

# EOA Annual Report

## Financial Year End

### 30 June 2020

Directors' Report and an Overview of our Activities during the Year



Employee Ownership  
Australia *Making it your business*



# Overview of Employee Ownership Australia

Employee Ownership Australia (ABN 40 152 310 266) (EOA) was formed in July 2011 to ensure ongoing advocacy for broad based employee ownership and dynamic workplace participation in Australian companies. It engages with and assists companies that have or aim to implement employee ownership or employee share plans, whilst also being a key advocacy body for broad based employee ownership. EOA is independent and entirely member funded.

EOA is a member-focused, not for profit public company, limited by guarantee. EOA replaced the Australian Employee Ownership Association, which was formed by 20 companies in 1986. EOA is the only independent, dedicated advocacy and education group in this space in Australia.

**Promoting not Preventing Employee Ownership**

- How effective have the 2015 changes been in bolstering entrepreneurship and facilitating start-up ventures?
- What are the current challenges facing companies in setting up an ESS arrangement? How can they be addressed?
- Key impediments to 'baby boomer succession arrangements'
- Is the current tax treatment of ESS relevant to start-up companies? What are the current challenges facing start-up companies in setting up an ESS arrangement?
- How have the standard documents provided by the ATO assisted businesses in providing ESS arrangements? What improvements can be made?

EOA Member Event | Thursday 6<sup>th</sup> August 2020 | Advocacy Update and Q&A w/ Jo McLellan (Domain)

**Q&A with Jo McLellan (Domain) and Tom McCarty (Link) Using Employee Equity during the Covid-19 Pandemic**

With Micaela Costello.

**EQUITY THEMES OF COVID-19**

- Similar 'Domain' programs are being explored e.g. Link Group
- Cancellation of cash bonuses
- Suspension of broad-based plans
- Employee Share Plan Trusts

**Questions?**

Please type your questions in the chat.

EOA Member Event | Thursday 6<sup>th</sup> August 2020 | Advocacy Update and Q&A w/ Jo McLellan (Domain)

**So what do Australian businesses rate as the biggest issues facing employee ownership?**

**Taking employees on their job is unfair and unfair to Australia**

**Succession planning? Employee ownership makes it a no-brainer**

- A selection of slides from the 2020 EOA August Member Webinar (Online)



Employee Ownership  
Australia *Making it your business*



## EOA's Core Aims

- a. To be the centre of excellence for companies seeking to implement or support employee share ownership or ESOPs.
- b. To be the voice on employee share ownership issues in Australia.
- c. To encourage research into the productivity impacts of employee ownership.
- d. To encourage government at all levels to develop taxation and other incentives to promote employee ownership.
- e. To provide exceptional services to our members.

## EOA's Policy Recommendations

EOA recommends that public policy should be formulated so as to promote broad based employee share ownership based on the following key objectives:

- a. To better align the interests of employees and employers so as to promote employee engagement and productivity in listed companies;
- b. To enhance national savings;
- c. To facilitate and encourage the development of small to medium, privately owned enterprises including start-up companies; and
- d. To facilitate employee buyouts and business succession.



- Attendees at the 2019 EOA Annual Conference (Sydney)





## EOA's Member Services

- a. Regular blogs that help demystify employee share ownership.
- b. Reduced rates for our training programs.
- c. Attendance at the Annual Conference and Awards night.
- d. Free access to a network of like-minded people to exchange ideas, experience and practices.
- e. Referral to experienced, specialist advisors for advice on tax, legal, and ESOP finance matters.
- f. Access to a network of professional HR specialists, company secretaries, workplace relations professionals and employee representatives.
- g. To be an active voice in research and policy work that can be used to influence Government and other decision-makers.
- h. Access to our international connections.

For further information on Employee Ownership Australia, including how to join as a member, visit our website at [www.employeeownership.com.au](http://www.employeeownership.com.au)



- Incoming EOA Chair Andrew Clements presenting at the 2019 EOA Annual Conference (Sydney)



**Employee Ownership**  
Australia *Making it your business*



# Activities and Business Review

The 2019/2020 year was a time of renewal and growth for EOA, with a number of key activities occurring in what become a challenging year for many individuals and businesses due to the pandemic. These are as follows:



## Annual Conference

The 2019 Annual Conference was a great success, hosting 60 of the leading professionals in the employee ownership space.

