

TRAVELLERS CHOICE

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED
31 DECEMBER 2021





OUR PURPOSE

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

OUR VISION

To be the network of choice for successful travel businesses.

OUR VALUES

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



CONTENTS

Directors' Report	2
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	12
Independent Auditor's Report	13

DIRECTORS' REPORT

Your Directors present their report on the Company for the half-year ended 31 December 2021.

DIRECTORS

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

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

OPERATING RESULTS

The Company produced an operating loss before providing for income tax for the half-year of \$177,301 (31 December 2020: loss before income tax \$193,802).

REVIEW OF OPERATIONS

The financial period commenced on 1st July 2021.

The Directors have resolved that, as part of the Company's response to the current COVID-impacted trading environment, no end-of-half-year trading rebate or dividends would be paid in relation to this half-year.

PRINCIPAL ACTIVITIES

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

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

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

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



Trent Bartlett
Director

Dated this 11th day of March 2022

AUDITOR'S INDEPENDENCE DECLARATION



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

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Travellers Choice Limited. As the audit partner for the review of the financial report of Travellers Choice Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

AMW AUDIT

Chartered Accountants (Auditor registration number 314299)

A handwritten signature in black ink that appears to read 'M. Shone'.

MARTIN SHONE

Director

Perth, WA

Dated this 11th day of March 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	NOTE	HALF-YEAR ENDED 31 DECEMBER 2021	HALF-YEAR ENDED 31 DECEMBER 2020
		\$	\$
Revenue	2	387,377	151,040
Cost of sales		-	-
Gross profit		387,377	151,040
Other revenues	2	344,491	451,620
Computer expenses		(14,167)	(17,208)
Consultancy fees		(49,033)	-
Depreciation and amortisation expenses	3	(78,273)	(43,888)
Director fees		(42,391)	(24,616)
Fees (Corp/TCF/Lic./BSP)		(29,976)	(11,121)
Finance costs	3	(9,379)	(11,513)
Insurance expense		(9,340)	(8,517)
Legal costs		(16,132)	(4,850)
Marketing costs		(39,617)	(144,899)
Member overrides		(45,000)	65,004
Rent	3	7,376	(1,636)
Salaries & wages		(438,105)	(538,970)
Subscriptions for members		(20,969)	-
Ticketing fee		(69,618)	6,508
Other expenses from ordinary activities		(54,545)	(60,756)
Loss before income tax		(177,301)	(193,802)
Income tax expense		-	-
Loss for the half-year		(177,301)	(193,802)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		-	-
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive income attributable to members of the Company		(177,301)	(193,802)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	31 DECEMBER 2021	30 JUNE 2021
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,083,658	1,788,140
Trade and other receivables	78,097	39,051
Other assets	308,463	160,838
TOTAL CURRENT ASSETS	1,470,218	1,988,029
NON-CURRENT ASSETS		
Property, plant and equipment	17,093	21,506
Intangible assets	11,776	20,576
Right of Use Assets	57,274	461,469
Financial assets	466,667	466,667
Deferred tax assets	145,003	145,003
TOTAL NON-CURRENT ASSETS	697,813	1,115,221
TOTAL ASSETS	2,168,031	3,103,250
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	297,689	394,389
Current tax liabilities	673,613	802,069
Provisions	114,064	172,245
Lease liabilities	58,156	130,743
TOTAL CURRENT LIABILITIES	1,143,522	1,499,446
NON-CURRENT LIABILITIES		
Provisions	20,633	45,204
Lease Liabilities	-	377,423
Deferred tax liabilities	48,575	48,575
TOTAL NON-CURRENT LIABILITIES	69,208	471,202
TOTAL LIABILITIES	1,212,730	1,970,648
NET ASSETS	955,301	1,132,602
EQUITY		
Issued ordinary share capital	367,265	367,265
Retained earnings	621,858	799,159
Reserve	(33,822)	(33,822)
TOTAL EQUITY	955,301	1,132,602

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	ISSUED ORDINARY SHARE CAPITAL	RESERVE	RETAINED EARNINGS	TOTAL
	\$	\$	\$	\$
Balance at 1 July 2020	451,280	–	1,055,604	1,506,884
Loss for the half-year	–	–	(193,802)	(193,802)
Other comprehensive income	–	–	–	–
Total comprehensive loss for the half-year	–	–	(193,802)	(193,802)
Dividends and rebates paid	–	–	–	–
Share buy-back	(84,015)	–	–	(84,015)
Balance at 31 December 2020	367,265	–	861,802	1,229,067
Balance at 1 July 2021	367,265	(33,822)	799,159	1,132,602
Loss for the year	–	–	(177,301)	(177,301)
Other comprehensive income	–	–	–	–
Total comprehensive loss for the half-year	–	–	(177,301)	(177,301)
Dividends and rebates paid	–	–	–	–
Balance at 31 December 2021	367,265	(33,822)	621,858	955,301

