rare across all industry sectors and are the exclusive preserve of organisations that enjoy the very highest levels of customer loyalty. This year's Member Survey also delivered a 100% satisfaction rating, once again providing enormous encouragement to every member of staff.

Success at the NTIAs, along with coverage of our NPS and Member Survey results, sends a clear message to every independent travel agency owner – especially those who are dissatisfied with their current group arrangements – that there is a credible, industry-leading alternative.

Network expansion has of course been a major focus of our Company for several years and our aim in 2025/26 was to maintain what is now a steady stream of high-calibre recruits. Thanks to the indefatigable efforts of our Network Development Manager Paul Millan, we did precisely that, welcoming 10 new independent travel agents to the group during 2025/26. The Company benefits enormously from the arrival of new members, who not only contribute to

our financial success, but bring fresh ideas and enthusiasm, and generally enrich our cooperative culture.

Finally, it was wonderful to see almost 250 members and preferred suppliers attend our highly engaging 2025 Conference in Melbourne – an event which certainly lived up to its 'Nailing It!' theme.

LOOKING FORWARD

Given the level of uncertainty that has overshadowed the market for much of 2025/26, our Company's pre-tax operating profit of $3.11 million was an excellent result. It was particularly pleasing that we could deliver such an impressive financial performance while continuing to invest in projects such as our AI itinerary builder, the MPS Dashboard and the expansion of our professional development programs.

A record profit distribution of $2.85 million is now flowing back to shareholders in the form of an unfranked dividend and trading rebates.

At this stage, there appears to be little chance of short-term relief from the regional conflicts that have pushed up fuel costs and contributed to rising inflation. There is no doubt that with household budgets under sustained pressure, we have observed a softening of demand in recent months. Nevertheless, consumer confidence remains high and, at least at this stage, there are no signs that travel's position as an essential item is under threat.

As a result, all indications suggest our Company is on track to deliver another healthy profit for 2026/27.

As always, our focus during the current year will remain on ensuring that the support we provide our members continues to set the benchmark for the Australian travel industry.

I am excited, therefore, by the impending launch of our AI itinerary-building engine and its potential to help members realise precious productivity gains. I am also looking forward to seeing how MPS Dashboard will evolve and how members will use it to shape commercial strategies that bolster their bottom lines.



Nicola Strudwick
General Manager Sales

Travellers Choice operates a lean organisation, and our success relies on every employee working hard and working together. So, let me finish by expressing, on behalf of all members, appreciation for the dedication shown by the entire Travellers Choice team during 2025/26.

Finally, on a personal note, thank you for the trust you continue to bestow in me. The encouragement and support you provide ensures my job is always fun and rewarding.



Christian Hunter
Managing Director

2025/26 YEAR IN REVIEW

10 NEW MEMBERS

46TH PROFIT ANNOUNCED
OVER 91% DISTRIBUTED TO MEMBERS

90 NET PROMOTER SCORE

100% MEMBER SATISFACTION

14 WEBINARS
11 INDUSTRY GUESTS

3 CHOICE REWARD TRIPS
+ 3 TC EDUCATIONALS

50+ MEMBERS **FRONTLINERS RELAUNCH**

5 MEMBER MEETINGS

1 TRAVELLERS CHOICE CONFERENCE
145+ MEMBERS 250+ DELEGATES
NAILING IT

57 PARTNER PROMOTIONS
$750K INVESTMENT
85% DIRECT MEMBER CTA

400 LOCAL AREA MARKETING REQUESTS
+36% YOY

84 TC MAIL
EDMS
+31% YOY

342 SITE BUILDER
PRODUCTS UPLOADED

FACEBOOK MANAGEMENT
146 POSTS
24 MEMBERS

650+ DESK CALENDARS

ProAdvance
UNVEILED • 11 GRADUATES

CLIA360
20 MEMBERS

NTIA 2025 WINNER #1
FIVE YEARS RUNNING

DIRECTORS' REPORT

Your Directors present their report on the Company for the financial year ended 30 June 2026.

DIRECTORS

The names of the directors in office at any time during or since the end of the year are:

- Ben Apsey
- Trent Bartlett
- Mark Brady
- Michelle Everson (Appointed 06 February 2026)
- Naome Burdon
- Greg Close (Retired 22 April 2026)
- Christian Hunter
- Jacqueline Wilson-Smith

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

INFORMATION ON DIRECTORS

TRENT BARTLETT



Trent was appointed to the Travellers Choice Board in 2018. He has over 25 years' of CEO leadership and Board experience in listed public companies, large private companies, not-for-profits and 'for benefit' focused enterprises operating with diverse business models and scale across many industry sectors. Trent currently serves on a number of other boards and advisory boards as either Chair or as an Independent Director.

Trent has a speciality in member-owned/member-governed businesses and is a former CEO of Capricorn Society from 2001 to 2011, one of Australia's largest and most successful cooperative enterprises which also includes Travellers Choice Member, Capricorn Travel. He holds postgraduate qualifications in business, e-commerce, ESG and sustainability and is a Faculty Member and Fellow of the Australian Institute of Company Directors as well as a certified Director (IDP-C) from INSEAD University (France).

MARK BRADY



Mark brings over 40 years' experience in the Australian travel industry, beginning his journey with Qantas in Sydney in 1982. He transitioned across to the retail travel sector in 1990, opening his first travel agency in Cairns.

A member of Travellers Choice for more than 15 years, he has owned and operated Ballina Cruise & Travel (NSW) since 1993. Mark is Chairman of the Audit & Risk Committee and is also a member of the Australian Institute of Company Directors.

BEN APSEY



Ben Apsey is Co-Owner of Global Travel Co, an independent travel business with agencies in Toowoomba and Sydney. Since entering the travel industry in July 2020, he has led the growth and evolution of the family business, including its rebrand as Global Travel Co and the acquisition, reopening and integration of the Balmain agency. The Toowoomba business traces its history to 1949, making it one of Queensland's longest continuously operating travel agencies.

Before joining the travel sector, Ben completed an Associate Degree in Spatial Science (Urban and Regional Planning) at the University of Southern Queensland and owned a coffee shop in Toowoomba, with further experience across hospitality and community arts. He was elected a Member Director of Travellers Choice in November 2024 and brings to the Board the perspective of a small business operator leading independent agencies across two states, with a strong interest in the issues affecting independent travel businesses. He has a passion for transport, the built environment, coffee, the arts, and of course, travel.

NAOME BURDON



With over 30 years of experience in the travel industry, Naome Burdon is the founder of Argyle Travel & Cruise, established in 2000. Renowned for her passion, expertise, and commitment to exceptional client experiences, Naome has built a career founded on leadership, trusted relationships, and a love of travel.

A member of Travellers Choice since 2014, Naome joined the group's Board in 2024, bringing strategic insight and industry experience to help shape its future and champion the growth of independent travel businesses.

A lifelong learner and passionate traveller, Naome is inspired by discovering new destinations, embracing new experiences, and connecting with people. Beyond travel, she enjoys family time, running, swimming, and reading.

MICHELLE EVERSON



Michelle Everson is the owner and Managing Director of Jamison Travel & Cruise, one of Australia's most respected independent travel agencies. With more than three decades of leadership experience in the travel sector, she has demonstrated expertise in business management, strategic planning, financial oversight, and navigating industry change. Her sustained success in building and leading a high-performing travel business has earned her widespread respect across the Australian travel industry.

As a Director of Travellers Choice, Michelle brings extensive industry knowledge, strong commercial acumen, and a deep understanding of the independent travel agency landscape. Her experience as a business owner, combined with her long-standing involvement in the travel sector, provides the Board with valuable insights into governance, risk management, member engagement, and sustainable business growth.

CHRISTIAN HUNTER



Christian Hunter is the Managing Director of Travellers Choice and a highly regarded leader within the Australian travel industry, with more than three decades of experience spanning agency operations, financial management, strategic leadership, governance, and business development. A qualified commerce professional and Graduate of the Australian Institute of Company Directors (GAICD), he has built a strong reputation for commercial acumen, industry advocacy, and leading organisational growth in complex and evolving market environments.