Highlights included the very well attended and entertaining Awards Night and, at the Conference, the engaging variety of speakers headlined by a fantastic Keynote presentation from Prof Andrew Pendleton (University of NSW, School of Management). The post-conference survey revealed that the most valued aspect of this year's event was the level of shared discussion across the various sessions.



## Key Reform Agenda

2019/2020 saw EOA Board and Expert Panel representatives engage with a variety of policy makers and politicians.

It was encouraging to see that the focus of the Parliamentary Inquiry into the Tax Treatment of Employee Share Schemes announced in 2019/2020 was reflective of the strong reform agenda presented by EOA representatives in discussions held with Treasury staff throughout the duration of 2018/2019.



## Employee Ownership Public Policy Advocacy

2019/2020 saw the release of the EOA White Paper superseded by two key submissions to the Parliamentary Inquiry into the Tax Treatment of Employee Share Schemes and the Government Consultation on Cooperative Workplaces.

Incoming EO Chair Andrew Clements also appeared before the Parliamentary Inquiry via video link and answered questions from a panel of federal MPs.



## Social Media

EOA outputs regular tweets to its 800+ dedicated twitter followers, and provides regular posts on the latest topics of interest to hundreds of followers across LinkedIn and Facebook.



## Board Renewal & Diversity

EOA said farewell to Chair Ben Morris and previous long-time EOA Chair and Board member Angela Perry, as well as Board members Norah Seddon and Brett Tollman. EOA welcomed Andrew Clements to the role of Chair and long-time Experts Panel member Marc Bosotti to the Board.



## Member Events

EOA's plan to host the 2020 conference in May was postponed due to the COVID-19 crisis. This also delayed other member events being held until after the 2019/2020 financial year as the EOA Board and member base focussed on business continuity planning. The 2020 Conference is now expected to be held virtually in December 2020.



## Online Training

EOA launched another four 'Getting Started With Employee Ownership' online training modules during 2019/2020.

The online training is now an invaluable resources for owners, founders and managers of SMEs and Start Ups wanting to get started with employee ownership.



## Collaboration

EOA has continued collaborating with industry groups and individuals including Graeme Nuttall OBE, author of *The Nuttall review of employee ownership* and champion of the Employee Ownership Trust (EOT) model. The EOT model has been largely responsible for the large uptick in employee owned companies in the UK in recent years.



## Website

The EOA website is the main outlet for disseminating information on employee ownership in Australia. The website upgrade in 2017/18 continues to be a success and consistently provides upwards of 2000 pageviews per month to an average of 1000 new visitors per month who mostly arrive via on-line search platforms.



# Directors

The names of the directors are set out below. Biographical details and other information for the current directors are shown in the EOA's [Board of Directors](#) page.



## Andrew Clements (Chair)

Andrew is a legal consultant in the Melbourne office of King & Wood, Mallesons, where he was partner for over 25 years.

Andrew has worked extensively in relation to both the tax and legal issues associated with employee ownership, both for listed and unlisted entities.

Andrew has had considerable involvement in various tax and corporate reviews of the regulation of Employee Ownership in Australia. He has a very strong view that we should promote not prevent Employee Ownership through our tax and regulatory framework. A major area of his focus at present is the development of effective succession models through employee ownership.

Andrew was appointed Chair of EOA by the Board on 24 July 2020.



## Micaela Costello (Deputy Chair)

Micaela is currently Head of Executive Compensation, Performance Management and Equity at CSL Limited where her responsibilities include the design, development and implementation of the CSL Group executive compensation, performance management, reward and recognition and employee equity strategies and programs.

Operating in a truly global organisation, Micaela brings a global breadth of knowledge on employee share plans. With a background in performance and rewards, Micaela has over ten years' experience specifically in the design, development, implementation and management of employee equity programs, both at the executive and broad based employee levels.

Micaela holds a Bachelor of Business Studies (Human Resource Management and Communication Management) and a Postgraduate Diploma in Business and Administration (Management Systems) from Massey University, New Zealand.

Micaela was appointed Deputy Chair of EOA by the Board on 24 July 2020.





## Marc Bosotti

With over 15 years of experience working in Australia and the United Kingdom, Marc's expertise is in consulting to organisations and executives in relation to reward, compensation, taxation and global mobility matters.

Marc successfully helps Boards and Senior Executives to design reward programs that create alignment with the organisation's business and people strategy.