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	HALF-YEAR ENDED 31 DECEMBER 2021	HALF-YEAR ENDED 31 DECEMBER 2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and government	493,950	1,302,158
Payments to suppliers and employees	(1,165,419)	(786,271)
Interest received	64	517
Net cash (used in)/ provided by operating activities	(671,405)	516,404
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,640)	-
Net cash used in investing activities	(1,640)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Share buyback	-	(84,015)
Repayment of lease liability	(31,437)	(15,373)
Net cash used in financing activities	(31,437)	(99,388)
Net (decrease)/ increase in cash held	(704,482)	417,016
Cash and cash equivalents at beginning of half-year	1,788,140	1,598,875
Cash and cash equivalents at end of half-year	1,083,658	2,015,891

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

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

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

Registered office

Ground Floor
130 Royal Street
Perth WA 6004

Principal place of business

Ground Floor
130 Royal Street
Perth WA 6004

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 11 March 2022.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021.

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

b. Accounting Policies

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

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

NOTE 2 REVENUE AND OTHER INCOME

	31 DECEMBER 2021	31 DECEMBER 2020
Revenue	\$	\$
Sales revenue:		
- Sale of services and commission	387,377	151,040
Other revenue:		
- Membership fees	100,829	14,725
- Insurance commission	10,942	-
- Cruise Club annual fees	1,639	-
- Interest received	64	517
- Marketing revenue	33,840	98,510
- JobKeeper subsidy	-	292,500
- Cash flow boost	-	857
- COVID-19 WA Govt Grant	-	17,500
- COVID-19 Consumer Travel Support Program	100,000	-
- WA Travel Agent Support Program	10,000	27,000
- Gain on lease modification	87,177	-
- Other income	-	11
	344,491	451,620
Total revenue	731,868	602,660
a. Interest revenue from:		
- Banks	64	517
	64	517

NOTE 3 EXPENSES

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

	31 DECEMBER 2021	31 DECEMBER 2020
	\$	\$
Depreciation of property, plant and equipment	(6,053)	(7,825)
Amortisation of intangible assets	(8,800)	(12,328)
Depreciation of right of use asset	(63,420)	(23,735)
	(78,273)	(43,888)
Finance costs		
Interest charges on lease liabilities	(9,379)	(11,513)
Rental expense on operating leases	7,376	(1,636)

NOTE 4 DIVIDENDS

There have been no dividends declared or paid during the period ended 31 December 2021.

NOTE 5 FAIR VALUE MEASUREMENTS

a. Valuation Techniques

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

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

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

b. Financial Instruments

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

	31 DECEMBER 2021		30 JUNE 2021	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	1,083,658	1,083,658	1,788,140	1,788,140
Trade and other receivables	78,097	78,097	39,051	39,051
Financial assets at fair value through other comprehensive income	466,667	466,667	466,667	466,667
Total financial assets	1,628,422	1,628,422	2,293,858	2,293,858
Financial liabilities				
Trade and other payables (excluded GST)	297,817	297,817	392,390	392,390
Lease liabilities	58,156	58,156	508,166	508,166
Total financial liabilities	355,973	355,973	900,556	900,556



NOTE 6 CONTINGENT LIABILITIES

The Company has no contingent liabilities for the half-year ended 31 December 2021.

NOTE 7 EVENTS AFTER THE REPORTING PERIOD

The impact of the COVID-19 pandemic is ongoing and while it has been financially negative for the Company up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

DIRECTORS' DECLARATION

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

1. The financial statements and notes, as set out on pages 4 to 11 are in accordance with the *Corporations Act 2001* and:
 - (a) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2021 and of the performance for the half-year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Trent Bartlett
Director

Dated this 11th day of March 2022

INDEPENDENT AUDITOR'S REPORT



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

Conclusion

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

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

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of Travellers Choice Limited in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Directors for the Financial Report

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

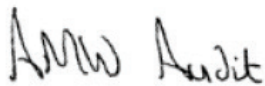
Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

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

Independence

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



AMW AUDIT

Chartered Accountants

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



MARTIN SHONE

Director & Registered Company Auditor

Dated at Perth, Western Australia this 11th day of March 2022



TRAVELLERS CHOICE LIMITED

ACN 121 496 900

Ground Floor, 130 Royal Street
East Perth WA 6004

Tel: +61 08 9223 6500

Email: admin@travellerschoice.com.au

ATAS No. A10430