In addition to his role at Travellers Choice, Christian currently serves as Chair of the Australian Travel Industry Association (ATIA), the peak body representing Australia's travel sector. His leadership at both an industry and organisational level provides the Travellers Choice Board with valuable insights into emerging industry trends, regulatory developments, stakeholder expectations, and best-practice governance. This unique perspective, combined with his extensive board and executive experience, strengthens the Board's ability to make informed strategic decisions that support the long-term success of Travellers Choice and its shareholders.

JACQUELINE WILSON-SMITH



Jacqueline (Jac) Wilson-Smith is an experienced company director, strategist and facilitator with more than 30 years' experience in strategy, innovation, marketing and business growth. She is Founder and Executive Director of LetsCo, facilitating the co-design of strategy, innovation and leadership, underpinned by her purpose of creating better, together.

In addition to serving as Deputy Chair of Travellers Choice, Jac is Chair of Agricultural Shows Australia, a Non-Executive Director of Apple and Pear Australia Limited and Twenty Degrees, Chair of the AgriFutures Ginger Research Advisory Panel, and a member of The University of Queensland's Food and Beverage Accelerator (FaBA) Industry Steering Committee. Jac is a GAICD, Fellow of the Australian Rural Leadership Foundation and 2017 AgriFutures Queensland Rural Woman of the Year.

DIRECTORS' MEETINGS

Directors' meetings attended during the year:

	NUMBER OF MEETINGS	
	Eligible to attend	Attended
Trent Bartlett	6	6
Mark Brady	6	6
Greg Close	6	5
Christian Hunter	6	6
Jacqueline Wilson-Smith	6	6
Ben Apsey	6	6
Naome Burdon	6	6
Michelle Everson	2	2

DIRECTORS' INTERESTS

The relevant interest of each director in the shares of the Company are:

	Ordinary Shares
Greg Close	200
Mark Brady	1,200
Ben Apsey	1,159
Naome Burdon	300
Michelle Everson	1,000
Christian Hunter	-
Jacqueline Wilson-Smith	-
Trent Bartlett	-

No director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Company, or a related company with a director, a firm of which a director is a member or an entity in which a director has substantial financial interest, other than the benefits as disclosed in the notes to and forming part of the accounts.

OPERATING RESULTS

The Company produced an operating profit before providing for income tax for the financial year of $3,112,364 (2025: $2,009,365). After providing for income tax a profit of $2,963,438 was produced (2025: $1,957,355).

REVIEW OF OPERATIONS

The financial period commenced on 01 July 2025.

The Directors have authorised the following distribution of pre-tax profits to be paid in the 2026/27 financial year:

- A distribution based on member support of preferred airlines amounting to $1,244,576 (2025: $760,831)
- A distribution based on member support of wholesale suppliers amounting to $1,584,007 (2025: $968,330)
- A dividend of 6.0% of shareholding amounting to $21,417 (2025: $20,839)

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were to provide business services and financial returns to 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.

SHARE OPTIONS

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INDEMNIFICATION & INSURANCE OF OFFICERS & AUDITORS

A deed of indemnity has been executed by all Directors and Officers. Management Liability insurance, including Directors & Officers Liability insurance premiums have also been paid, totalling $7,820 inclusive of GST, Stamp Duty and all fees.

ENVIRONMENTAL REGULATION

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

EVENTS SUBSEQUENT TO THE END OF THE REPORTING DATE

No matters or circumstances have arisen since the end of the financial year that significantly affect 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.

DIVIDENDS AND TRADING REBATES

Dividends of $20,611 and two trading rebates of $760,831 and $968,330 were paid during the financial year.

LIKELY DEVELOPMENTS

In the coming year, Travellers Choice's services will be focused on providing members with the support required to return to full trading as the travel industry continues its recovery from the pandemic.

In conjunction with this, business strategies focusing on retaining key agents and recruitment of new travel agent members are in place, with marketing activities remaining agile to leverage key preferred supplier campaigns as and when they become viable.

Cashflow modelling remains in place, which will be continually monitored for any major deviations from forecasts.

The Company will continue its niche positioning within the retail travel sector as the leading travel group for independent travel agents in Australia.

PROCEEDINGS ON BEHALF OF COMPANY

No persons have applied for leave of Court to 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 those proceedings.

The Company was not a party to any such proceedings during the 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 14.

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



Trent Bartlett
Director

Dated this 30th day of September 2026

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 audit of the financial report of Travellers Choice Limited for the year ended 30 June 2026, 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.

AMW AUDIT
Chartered Accountants (Auditor registration number 314299)

MARTIN SHONE
Principal
Perth, WA
Dated this 30th day of September 2026

TRAVELLERS CHOICE LIMITED CORPORATE GOVERNANCE STATEMENT

OVERVIEW

The Board of Travellers Choice Limited (Travellers Choice, the Company) governs the business on behalf of its member/shareholders with the prime objective of protecting and enhancing member/shareholder value. The Board is committed to the highest standards of ethics and integrity and ensures that the senior management group runs the Company in accordance with these standards.

This Corporate Governance Statement is for the information of the shareholders/members on whose behalf the Board operates. The statement has been approved by the Board and outlines the main corporate governance practices employed by the Company. As a proud cooperative in the travel industry, the Company endorses the Co-operative and Mutual Enterprise (CME) Governance Principles developed by the Business Council of Co-operatives and Mutuals (BCCM) in partnership with the CME 100 Chairs' Forum.

These Principles and Recommendations can be accessed at bccm.coop/what-we-do/governance-principles.

Where the Company has not adopted a particular recommendation, a detailed explanation is provided. This statement is current at 02 November 2026.

PRINCIPLE 1 CREATE, PROTECT AND RETURN MEMBER VALUE

Travellers Choice acts on behalf of its members to achieve its agreed purpose by pursuing the sustainable creation, protection and return of value to current and future members.

The Board is responsible for:

a) Developing a clear set of strategic objectives designed to ensure the sustainable creation, protection and return of value for current and future members, consistent with its governing documents, purpose and primary activities;

b) Obtaining collaboration and support for these strategic objectives from the membership;

c) Monitoring and reviewing the activities undertaken towards the Company's strategic objectives; and

d) Reporting regularly to members as to the achievement of goals associated with delivery of strategic objectives.

The Board uses its annual member meetings and annual conference to communicate with members from time to time the strategic objectives developed by the Board and performance against these.

PRINCIPLE 2 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Travellers Choice establishes and discloses the respective roles and responsibilities of its Board and management and how their performance is monitored and evaluated.

The relationship between the Board and senior management group is critical to the Company's long-term success. The Board is responsible for the performance of the Company in both the short and longer term and seeks to balance sometimes competing objectives in the best interests of the Company as a whole. The key aims of the Board are to ensure that the Company is properly managed to mitigate risk and has an appropriate corporate governance structure to ensure the creation and protection of members' value. The role and responsibilities of the Board, the Chair and individual Directors are set out in the Company's Corporate Governance Charter. A copy of this Charter is available on travelagentschoice.com.au.

Board Accountability to Members

The members/shareholders of Travellers Choice determine who is a Director and the total remuneration paid to the Board. In accordance with the Company's constitution, the majority of Board Directors are members of the Company. The experience of all Board members and their attendance at Board and committee meetings is highlighted in the Annual Report.

Due Diligence on Board Appointments

Prior to a Director appointment, the Board ensures that:

a) The appropriate checks, including background and reference checks, are conducted before appointing a person, or putting forward to members a candidate for election as a Director or officer of the Company; and

b) Directors clearly understand the responsibilities and requirements of the role, along with the potential liabilities. The Company provides each new prospective Director with all material information in its possession that can assist the candidate and members, relevant to a decision on whether or not to elect or re-elect a Director.

Terms of Appointment

The Company's Corporate Governance Charter clearly sets out the duties and obligations of being a Director and the expectations of the role. The constitution determines the length of the appointment to the Board. It has been customary to have a written agreement in place for non-member Directors. In future, this will apply to all member Directors also.