Extensive experience working in global mobility and international tax means Marc has in-depth knowledge of the tax and regulatory requirements of operating reward programs, including the cross-border challenges for employees and employers.



## Alan Greig

Alan has had a long-standing interest in employee and community ownership dating back to the 1970s. He was the Public Officer of the Australian Employee Ownership Association (AEOA) since its inception in 1986 and was its President most recently (2011) while driving the setting up of Employee Ownership Australia Ltd.

Alan is Director, Ownership Strategies at Mercury Cooperative Ltd, an agency specialising in building collaborative enterprises through consultancy, research, information, advice and training. At Mercury, Alan's focus is on participation and empowerment structures which encourage broader involvement in the governance of organisations and the widespread ownership of assets – for employees through their workplaces and for citizens through mutuals, co-operatives, community trusts and savings schemes.

Alan worked in the NSW public sector for many years in ageing and disability services, primarily as an adviser to funded community services and not-for-profits.



## Matthew Lever

Matthew is an Executive Director at the Commonwealth Bank of Australia. Matt maintains a global perspective gained through work assignments in the United Kingdom, United States and Australia/New Zealand. His clients include both public and private financial institutions, with most transactions featuring rating agencies and regulatory relationships. Whilst the financial services sector reform in Australia will continue, Matt is focused on more effective regulatory frameworks and better Government relationships.

In dealing with complex financing concepts Matts focus for EOA is to improve the connection for this employee share plans across financial institutions, corporate and market associates. Linking these initiatives to improving productivity and competitiveness is an important as wider benefits of broad equity ownership. Matthew is leading EOA's development of Employee Ownership Index.





## James Marshall

James has had a 26 year career with Computershare that enables him to bring a depth of experience from his role as Managing Director of the Computershare Plan Managers to EOA. Before becoming a Director of EOA, he most recently served as Managing Director of Computershare New Zealand, a role that saw him integrally involved in significant projects for all the company's business lines. James also worked in Computershare's US and Canadian offices for several years and is an expert at sharing and implementing best practice throughout the organisation.

James has developed a broad range of skills across the listed entity space and understands the role employee equity plays within a company's strategy and support.



## Tom McCarty

Tom McCarty is General Manager of the equity plan division of Link Market Services.

As General Manager, Tom manages employee plans services to Link's 150+ equity plan clients across the full spectrum of the employee share plan lifecycle, including share plan administration, legal and regulatory advice, data metrics, employee engagement and trustee services.

Tom's breadth of registry and employee equity plan knowledge and extensive experience allows him to add significant value to clients in maintaining an effective and efficient employee equity plan.



## Phillip Muhlbauer

Phillip is a Principal at Global Investors Pty Ltd and is a professional investor across numerous asset classes, focussing on venture capital for start up and early stage companies. He runs a family office and is actively involved in the RegTech, FinTech and alternative markets.

With over 30 years' experience in the financial services industry, Phillip has domestic and global CEO experience. Phillip was CEO of Link Market Services for 7 years, serving on the boards of companies in India, South Africa, Germany, United Arab Emirates, New Zealand and Papua New Guinea. Specific areas of focus include corporate restructuring, mergers and acquisitions, credit and treasury risk management, asset management, investor education, new product and services development and strategic business development.

Phillip has also worked for a number of top tier financial institutions including UBS Australia, Australian Securities Exchange and Commonwealth Bank of Australia.

Phillip is a Strategic Advisor to Linqto Inc, Director of LBW Trust (Learning for a Better World Charity), Advisory Member of the Sydney FC Foundation, Mentor at Startupbootcamp (FinTech) and a member of YPO Gold.







## Benjamin Morris

Ben is an experienced Compensation and Benefits consultant and HR professional. He is currently Co-Head of HR and General Manager, Performance, Reward & HR Operations at Mirvac, an ASX top 50 company. Previous to this, he was Head of Performance, Executive Compensation and Global Projects for Lend Lease. He has also been a consultant with PwC, Deloitte and Hay Group (where he was the Pacific Practice Leader for Executive Reward). Ben's interest in employee ownership has been developed over many years of assisting companies to design and implement employee share schemes.

Ben is a Chartered Accountant, a Solicitor and a Chartered Company Secretary. In addition to his professional experience, Ben is a published author and an experienced lecturer having taught accounting and law subjects at UNSW and UTS (including teaching in the UTS MBA/Masters program).