A written agreement is in place for the CEO and the senior management.

Company Secretary

The secretary of Travellers Choice is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The CEO is currently the Company secretary.

Gender and Cultural Diversity

Travellers Choice is mindful of gender and cultural diversity. It supports commitment towards creating an inclusive workplace that embraces and promotes diversity. Due to its size, the Company is not considered to be a 'relevant employer' under the Workplace Gender Equality Act, however, it does meet the most recent 'Gender Equality Indicators', as defined in and published under that Act.

As at 30 June 2026, female representation at Travellers Choice was as follows:

- 69% of the total workforce;
- 50% of the senior management team; and
- 43% of the Board.

Board Performance

Travellers Choice annually reviews the performance of the Board, its committees and individual Directors. This review is either conducted internally facilitated by the Chair or with the assistance of an external expert to gauge how the Company's governance practices compare to contemporary practice.

In addition, the Board includes an assessment of every Board meeting as a standard part of its meeting agenda.

PRINCIPLE 3 STRUCTURE THE BOARD TO ADD MEMBER VALUE

Travellers Choice has a Board that meets the organisation's requirements, is of an appropriate size, diversity and composition, and has the skills and commitment to discharge its duties and responsibilities effectively.

Board Composition

There are currently seven members of the Board, with four member Directors and three non-member Directors. Of the three non-member Directors, two are considered independent. In accordance with the Company's constitution, member Directors hold the majority of Board positions at all times.

Further detail regarding the Directors' qualifications, special responsibilities, skills, experience and expertise (including the period of office held by each Director) and length of each Director's tenure is set out in the Directors' Report in the Annual Report.

Board Committees

Travellers Choice does not have a nomination committee and chooses to conduct Board succession planning work using the full Board.

The Board uses a skills matrix and member persona profiling to consider the types of skills and experience that would benefit the Board composition in achieving the Company's strategic objectives.

The Board considers these when considering potential candidates to join the Board.

The matrix is also a tool for identifying professional development opportunities for existing Directors to develop and maintain the skills and knowledge required to effectively perform their role as Directors.

Role of the Chair

Since 2007, Travellers Choice has elected to have an independent Chair to augment the skills and experience of the Board. The role of the Chair is an important leadership position which leads the communication with shareholders, mentors and guides the CEO, and facilitates effective decision making by the Board.

Induction Program for Directors

Travellers Choice has a formal program for inducting new Directors. This process provides appropriate learning prior to commencing the role. The Company aims to provide opportunities for Directors to develop and maintain the skills and knowledge needed to effectively perform their role as a Director.

PRINCIPLE 4 ACT ETHICALLY AND RESPONSIBLY

Travellers Choice acts ethically and responsibly in relation to its members and other stakeholders.

Code of Conduct
A code of conduct for the Board of Directors is included in the Company's Corporate Governance Charter.

Expected standards of conduct for staff are outlined in the Company's Employee Handbook, which is provided to all employees.

Whistleblower Protection Policy
A formal policy regarding whistleblower protections has been communicated to all staff members and forms part of the Company's Employee Handbook.

Employees are encouraged to report concerns in relation to illegal, unethical or improper conduct in circumstances where they may be apprehensive about raising their concern because of fear of possible adverse repercussions.

PRINCIPLE 5 SAFEGUARD INTEGRITY IN CO-OPERATIVE AND MUTUAL ENTERPRISES (CME) REPORTING

Travellers Choice has formal controls and rigorous processes that safeguard our assets, provide independent attestations to members of the integrity of our financial processes and disclosures, and can demonstrate alignment with purpose.

Audit & Risk Committee
The Audit & Risk Committee plays an important role in assisting the Board to provide oversight of the financial performance of the Company and the integrity of performance reporting.

The Chair of the Committee is selected based on skill, experience and capability to perform the role. The current Chair is a member Director. In the past, the Chairs have been both member Directors and independent Directors.

The terms of reference of the Audit & Risk Committee are detailed in the Company's Corporate Governance Charter.

Financial Statements
Historically, the Board of Travellers Choice has not received attestations from senior management in relation to financial statements.

However, a process will be implemented whereby prior to the Board approving the entity's financial statements for a financial period, it will receive a declaration from its Managing Director, attesting, in their opinion, that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards, give a true and fair view of the financial position and performance of the entity, and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Annual General Meetings and Audits
Travellers Choice has an Annual General Meeting (AGM) prior to 30 November each year. The AGM normally forms part of the Travellers Choice Conference which all members are encouraged to attend. The conference enables all members to network, be informed and developed, and ask questions of the Board and the senior management group.

Members who are unable to attend the AGM have the opportunity to declare a proxy for their vote on all matters dealt with at the AGM.

The Board closely monitors the independence of the external auditors. Each year (usually in August), the Company's lead audit partner attends a Board meeting in person or by teleconference to assist Directors with their assessment of year-end financial reports. Part of this meeting includes a Board-only session with the auditor, providing Directors with unfettered access to ask any questions regarding the audit, financial statements or cooperation of staff during the audit process.

The auditor does not usually attend the annual meeting of the members. Members have to date not requested further access to the auditor and incurring additional costs associated with the auditor attending the AGM have been deemed unnecessary.

However, should there be issues out of the ordinary, or requests received from the members, the auditor's attendance would be arranged.

PRINCIPLE 6 MAKE TIMELY AND BALANCED DISCLOSURE

Travellers Choice makes timely, transparent and balanced disclosure of all matters that a reasonable person would expect to have a material effect on the value received from ongoing membership and/or the interests of members and other stakeholders.

Twice each year, the Company's Chair and Managing Director update the membership in person on matters relevant to the industry and the Company's performance. These meetings occur at the Shareholder Forum (immediately following the AGM) and at mid-year Member Meetings held around the country.

The Company ensures that members have access to information relevant to Travellers Choice that includes but is not limited to the following:

a) Financial and operating results of the Company;
b) Names of Directors and key executives;
c) Information about material and foreseeable risk factors;
d) Material issues regarding employees and other stakeholders; and,
e) The Company's governance structures and policies.

PRINCIPLE 7 RESPECT THE RIGHTS OF MEMBERS AND OTHER STAKEHOLDERS

Travellers Choice respects the rights of its members and other stakeholders by enabling them to access information and, where appropriate, education and training to allow them to exercise those rights effectively.

Member and Stakeholder Communications
The Company provides information about itself and its governance to members and other stakeholders via travelagentschoice.com.au.

Member Engagement
The Company designs and implements a member engagement program to facilitate effective two-way communication with members.

This includes regular updates to the membership by the Managing Director, a member Facebook group, regular visits and contacts by Travellers Choice Business Development Managers, regular member gatherings in each state and an open culture where members have direct access to the management team and are free to raise any queries. In the current environment, many of these events are being held virtually.

General Meetings
The Company promotes effective communication with the Company's member shareholders and encourages member shareholder participation at AGMs. To ensure participation, a member shareholders' forum is held immediately after the AGM, enabling members to ask questions of the Board of Directors and senior management.

The Company ensures that the explanatory notes accompanying its Notices of Annual General Meeting provide shareholders with all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a Director at an AGM. The Chair ensures that shareholders are provided with the opportunity to question the Board concerning the operations of the Company at the AGM and other shareholder meetings.

Electronic Communications
The Company's preferred method of communication is electronic, and all member correspondence is distributed in this format.

PRINCIPLE 8 RECOGNISE AND MANAGE RISK

Travellers Choice has established a sound risk management framework which is periodically reviewed for its effectiveness in relation to the creation, protection and return of member value.

The Company has a written policy in place for the oversight and management of its material business risks. The Company takes a proactive approach to risk management.

Role of the Board and Audit & Risk Committee
The Board and Audit & Risk Committee are primarily responsible for ensuring that risks are identified and reviewed in a timely manner. A copy of the Audit & Risk Committee Charter is included in the Corporate Governance Charter available on travelagentschoice.com.au.

Under the Risk Management Policy, the Board and the Audit & Risk Committee are responsible for the following:

The Board is responsible for:

- Overseeing and approving the establishment and implementation of the Company's risk management, internal controls and compliance systems;
- Reviewing the effectiveness of the Company's risk management, internal control and compliance systems at least annually, and satisfying itself that management has developed and implemented a sound system of risk management and internal control; and
- Approving the delegations of authority for day-to-day management of the Company's operations.

The Audit & Risk Committee is responsible for assisting the Board with regard to:

- The reliability and integrity of information for inclusion in the Company's financial statements;
- Company-wide risk management;
- Compliance with legal and regulatory obligations, including audit, accounting, tax and financial reporting obligations; and
- The integrity of the Company's internal control framework.

The Board reviews the risk profile of the Company at least annually and risk information is a critical input to the Board's annual strategic planning activities.

The Company's senior management also plays a significant role in identifying, assessing, monitoring and managing risks. They are responsible for assisting the Audit & Risk Committee to ensure that robust risk management exists across the organisation. The senior management team ensures that a sufficient level of risk analysis is applied to critical decisions and provides assurance to the Audit & Risk Committee that risk processes at all levels are effective and compliant with the Audit & Risk Committee Charter.

Internal Audit
The Company does not have or engage an internal audit function although it does have the capacity to engage independent, expert consultants to conduct internal audit work on its behalf if required.

Sustainability Reporting
Risks relating to the economic, environmental and social sustainability of the business are incorporated into the risk profile of the Company. The Company does not report these separately as a Sustainability Report but consideration will be given to doing so in the future.

PRINCIPLE 9 REMUNERATE FAIRLY AND RESPONSIBLY

Travellers Choice pays Director remuneration sufficient to attract and retain high quality member and independent Directors. The Company designs its executive remuneration to attract, retain and motivate high quality senior executives and employees, and to align their interests with the creation of value for members and other stakeholders.

The Board does not have a Remuneration Committee and elects to perform the work of allocation of Director fees, senior management remuneration and performance assessment as a full Board.

Directors
The annual total of fees paid to Non-Executive Directors is set by the Company's shareholders and allocated as Directors' Fees by the Board on the basis of the roles undertaken by the Directors.

Full details of Directors' remuneration appear in the Financial Statements of the Annual Report. These fees are inclusive of statutory superannuation contributions. No retirement benefits and no equity-based remuneration scheme exist for Non-Executive Directors.

Senior Management
Remuneration for senior management is generally set to be competitive, so as to both retain executives and attract appropriately skilled executives to the Company. Remuneration comprises a fixed cash element and modest variable incentive components.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	NOTE	2026	2025
		$	$
Revenue	2	5,310,311	4,384,265
Other revenues	2	3,324,110	2,104,418
Annual conference		(545,891)	(544,896)
Computer expenses		(214,751)	(197,289)
Consultancy fees		(385,853)	(192,278)
Depreciation and amortisation expenses	3	(78,623)	(81,338)
Director fees		(149,257)	(138,103)
Fees (Corp/ATIA/BSP)		(145,954)	(156,372)
Insurance expense		(35,470)	(23,704)
Marketing costs		(789,109)	(454,596)
Member overrides		(417,870)	(101,019)
Rent	3	(4,178)	(3,700)
Salaries & wages		(1,954,316)	(1,753,183)
Ticketing fee		(165,669)	(277,444)
Other expenses from ordinary activities	3	(635,116)	(555,396)
Profit before income tax		3,112,364	2,009,365
Income tax expense	4	(148,926)	(52,010)
Profit for the year		2,963,438	1,957,355
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income attributable to members of the Company		2,963,438	1,957,355

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	NOTE	2026	2025
ASSETS		**$**	**$**
CURRENT ASSETS			
Cash and cash equivalents	7	2,995,049	1,324,758
Trade and other receivables	8	150,262	73,027
Other assets	9	2,973,338	3,168,919
TOTAL CURRENT ASSETS		6,118,649	4,566,704
NON-CURRENT ASSETS			
Property, plant and equipment	10	45,733	63,380
Right of Use Asset	11	261,489	56,327
Financial assets	12	138,000	138,000
Deferred tax assets	14	187,092	330,979
TOTAL NON-CURRENT ASSETS		632,314	588,686
TOTAL ASSETS		6,750,963	5,155,390
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	656,215	506,800
Current tax liabilities	14	62,043	-
Provisions	15	190,504	186,269
Lease Liabilities	16	43,156	18,462
TOTAL CURRENT LIABILITIES		951,918	711,531
NON-CURRENT LIABILITIES			
Provisions	15	26,536	15,814
Lease Liabilities	16	218,333	40,166
Deferred tax liabilities	14	744,762	845,204
TOTAL NON-CURRENT LIABILITIES		989,631	901,184
TOTAL LIABILITIES		1,941,549	1,612,715
NET ASSETS		4,809,414	3,542,675
EQUITY			
Issued ordinary share capital	17	356,955	347,320
Retained earnings		4,452,459	3,110,137
FVTOCI reserve		-	85,218
TOTAL EQUITY		4,809,414	3,542,675

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	ISSUED ORDINARY SHARE CAPITAL	FVTOCI* RESERVE	RETAINED EARNINGS	TOTAL
	$	$	$	$
Balance at 1 July 2024	324,295	85,218	3,905,695	4,315,208
Profit for the year	-	-	1,957,355	1,957,355
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	1,957,355	1,957,355
Shares issued during the year	23,025	-	-	23,025
Dividends and rebates paid	-	-	(2,752,913)	(2,752,913)
Balance at 30 June 2025	347,320	85,218	3,110,137	3,542,675
Profit for the year	-	-	2,963,438	2,963,438
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	2,963,438	2,963,438
Shares issued during the year	9,635	-	-	9,635
Transferred to retained earnings	-	(85,218)	85,218	-
Derecognition of deferred tax on reserves	-	-	43,438	43,438
Dividends and rebates paid	-	-	(1,749,772)	(1,749,772)
Balance at 30 June 2026	356,955	-	4,452,459	4,809,414

The accompanying notes form part of these financial statements

*: FVTOCI: fair value through other comprehensive income

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

	NOTE	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		**$**	**$**
Receipts from customers and government		8,633,497	6,451,217
Payments to suppliers and employees		(5,169,157)	(4,407,808)
Interest received		25,431	27,155
Net cash provided by operating activities	21	3,489,771	2,070,564
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(4,649)	(13,151)
Net cash used in investing activities		(4,649)	(13,151)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(74,694)	(73,171)
Dividends and rebates paid		(1,749,772)	(2,752,913)
Proceeds on issuance of shares		9,635	23,025
Net cash used in financing activities		(1,814,831)	(2,803,059)
Net increase/(decrease) in cash held		1,670,291	(745,646)
Cash and cash equivalents at beginning of year		1,324,758	2,070,404
Cash and cash equivalents at end of year	7	2,995,049	1,324,758

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

The financial statements and notes represent those of Travellers Choice Limited. Travellers Choice Limited is a Company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on the 30th September 2026 by the Directors of Travellers Choice Limited.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar unless stated otherwise.

Accounting Policies

a. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss or arising from a business combination.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

(a) the initial recognition of goodwill; or

(b) the initial recognition of an asset or liability in a transaction which:

(i) is not a business combination; and

(ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Income Tax (continued)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the entity in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (i) a legally enforceable right of set-off exists; and (ii) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

b. Fair Value of Assets and Liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

b. Fair Value of Assets and Liabilities (continued)

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

c. Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

The carrying amount of plant and equipment is reviewed annually by Directors 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 asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Furniture & Office Equipment	40%
Vehicles	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

d. Leases

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

e. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to statement of profit or loss and other comprehensive income immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

e. Financial Instruments (continued)

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value (if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset) and subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with AASB 9.3.25.3; and
- the amount initially recognised less the accumulative amount of income recognised in accordance with the revenue recognition policies.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

e. Financial Instruments (continued)

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Company initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the Groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Company made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Company's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset (ie the Company has no practical ability to make a unilateral decision to sell the asset to a third party).