Ben resigned from the Board effective 4 July 2020.



## Angela Perry

Angela is a qualified English Barrister and Australian qualified solicitor. She was a member of the Board for ShareGift Australia and Down Syndrome Victoria until 2013. She was the Global Head, EPS Business Development and the Executive Client Partnership Program of Link Market Services Limited from 2009 until 2014.

Angela has acted for some of the top Australian and UK public and private companies and large internationals in relation to design, implementation and administration of equity plans and equity like products. In particular, she has advised and implemented global equity plans and short term incentive plans in over 50 countries globally. She is passionate about employee ownership and increasing the companies that use it effectively. Angela is also a member of the Prime Minister's Community and Business Partnership Committee.

Angela resigned from the Board effective 22 August 2019.



## Mathew Ronald

Mathew is a Director in People Advisory Services at Ernst & Young. Mathew advises companies on executive remuneration and employee share plans across the full spectrum of employee share plan life-cycle, including consulting, legal and taxation services.

Mathew is a lawyer and equity plan specialist who has spent his career designing and advising on employee equity arrangements. Prior to joining EY, Mathew was General Manager of the equity plan division of Link Market Services and worked as an equity plan lawyer at Linklaters LLP (UK) and Corrs Chambers Westgarth.





## Norah Seddon

Norah is part of PwC's People business which provides an integrated people consulting and solutions services. She has over 20 years' experience with PwC and focuses on the provision of taxation advice to individuals and corporations.

Norah has been involved in submissions to the Government on many topics including the changes to the Living Away from Home rules in October 2012 and the changes to the non-resident CGT rules in 2013.

Norah is a member of the Institute of Chartered Accountants in Australia and holds a Bachelor of Commerce (Accounting) with Distinction from the University of Western Sydney.

Norah resigned from the Board effective 14 August 2019.



## Brett Tollman

Brett has 20 years' experience as a Reward professional. Brett joined Westpac Group as the General Manager, Reward, Performance & Employee Relations HR in July 2017. In his role, Brett is responsible for the development and management of reward, performance and employee relations strategy, policy and risk/governance frameworks across the Group.

Prior to joining Westpac, Brett was the Group Head of Reward & Performance at Woolworths Limited. Prior to that Brett worked in Europe, holding a number of Executive roles across the financial services sector, such as Global Head of Reward at NN Group (formerly ING Insurance & Investment Management) in Amsterdam, Senior Global Reward Manager at HSBC in London, Head of Market Reward at ABN AMRO Bank in both London and Amsterdam and Consultant Analyst for the Arthur Andersen Human Capital Services practice in London.

Brett holds a university degree in Chemistry and Management and a certification from the British Association of Tax Technicians.

Brett resigned from the Board effective 14 February 2020.



## Brett Feltham (Company Secretary)

Brett is a partner in the Sydney office of Gadens, a top 10 Australian law firm. Brett is a Law Society of New South Wales accredited specialist in employment and industrial relations law and had over twenty years' experience in that area.

In addition to having a broad range of experience in relation to employment and workplace relations issues, Brett regularly advises both international and Australian based companies, listed and unlisted, in relation to all aspects of executive remuneration and employee equity and cash incentive arrangements. He also regularly assists clients on complex and strategic employment matters, including C-suite level terminations.

Brett has assisted numerous multinational/household name and over 40 Australian listed companies to introduce new employee incentive arrangements or to vary existing arrangements to ensure not only compliance with Australian securities and employment laws and tax efficient outcomes, but to assist those companies to drive appropriate executive and employee behaviours aligned to the overall business strategy.



# Administration, Legal and Tax

## Board Meetings

	Board Meetings Held During The Financial Year – 5 (eligible to attend)	
	Board meetings attended	Date of Appointment, Last Election or Re-election (whichever is the later)
Benjamin Morris – Chair	5 (5)	Resigned from the Board effective 4 July 2020
Andrew Clements – Deputy Chair*	5 (5)	28 November 2019
Marc Bosotti	4 (4)	28 November 2019
Micaela Costello*	5 (5)	28 November 2019
Alan Greig	5 (5)	29 November 2018
Matthew Lever	4 (5)	29 November 2018
James Marshall	4 (5)	28 November 2019
Tom McCarty	4 (5)	4 May 2018
Phillip Muhlbauer	5 (5)	29 November 2018
Angela Perry	0 (1)	Resigned from the Board effective 22 August 2019
Mathew Ronald	5 (5)	28 November 2019
Norah Seddon	0 (1)	Resigned from the Board effective 14 August 2019
Brett Tollman	1 (3)	Resigned from the Board effective 14 February 2020

\* Following the resignation of Ben Morris, at the EOA Board meeting on 24 July 2020 Andrew Clements was appointed Chair and Micaela Costello was appointed Deputy Chair.