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

e. Financial Instruments (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Derivative financial instruments

The Company enters into various derivative financial instruments (ie foreign exchange forward contracts and interest rate swaps) to manage its exposure to interest rate and foreign exchange rate risks.

Derivative financial instruments are initially and subsequently measured at fair value. All gains and losses subsequent to the initial recognition are recognised in profit or loss.

Hedge accounting

At the inception of a hedge relationship, the Company identifies the appropriate risks to be managed by documenting the relationship between the hedging instrument and the hedged item, along with risk management objectives and the strategy for undertaking various hedge transactions.

The Company documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. That is, whether the hedging relationships meet all of the following hedge effective requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedged ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company uses to hedge the quantity of hedged item.

When the hedging relationship ceases to meet the hedging ratio requirement, the Company rebalances the hedge so that it meets the qualifying criteria again.

Discontinuation of hedge is not voluntary and is only permitted if:

- the risk management objective has changed;
- there is no longer an economic relationship between the hedged item and the hedging instrument; or
- the credit risk is dominating the hedge relationship.

Qualifying items

Each eligible hedged item must be reliably measurable and will only be designated as a hedge item if it is made with a party which is not part of the Company and is from one of the following categories:

- a recognised asset or liability (financial or non-financial);
- an unrecognised firm commitment (binding agreement with specified quantity, price and dates); or
- a highly probable forecast transaction.

Fair value hedges

At each reporting date, except when the hedging instrument hedges an equity instrument designated as at fair value through other comprehensive income, the carrying amount of the qualifying hedge instruments will be adjusted for the fair value change and the attributable change is recognised in profit and loss, at the same line as the hedged item.

When the hedged item is an equity instrument designated as at fair value through other comprehensive income, the hedging gain or loss remains in other comprehensive income to match the hedging instrument.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

e. Financial Instruments (continued)

Cash flow hedges

The effective portion of the changes in fair value of the hedging instrument is not recognised directly in profit or loss, but to the extent the hedging relationship is effective, it is recognised in other comprehensive income and accumulated under the heading Cash Flow Hedging Reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion (balancing figure) is recognised immediately in profit or loss.

Hedge accounting on cash flow hedge instruments is discontinued prospectively when the hedge relationship no longer meets the qualifying criteria. Amounts recognised in the cash flow hedging reserve that are related to the discontinued hedging instrument will immediately be reclassified to profit or loss.

Preference shares

Preferred share capital is classified as equity if it is non-redeemable or redeemable only at the discretion of the Parent Entity, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity upon declaration by the Directors. Preferred share capital is classified as a liability if it is redeemable on a set date or at the option of the shareholders, or where the dividends are mandatory. Dividends thereon are recognised as interest expense in profit or loss.

Compound financial instruments

Compound instruments (convertible preference shares) issued by the Company are classified as either financial liabilities or equity in accordance with the substance of the arrangements. An option that is convertible and that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments will be classified as equity.

The fair value of the liability component is estimated on date of issue. This is done by using the prevailing market interest rate of the same kind of instrument. This amount is recognised using the effective interest method as a liability at amortised cost until conversion or the end of life of the instrument.

The equity portion is calculated by deducting the liability amount from the fair value of the instrument as a whole. The equity portion is not remeasured after initial recognition. Equity will remain as such until the option is exercised. When the option is exercised a corresponding amount will be transferred to share capital. If the option lapses without the option being exercised the balance in equity will be recognised in profit or loss.

Costs of the transaction of the issue of convertible instruments are proportionally allocated to the equity and liability. Transaction costs in regards to the liability are included in the carrying amount of the liability and are amortised over its life using the effective interest method. Transaction cost in equity is directly recognised in equity.

Impairment

The Company recognises a loss allowance for expected credit losses on:
- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:
- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

e. Financial Instruments (continued)

The Company uses the following approaches to impairment, as applicable under AASB 9: *Financial Instruments*:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Company assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Company measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: *Revenue from Contracts with Customers* and which do not contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered credit-impaired (not on acquisition or origination), the Company measures any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- a lender granting to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- high probability that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Company assumes that the credit risk has not increased significantly since initial recognition and accordingly it can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the Company applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

e. Financial Instruments (continued)

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term;
- adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

f. Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

g. Employee Benefits

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees up to balance date. These entitlements include wages and salaries, annual leave, and long service leave. Employee entitlements have been measured at the current values of leave owing to the respective employee, plus related on-costs. The calculation has been made for all employees from the date of commencement and the liability is classified as current for all employees who have completed seven years of continuous service at the reporting date.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

g. Employee Benefits (cont.)

Employees are entitled to take that balance as leave in the current financial year and / or have it paid out to them if they cease employment with the Company.

The Company's obligations for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

h. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

i. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

j. Revenue and Other Income

The principal activities of the Company are those of acting as an agent for tour, travel and accommodation suppliers for which the Company earns service revenue, predominantly in the form of commissions. Revenue is recognised and measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, agent commissions and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's primary activities.

The Company's key revenue streams are outlined below:

(i) Commissions

Commissions consist of at source commissions across the Company's businesses and override commissions for performance of volume-based sales targets with specific airline and leisure partners. The Company acts in the capacity of an agent rather than principal with the facilitation of tour, travel and accommodation services as the Company's customer is a travel agent or supplier. As a result, commission revenue is recognised as the net amount of commission received or receivable by the Company. The revenue policy for the various types of commissions across the Company is outlined below:

At source commissions - retail and travel management businesses

The Company's retail and travel management businesses receive at source commission from suppliers for the arrangement of travel, tours and travel related products. Revenue is recognised at the point of time when tickets, itineraries or travel documents are issued (ticketed date) as this is when the performance obligation is met to the travel agent or supplier.

Other types of at source commissions

The Company also receives commissions from sales of travel related products such as insurance, foreign currency purchasing services and incentives from suppliers. These commissions are recognised as revenue at a point of time on an accrual basis when the performance obligation is met and the amount can be reliably measured.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

j. Revenue and Other Income (cont.)

Override commission revenue

The Company receives volume-based override commissions from airline and leisure partners across the air, land and cruise travel products sold.

The override commission revenue is recognised over a period of time using a tiered earning rate, based on eligible departed travel sales (for air and cruise) or on commencement of hotel stay (for land), for the contracted period as performance obligations involving target tier volumes are met with the suppliers over the life of the contract based on the departure date of the traveller. Each supplier has separate contractual agreements with the Company and the contractual rates, performance tiers and contract periods vary accordingly.

Override commission is calculated for the contract period, based on the value of eligible travel during the period at the expected contracted applicable override rates. Eligible travel for the financial year is calculated based on detailed booking information and is reviewed by management considering current and historical booking trends. To estimate the appropriate override rate to use in the calculation of the estimated override commission, the expected eligible travel sales for the contract period are estimated (based on actual sales, forecast bookings and historical trends) and compared to the contractual performance tiers.

(ii) Transaction and service fees

The Company's travel management business charge customers a transaction fee when travel arrangements are booked through either the Company's online system or using a travel management consultant. Transaction fees are levied in accordance with their contractually agreed rates for the type of product booked. Transaction and service fees are recognised as revenue at the point of time when tickets are issued (ticketed date) as this is when the performance obligation is met to the consumer for the booking of travel arrangements and revenue can be measured reliably. Where amendments occur after the initial transaction, these are treated separately and additional transaction fees may be incurred.

(iii)Marketing related activities

The Company receives contributions from suppliers to compensate for the costs incurred in relation to the production of brochures, in relation to marketing campaigns and activities, and for travel conferences organised by the Company. Revenue is recognised at a point of time when the marketing related activity is undertaken as the performance obligation to the supplier has been met.

Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax.

A receivable will be recognised when they are rendered. The Company's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales are made within a credit term of 30 to 45 days.

k. Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

l. Trade and Other Payables

Trade and other payables are initially measured at fair value and subsequently measured at cost using the effective interest method.

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. 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 Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

n. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Company retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

o. Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates

(i) Impairment

The Company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(ii) Provision for impairment of receivables

Included in trade receivables at the end of the reporting period are receivables amounting to $19,333 (2025: $4,251) that have been outstanding for over more than 90 days.

(iii) Financial assets at fair value through other comprehensive income

The Company maintains an investment with a carrying amount at the end of the reporting period of $138,000 (2025: $138,000). Other than the decline in foreign currency translation, no impairment has been recognised in respect of this investment.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

o. Critical Accounting Estimates and Judgements(cont.)

(iv) Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the Company expects that all its employees would use all their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

(v) Accrued income

Included in the other assets at the end of the reporting period are accrued income amounting to $2,763,744 (2025: $2,866,976). The Company recognises accrued commission income for travel bookings and related services completed before the reporting date where recipient-created tax invoices (RCTIs) or other supporting settlement documentation have not yet been received. The estimation of accrued commission income requires management to exercise judgment in determining the amount of commission earned but not yet invoiced, based on available booking records, contractual commission arrangements, historical settlement trends, and subsequent receipts.

p. New and Amended Accounting Policies Adopted by the Company

No new accounting standard has a material effect on the financial statements.

q. New and Amended Accounting Policies Adopted by the Company

AASB 2023-5: Amendments to Australian Accounting Standards- Lack of Exchangeability

The Company adopted AASB 2023-5 which amends AASB 121: *The Effects of Changes in Foreign Exchange Rates* and AASB 1: *First-time Adoption of Australian Accounting Standards* to require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not exchangeable.

The adoption of the amendment did not have a material impact on the financial statements.

The Standard also amends AASB 121 to extend the exemption from complying with the disclosure requirements of AASB 121 for entities that apply AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* to ensure Tier 2 entities are not required to comply with the new disclosure requirements in AASB 121 when preparing their Tier 2 financial statements.

The adoption of the amendment did not have a material impact on the financial statements.

NOTE 2 REVENUE AND OTHER INCOME

	NOTE	2026	2025
Revenue		**$**	**$**
Sales revenue:			
- Sale of services and commission		5,310,311	4,384,265
Other revenue:			
- Annual conference		862,859	743,668
- BAC wage subsidy		3,949	-
- Insurance commission		389,374	432,883
- Interest received	2a	25,431	27,155
- Marketing revenue		666,180	334,048
- Membership fees		595,813	559,923
- Other income		780,504	6,741
- Other income		6,741	9,005
		3,324,110	2,104,418
Total revenue		8,634,421	6,488,683
a. Interest revenue from:			
- banks		25,431	27,155
		25,431	27,155

NOTE 3 PROFIT FOR THE YEAR

Profit before income tax from continuing operations includes the following expenses:

	2026	2025
Expenses	**$**	**$**
Depreciation of property, plant and equipment	(22,296)	(25,012)
Amortisation of right of use asset	(56,327)	(56,326)
Depreciation and amortisation expenses	(78,623)	(81,338)
Accounting fees	(64,274)	(57,923)
Accommodation	(214,876)	(145,678)
Flights	(56,155)	(41,844)
Fringe benefits tax	(17,552)	(12,133)
Operating lease interest	(16,066)	(15,811)
Legal fees	(13,414)	(4,074)
Staff training	(55,630)	(85,846)
Telephone and fax	(36,205)	(34,482)
Others	(160,944)	(157,605)
Other expenses from ordinary activities	(635,116)	(555,396)
Rental expense on operating leases	(4,178)	(3,700)

NOTE 4 INCOME TAX EXPENSE

		NOTE	2026	2025
			$	$
a.	The components of tax expense comprise:			
	- current tax expense		62,043	-
	- deferred tax expense	14	86,883	52,010
			148,926	52,010
b.	The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:			
	Prima facie tax payable on profit/ (loss) from ordinary activities before income tax at 25% (2025: 25%)		778,091	502,341
	Tax effect of:			
	- Non-deductible income and expenses		737,957	524,338
	- Non-deductible items arising from temporary differences		236,018	181,845
	- Deductible income and expenses		(1,518,313)	(1,208,524)
	- Tax losses utilised		(171,710)	-
	- Deferred tax asset/liability brought to account		86,883	52,010
	Income tax attributable to Company		148,926	52,010
	The applicable income tax rate is the Australian federal tax rate of 25% (2025: 25%) applicable to Australian resident companies.			
	Weighted average effective tax rates are:		5%	3%

NOTE 5 DIVIDENDS

	2026	2025
Dividends recognised as distributions and paid during the period	$	$
Declared and paid 6% unfranked ordinary dividend of 30 cents (2025: $0.30) per share franked at the tax rate of 0% (2025: 0%)	20,611	19,230
	20,611	19,230

NOTE 6 AUDITORS' REMUNERATION

	2026	2025
Remuneration of the auditor is as follows:	$	$
– Auditing and preparation of the financial statements	24,905	23,470
– Auditing of other information	1,000	1,000
	25,905	24,470

NOTE 7 CASH AND CASH EQUIVALENTS

	NOTE	2026	2025
		$	$
Cash at bank and on hand		1,207,502	1,303,884
Short-term deposits		1,787,547	20,874
	23	2,995,049	1,324,758

The effective interest rates on short-term bank deposits range from 3.10% to 4.90% (2025: 4.20%); these deposits have an average maturity of 4 months (2025: 7 months).

Cash and cash equivalents balance as shown in the statement of financial position can be reconciled to that shown in the statement of cash flows as follows:		
Per the statement of financial position	2,995,049	1,324,758
Less bank overdraft	-	-
Per the statement of cash flows	2,995,049	1,324,758

NOTE 8 TRADE AND OTHER RECEIVABLES

	2026	2025
CURRENT	**$**	**$ $**
Trade receivables	150,262	73,027
Provision for impairment of doubtful receivables	-	-
	150,262	73,027
Other receivables:	-	-
Total current trade and other receivables	150,262	73,027

Credit risk

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 8. The main sources of credit risk to the Company are considered to relate to the classes of assets described as "trade and other receivables".

The following table details the Company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Company.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	GROSS AMOUNT	PAST DUE AND IMPAIRED	PAST DUE BUT NOT IMPAIRED (DAYS OVERDUE)			
			<30	31-60	>60	NOT PAST DUE
2026	**$**	**$**	**$**	**$**	**$**	**$**
Trade and term receivables	150,262	-	16,995	64,797	21,340	47,130
Total	150,262	-	16,995	64,797	21,340	47,130
2025	**$**	**$**	**$**	**$**	**$**	**$**
Trade and term receivables	73,027	-	1,007	33,363	4,251	34,406
Total	73,027	-	1,007	33,363	4,251	34,406

The Company does not hold any financial assets whose terms have been renegotiated and would otherwise be past due or impaired.

NOTE 8 TRADE AND OTHER RECEIVABLES (continued)

Credit risk (continued)

	NOTE	2026	2025
		$	$
a. Financial assets classified as trade and other receivables			
Trade and other receivables:			
– Total current		150,262	73,027
Total financial assets classified as trade and other receivables	23	150,262	73,027

b. Collateral held as security

No collateral is held over trade and other receivables.