## Corporate Governance

Whilst the ASX governance guidelines do not apply to EOA, the Board and management team believes that it is important to comply with those guidelines where it is applicable and appropriate. As a small company limited by guarantee according to ASIC guidelines, it is not necessary for EOA to appoint auditors and undertake an annual financial audit.

## Indemnities and Insurance

The Constitution of EOA provides for it to indemnify, to the extent permitted by law, officers of EOA, against liabilities arising from the conduct of the organisation. The directors and the company secretary have been indemnified in accordance with these provisions. No amount has been paid under any of these indemnities during the year.

EOA has purchased directors' and officers' insurance during the year. In broad terms, the insurance cover indemnifies individual directors' and officers' personal legal liability and legal defence costs for claims arising out of actions taken in connection with EOA.

## Governmental Regulations

EOA operations in Australia are subject to state and federal regulations of general application governing public companies and charities.

## Legal Proceedings

EOA is not a plaintiff or defendant in any proceedings.

## Creditor payments

It is EOA's policy to agree terms of payments with suppliers when entering into contracts and to meet its obligations accordingly. EOA does not follow any specific published code or standard on payment practice.

At 30 June 2020, there were no purchases outstanding in respect of EOA.

Signed as a correct record:



Andrew Clements

CHAIR

Date: 23/9/20



**Employee Ownership**  
Australia *Making it your business*





**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**FINANCIAL REPORT**  
**FOR THE PERIOD ENDED**  
**30 JUNE 2020**

**Central Accounting & Taxation Advisory**  
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Sydney NSW 2000  
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**Liability limited by a scheme approved under**  
**Professional Standards Legislation**

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

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**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**DIRECTORS' REPORT**

The directors present their report on the company for the financial year ended 30 June 2020.

**Information on Directors**

The names of each person who has been a director during the year are:

Ms Angela Jane Perry (Director, Appointed 26 July 2011, Resigned 22 August 2019)  
Mr Alan Howard Greig (Director, Appointed 26 July 2011)  
Mr James Marshall (Director, Appointed 17 July 2014)  
Mr Matthew Austin Lever (Director, Appointed 25 August 2014)  
Mr Phillip Muhlbauer (Director, Appointed 2 September 2014)  
Mr Benjamin Morris (Chair, Appointed 24 November 2014, Resigned 04 July 2020)  
Ms Norah Anne Seddon (Director, Appointed 24 November 2014, Resigned 14 August 2019)  
Mr Mathew Ronald (Director, Appointed 16 June 2017)  
Ms Micaela Costello (Director, Appointed 16 February 2018)  
Mr Tom McCarty (Director, Appointed 4 May 2018)  
Mr Andrew Clements (Deputy Chair, Appointed 14 June 2018)  
Mr Brett Marc Tollman (Director, Appointed 25 June 2018, Resigned 14 February 2020)  
Mr Marc David Bosotti (Director, Appointed 23 August 2019)

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

**Company Secretary**

The following person held the position of the Company Secretary at the end of the financial year:

Mr Brett Feltham was appointed Company Secretary on 22 August 2018.

**Operating Results**

The profit of the company after providing for income tax amounted to \$4,996.

**Significant Changes in the State of Affairs**

There have been no significant changes in the state of affairs of the Company during the year.

**Principal Activities**

The principal activities of the company during the financial year were promotion of Employee Ownership of Business.

No significant changes in the nature of the company's activity occurred during the financial year.

**Events After the Reporting Date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**DIRECTORS' REPORT**

**Environmental Issues**

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

**Dividends paid or recommended**

The company is a company limited by guarantee and hence is precluded from declaring dividends.

**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 and Insurance of Officers and Auditors**

The company indemnifies current and former directors and officers for any loss arising from any claim by reason of any wrongful act committed by them in their capacity as a director or officer (subject to certain exclusions as required by law). During the 2020 financial year, a total of \$1364.06 in premiums for Directors and Officers Liability insurance was paid. The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such by an officer or auditor.



**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**DIRECTORS' REPORT**

**Information of Directors**

Mr Benjamin Morris	Chair
Qualifications	CA, CSA, LLB (Hons), B Bus (Accounting)
Experience	General Manager Performance, Reward and Employee Services at Mirvac. Ben is a Chartered Accountant, Solicitor and a Chartered Company Secretary. Work experience includes Head of performance, Executive Compensation and Global Projects at Lend Lease and consulting experience with PwC, Deloitte, and Hay Group.
Special Responsibilities	Nil
Mr Andrew Clement	Deputy Chair
Qualifications	Bachelor of Commerce and Laws, Master of Law
Experience	Andrew is a legal consultant in the Melbourne office of King & Wood, Mallesons, where he was partner for over 25 years. Andrew has worked extensively in relation to both the tax and legal issues associated with employee ownership, both for listed and unlisted entities.
Special Responsibilities	Chair of the 'Experts Panel'
Ms Angela Jane Perry	Director
Qualifications	UK Barrister, Australian Qualified Solicitor, LLB Law Degree, MAICD, Member of EOA and NCEO. An Accredited Life Coach
Experience	Director since 26 July 2011
Special Responsibilities	Nil
Mr Alan Howard Greig	Director
Qualifications	Bachelor of Arts
Experience	Director since 26 July 2011
Special Responsibilities	Information coordinator and policy development
Mr James Marshall	Director
Qualifications	Bachelor of Commerce
Experience	Plan manager, employee equity, Investor Services
Special Responsibilities	Nil
Mr Mathew Ronald	Director
Qualifications	Master of Business Administration, Bachelor of Laws (Hons), Bachelor of Communication
Experience	Equity plan specialist, equity plan management, legal, tax and consulting
Special Responsibilities	Nil
Mr Matthew Lever	Director
Qualifications	Bachelor of Business (Accounting)
Experience	Financial Services Sales and Business development executive
Special Responsibilities	Nil

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**DIRECTORS' REPORT**

Ms Micaela Costello	Director
Qualifications	Bachelor of Business Studies (Human Resource Management and Communication Management), Postgraduate Diploma in Business and Administration (Management Systems)
Experience	Head of Executive Compensation and Equity at CSL Limited where responsibilities include the design, development and implementation of the CSL Group executive compensation and equity strategies and programs
Special Responsibilities	Nil
Ms Norah Seddon	Director
Qualifications	Bachelor of Commerce (Accounting) with Distinction. Member of the Institute of Chartered Accountants
Experience	Taxation advice to individuals and corporations relating to global and domestic mobility, employee share schemes and expatriate matters.
Special Responsibilities	Nil
Mr Phillip Muhlbauer	Director
Qualifications	Bachelor of Commerce (with merit), Practitioner Member of (Master) of Stockbrokers Association of Australia (MSAA), Member of the Australian Institute of Company Directors (MAICD).
Experience	Global and domestic CEO Financial Services experience spanning 30 years. Specific areas of focus include corporate restructuring, mergers and acquisition, credit and treasury risk management, asset management, new product and service development, strategic business development.
Special Responsibilities	Nil
Mr Tom McCarty	Director
Qualifications	Diploma of Business Administration
Experience	General Manager, Equity Plan division, Link Market Services managing equity plan clients across the full spectrum of the employee share plan lifecycle, including share plan administration, legal and regulatory advice, data metrics, employee engagement and trustee services
Special Responsibilities	Nil
Mr Brett Tollman	Director
Qualifications	Bachelor of Science
Experience	Brett has 20 years' experience as a Reward professional. Prior to joining Westpac, Brett was the Group Head of Reward & Performance at Woolworths Limited. Prior to that Brett worked in Europe, holding a number of Executive roles across the financial services sector.
Special Responsibilities	Nil

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**DIRECTORS' REPORT**

Mr Marc Bosotti

Qualifications

Experience

Director

Bachelor of Economics

With over 15 years of experience working in Australia and the United Kingdom, Marc's expertise is in the consulting to organisations and executives in relation to reward, compensation, taxation and global mobility matters.

Marc successfully helps Boards and Senior Executives to design reward programs that create alignment with the organisation's business and people strategy.