NOTE 9 OTHER ASSETS

	2026	2025
CURRENT	$	$
Prepayments	209,594	301,943
Accrued income	2,763,744	2,866,976
	2,973,338	3,168,919

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

	2026	2025
PLANT AND EQUIPMENT	$	$
At cost	230,302	225,652
Accumulated depreciation	(184,569)	(162,272)
Total plant and equipment	45,733	63,380

a. Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

NOTE 10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	FURNITURE & OFFICE EQUIPMENT	VEHICLES	TOTAL
	$	$	$
Balance at 1 July 2024	13,006	62,235	75,241
Additions	13,151	-	13,151
Depreciation expense	(8,015)	(16,997)	(25,012)
Carrying amount at 30 June 2025	18,142	45,238	63,380
Additions	4,649	-	4,649
Depreciation expense	(10,701)	(11,595)	(22,296)
Carrying amount at 30 June 2026	12,090	33,643	45,733

NOTE 11 RIGHT OF USE ASSETS

The Company's lease portfolio includes buildings.	2026	2025
i) AASB 16 related amounts recognised in the balance sheet	$	$
Right of use assets		
Leased building	430,469	168,980
Accumulated amortisation	(168,980)	(112,653)
	261,489	56,327
Movement in carrying amounts:		
Leased buildings:		
Opening net carrying amount	56,327	112,653
Addition	261,489	-
Amortisation expense	(56,327)	(56,326)
Net carrying amount	261,489	56,327
ii) AASB 16 related amounts recognised in the statement of profit or loss		
Depreciation charge related to right-of-use assets	56,327	56,326
Interest expense on lease liabilities	16,066	15,811

NOTE 12 FINANCIAL ASSETS

	NOTE	2026	2025
		$	$
Investments		138,000	138,000
	23	138,000	138,000

NOTE 13 TRADE AND OTHER PAYABLES

	NOTE	2026	2025
		$	$
CURRENT			
Unsecured liabilities:			
Trade payables		73,151	38,463
Accrued expense		464,096	357,157
Prepaid income		67,230	68,720
Other payables		49,953	41,170
Credit card payables		1,785	1,290
Total trade and other payables	13a	656,215	506,800
a. Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables:			
Total current		656,215	506,800
Total non-current		-	-
		656,215	506,800
Add/ (less): GST refundable/ (payable)		8,362	18,923
Less: PAYG withholding payable		(46,771)	(31,158)
Financial liabilities as trade and other payables	23	617,806	494,565

The average credit period on trade and other payables (excluding GST payable or refundable) is 7 to 30 days. No interest is payable on outstanding payables during this period.

NOTE 14 TAX BALANCES

	2026	2025
Current liabilities	$	$
Income tax payable	62,043	-
Non-current assets		
Deferred tax assets	187,092	330,979
Non-current liabilities		
Deferred tax liabilities	744,762	845,204

	Balance as at 30 June 2026	(Charged)/ Credited to Income	(Charged) / Credited to Equity	Balance as at 30 June 2025	(Charged) / Credited to Income	(Charged) / Credited to Equity	Balance as at 1 July 2025
	$	$	$	$	$	$	$
2026 at % (2025: 25%) Note 1a							
Deferred tax assets							
Provision for employee benefits	54,260	1,459	-	52,801	5,141	-	47,660
Prepaid income	16,808	(372)	-	17,180	14	-	17,166
Accrued expenses	116,024	26,735	-	89,289	16,889	-	72,400
Carried forward tax losses	-	(171,709)	-	171,709	171,709	-	-
	187,092	(143,887)	-	330,979	193,753	-	137,226
Deferred tax liabilities							
Accelerated depreciation for tax purposes	(1,428)	8,108	-	(9,536)	(5,238)	-	(4,298)
Prepayments	(52,399)	23,087	-	(75,486)	(22,465)	-	(53,021)
Accrued income	(690,935)	25,809	-	(716,744)	(218,060)	-	(498,684)
Financial assets	-	-	43,438	(43,438)	-	-	(43,438)
	(744,762)	57,004	43,438	(845,204)	(245,763)	-	(599,441)
Net amount	(557,670)	(86,883)	43,438	(514,225)	(52,010)	-	(462,215)

The reversal of the deferred tax liability of $43,438 relating to the financial assets arose from the elimination of cumulative fair value gains and losses previously recognised on the investment following the full settlement of its principal balance.

NOTE 15 PROVISIONS

	EMPLOYEE BENEFITS	TOTAL PROVISIONS
Analysis of provisions	**$**	**$**
Opening balance at 01 July 2025	202,083	202,083
Amount provided during the year	154,333	154,333
Amounts used	(139,376)	(139,376)
Balance at 30 June 2026	217,040	217,040

	2026	2025
CURRENT	**$**	**$**
Annual leave	89,466	76,869
Long service leave	101,038	109,400
	190,504	186,269
NON-CURRENT		
Long service leave	26,536	15,814
	26,536	15,814
Total provisions	217,040	202,083

Provision for long-term employee benefits
Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

NOTE 16 LEASE LIABILITIES

	NOTE	2026	2025
		$	**$**
Current	18	43,156	18,462
Non-current	18	218,333	40,166
Total lease liabilities	17, 23	261,489	58,628

NOTE 17 ISSUED CAPITAL

	2026	2025
	$	$
71,391 (2025: 69,464) fully paid ordinary shares	356,955	347,320
Total share capital	356,955	347,320

The Company has authorised share capital amounting to 2,005,268 ordinary shares of no par value.

		2026	2025
		$	$
a.	**Movements in issued capital**	**No.**	**No.**
	Fully paid ordinary shares:		
	At the beginning of the reporting period	69,464	64,859
	Shares issued during the year	1,927	4,605
	Share buyback during the year	-	-
	At the end of the reporting period	71,391	69,464

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. Capital management

Management controls the capital of the Company in order to maintain a good debt to equity ratio, provide the shareholders with adequate return and to ensure that the Company can fund its operations and continue as a going concern.

The Company's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the capital structure or the objectives, policies, processes and strategy adopted by management to manage the capital of the Company from the previous year.

The capital structure at 30 June 2026 and 30 June 2025 is as follows:

	NOTE	2026	2025
		$	$
Trade and other payables	13	656,215	506,800
Lease liabilities	16	261,489	58,628
Less cash and cash equivalents	7	(2,995,049)	(1,324,758)
Net debt		-	-
Total equity		4,809,414	3,542,675
Total capital		4,809,414	3,542,675
Gearing ratio		0%	0%

NOTE 18 CAPITAL AND LEASING COMMITMENTS

Non-cancellable operating leases contracted for recognised in the financial statements as lease liabilities under AASB 16.

	2026	2025
Payable - minimum lease payments:	$	$
- not later than 12 months	43,156	18,462
- between 12 months and five years	218,333	40,166
- later than five years	-	-
Total operating lease payables	261,489	58,628

The Company has entered into a commercial agreement with Wittenoom Pty Ltd for the lease of approximately 180 square metres of office space on the first floor of 74 Wittenoom Street, East Perth, Western Australia, 6004.

The lease is extended for a five-year period up to 30 June 2031.

NOTE 19 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company has no contingent assets and liabilities for the year ended 30 June 2026.

NOTE 20 EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant events since the end of the reporting period.

NOTE 21 CASHFLOW INFORMATION

	2026	2025
a. Reconciliation of cash flows from operating activities with profit for the year	**$**	**$**
Profit after income tax	2,963,438	1,957,355
Non-cash flows items:		
- Depreciation and amortisation	78,623	81,338
- Interest from lease liability	16,066	15,811
- Derecognition of deferred tax on reserves	43,438	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(77,235)	861,870
- decrease/(increase) in other assets	195,581	(962,098)
- decrease/(increase) in deferred tax asset	143,887	(193,753)
- increase/(decrease) in trade and other payables	150,205	43,712
- increase/(decrease) in current tax liabilities	62,043	-
- (decrease)/increase in deferred tax liabilities	(100,442)	245,763
- increase/(decrease) in provisions	14,167	20,566
Net cash provided by operating activities	3,489,771	2,070,564

NOTE 22 RELATED PARTY TRANSACTIONS

The Company's main related parties are as follows:

a. Entities that exercise control over the Company
None.

b. Entities that are subject to common control outside the Company
None.

c. Controlled entities
None.

d. Key management personnel of the Company
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the entity, is considered key management personnel.

e. Entities for which the Company acts as the responsible entity
None.

f. Other related parties of the Company
Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

NOTE 22 RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions and outstanding balances with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties (ie at arm's length) unless the terms and conditions disclosed below state otherwise.

The following transactions occurred with related parties:

	NOTE	2026	2025
(i) *Key management personnel*		**$**	**$**
Key management personnel compensation:			
Short-term employee benefits		408,434	381,253
Post-employment benefits		49,012	42,120
Other long-term benefits		48,768	42,766
		506,214	466,139

Remuneration of Directors and Executives

	CASH SALARY AND FEES		SUPERANNUATION BENEFITS		TOTAL REMUNERATION	
Name	2026	2025	2026	2025	2026	2025
	$	**$**	**$**	**$**	**$**	**$**
Ben Apsey	18,206	9,658	2,185	1,111	20,391	10,769
Trent Bartlett	36,412	34,317	4,370	2,221	40,782	36,538
Mark Brady	19,669	18,247	2,360	2,099	22,029	20,346
Michelle Everson	2,836	-	340	-	3,176	-
Naome Burdon	18,206	9,658	2,185	1,111	20,391	10,769
Greg Close	15,370	17,274	1,844	1,987	17,214	19,261
Phil Dalley	-	7,865	-	904	-	8,769
Trinity Hastwell	-	7,616	-	876	-	8,492
Jacqueline Wilson-Smith	20,000	20,769	2,400	2,388	22,400	23,157
Christian Hunter	277,735	255,849	33,328	29,423	311,063	285,272
	408,434	381,253	49,012	42,120	457,446	423,373

NOTE 23 FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bank loans and overdrafts.

The totals for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies, are as follows:

	NOTE	2026	2025
Financial assets		**$**	**$**
Cash and cash equivalents	7	2,995,049	1,324,758
Trade and other receivables	8	150,262	73,027
Financial assets	12	138,000	138,000
Total financial assets		3,283,311	1,535,785
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	13a	617,806	494,565
Lease liabilities	16	261,489	58,628
Total financial liabilities		879,295	553,193

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

Senior executives meet on a regular basis to analyse financial risk exposure in the context of the most recent economic conditions and forecasts.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company. The Company's objective in managing credit risk is to minimise the credit losses incurred, mainly on trade and other receivables and loans. There is no significant credit risk exposure on available-for-sale financial assets and held-to-maturity investments.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant counterparties. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Company, credit terms are generally 14 to 30 days from the date of invoice.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the finance committee has otherwise cleared as being financially sound. Where the Company is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, the risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

NOTE 24 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Company has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 8.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 8.

All cash and cash equivalents are held with large reputable financial institutions within Australia and therefore credit risk is considered minimal.

	2026	2025
Cash and cash equivalents:	$	$
AA-rated	2,995,049	1,324,758

b. Liquidity risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company is not currently exposed to any significant liquidity risk on the basis that the realisable value of financial assets is significantly greater than the financial liabilities due for settlement. The Company manages its liquidity risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- using derivatives that are only traded in highly liquid markets;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. Bank overdrafts have been deducted in the analysis as management does not consider that there is any material risk that the bank will terminate such facilities. The bank does however maintain the right to terminate the facilities without notice and therefore the balances of overdrafts outstanding at year-end could become repayable within 12 months. The Company does not hold any derivative financial liabilities directly.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

NOTE 23 FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial liability and financial asset maturity analysis

		WITHIN 1 YEAR		1 TO 5 YEARS		OVER 5 YEARS		TOTAL	
	NOTE	2026	2025	2026	2025	2026	2025	2026	2025
		$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial liabilities due									
Trade and other payables	13a	618	495	-	-	-	-	618	495
Lease liabilities	16	43	18	218	40	-	-	261	58
Total contractual outflows		661	513	218	40	-	-	879	553
Less bank overdrafts		-	-	-	-	-	-	-	-
Total expected outflows		661	513	218	40	-	-	879	553
Financial assets realisable									
Cash and cash equivalents	7	2,995	1,325	-	-	-	-	2,995	1,325
Trade and other receivables	8	150	73	-	-	-	-	150	73
Financial assets	12	138	138	-	-	-	-	138	138
Total anticipated inflows		3,283	1,536	-	-	-	-	3,283	1,536
Net (outflow)/inflow on financial instruments		2,622	1,023	(218)	(40)	-	-	2,404	983

c. Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on interest-bearing financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect either the future cash flows (in the case of variable interest instruments) or the fair value financial instruments (in the case of fixed rate instruments).

Interest rate risk is managed using a mix of fixed and floating rate instruments. At 30 June 2026, the Company had no interest-bearing financial liabilities and approximately 60% of group interest-bearing financial assets have fixed interest rates. It is the Company's policy to keep interest-bearing financial assets with fixed interest rates between 5% and 60%.

The Company also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

The weighted average interest rates of the Company's interest-bearing financial assets are as follows:

	2026	2025
Financial assets		
Cash and cash equivalents	4.3%	4.2%

NOTE 23 FINANCIAL RISK MANAGEMENT (CONTINUED)

ii. Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors (other than those arising from interest rate risk) for securities. The Company's exposure to other price risk arises mainly from available-for-sale financial assets. Such risk is managed through diversification of investments across industries and geographical locations.

The Company is not exposed to any other price risk.

Sensitivity analysis

The following table illustrates sensitivities to the Company's exposures to changes in interest rates and equity prices. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	PROFIT	EQUITY
	$	$
Year ended 30 June 2026		
+/- 2% in interest rates (interest income)	35,000	35,000
Year ended 30 June 2025		
+/- 2% in interest rates (interest income)	12,900	12,900

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Company. Most of these instruments which are carried at amortised cost (ie trade receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Company.

NOTE 23 FINANCIAL RISK MANAGEMENT (CONTINUED)

	NOTE	CARRYING VALUE		FAIR VALUE	
		2026	2025	2026	2025
		$	$	$	$
Financial assets					
Cash and cash equivalents (i)	7	2,995,049	1,324,758	2,995,049	1,324,758
Trade and other receivables (i)	8	150,262	73,027	150,262	73,027
Financial assets at fair value through other comprehensive income	12	138,000	138,000	138,000	138,000
Total financial assets		3,283,311	1,535,785	3,283,311	1,535,785
Financial liabilities					
Trade and other payables (i)	13	617,806	494,565	617,806	494,565
Lease liabilities	16	261,489	58,628	261,489	58,628
Total financial liabilities		879,295	553,193	879,295	553,193

(i) Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term instruments whose carrying amounts approximate their fair values. Trade and other payables exclude amounts relating to the provision of annual leave and deferred revenue, which are outside the scope of AASB 9.

NOTE 24 FVTOCI RESERVE

	2026	2025
Financial assets reserve	$	$
Foreign currency translation		
Opening balance	17,654	17,654
Addition	(17,654)	-
Less: tax effect	-	-
Net carrying amount	-	17,654
Unrealised gain on interest		
Opening balance	67,564	67,564
Addition	(67,564)	-
Less: tax effect	-	-
Net carrying amount	-	67,564
FVTOCI reserve	-	85,218

Foreign currency translation
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign transactions to Australian dollars.

NOTE 25 COMPANY DETAILS

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

Travellers Choice Limited
Level 1, 74 Wittenoom Street
East Perth WA 6004

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 7 to 42 are in accordance with the *Corporations Act 2001* and:

   (a) comply with Australian Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and

   (b) give a true and fair view of the financial position as at 30 June 2026 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.



Trent Bartlett
Director

Dated this 30th day of September 2026

INDEPENDENT AUDITOR'S REPORT



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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Travellers Choice Limited (the "Company"), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, and the directors' declaration.

In our opinion:

a. the accompanying financial report of Travellers Choice Limited is in accordance with the *Corporations Act 2001*, including:
   (i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

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 Travellers Choice Limited, 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.

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

The directors 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 2026, 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.

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 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 ability of the Company 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

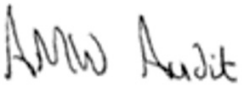
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 directors.

- Conclude on the appropriateness of the directors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.



AMW AUDIT

Chartered Accountants

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



MARTIN SHONE

Principal & Registered Company Auditor

Dated at Perth, Western Australia this 30th day of September 2026

TRAVELLERS CHOICE
A WORLD OF EXPERIENCE

ATIA Accredited
Australian Travel Industry Association

TRAVELLERS CHOICE LIMITED

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