Extensive experience working in global mobility and international tax means Marc has in-depth knowledge of the tax and regulatory requirements of operating reward programs, including the cross-border challenges for employees and employers.

Special Responsibilities

Nil

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**DIRECTORS' REPORT**

**Meeting of Directors**

During the financial year, 5 meetings of directors were held. Attendances by each director were as follows:

	Directors Meetings	
	Number Eligible to Attend	Number Attended
Angela Jane Perry	1	0
Alan Howard Greig	5	5
Matthew Lever	5	4
James Marshall	5	4
Benjamin Morris	5	5
Phillip Muhlbauer	5	5
Mathew Ronald	5	5
Norah Seddon	1	0
Andrew Clements	5	5
Micaela Costello	5	5
Tom McCarty	5	4
Brett Tollman	3	1
Marc Bosotti	4	4



**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**DIRECTORS' REPORT**

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

Director: Alan H. Greig  
Mr Alan Howard Greig

Director: ap28  
Mr Andrew Clements

Dated this 9th day of September 2020

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>Income</b>			
Revenue	3	31,275	27,937
<b>Expenditure</b>			
Accountancy expenses		(1,600)	(1,600)
Other expenses		(24,679)	(24,841)
		4,996	1,496
<b>Profit for the period</b>		4,996	1,496
<b>Total comprehensive income for the year</b>		4,996	1,496

The accompanying notes form part of these financial statements.  
These statements should be read in conjunction with the attached compilation  
report of Central Accounting & Taxation Advisory.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**PROFIT AND LOSS STATEMENT**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	2020 \$	2019 \$
<b>INCOME</b>		
Conference Fees	2,465	5,847
Membership Fee	28,802	22,086
	<u>31,267</u>	<u>27,933</u>
<b>OTHER INCOME</b>		
Interest Received	<u>8</u>	<u>4</u>
	<u>31,275</u>	<u>27,937</u>
<b>EXPENSES</b>		
Accountancy Fees	1,600	1,600
Bank Charges	59	90
Conference Expense	626	499
Filing Fees	1,435	329
Insurance	1,249	2,751
Membership & Research	179	180
Newsletter Production	68	92
Postage and Shipping	431	525
PR & Communications	18,699	16,296
Printing & Stationery	142	615
Subscription	233	-
Travelling Expenses	830	784
Website Hosting	728	2,680
	<u>26,279</u>	<u>26,441</u>
<b>Profit before income tax</b>	<u>4,996</u>	<u>1,496</u>

The accompanying notes form part of these financial statements.  
These statements should be read in conjunction with the attached compilation  
report of Central Accounting & Taxation Advisory.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	52,715	47,239
Trade and other receivables	5	450	597
<b>TOTAL CURRENT ASSETS</b>		<u>53,165</u>	<u>47,836</u>
<b>TOTAL ASSETS</b>		<u>53,165</u>	<u>47,836</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	3,127	2,794
<b>TOTAL CURRENT LIABILITIES</b>		<u>3,127</u>	<u>2,794</u>
<b>TOTAL LIABILITIES</b>		<u>3,127</u>	<u>2,794</u>
<b>NET ASSETS</b>		<u>50,038</u>	<u>45,042</u>
<b>EQUITY</b>			
Retained earnings	7	50,038	45,042
<b>TOTAL EQUITY</b>		<u>50,038</u>	<u>45,042</u>

The accompanying notes form part of these financial statements.  
These statements should be read in conjunction with the attached compilation  
report of Central Accounting & Taxation Advisory.



**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	Note	Retained earnings \$	Total \$
<b>Balance at 1 July 2018</b>		43,546	43,546
Profit attributable to equity shareholders		1,496	1,496
<b>Balance at 30 June 2019</b>		45,042	45,042
Profit attributable to equity shareholders		4,996	4,996
<b>Balance at 30 June 2020</b>		50,038	50,038

The accompanying notes form part of these financial statements.  
These statements should be read in conjunction with the attached compilation  
report of Central Accounting & Taxation Advisory.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

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The financial reports cover Employee Ownership Australia Limited as an individual entity. Employee Ownership Australia Limited is a for profit proprietary company incorporated and domiciled in Australia.

The functional and presentation currency of Employee Ownership Australia Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

**1 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals 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 significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

**2 Summary of Significant Accounting Policies**

**Financial Instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred)

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

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**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The company's trade and most other receivables fall into this category of financial instruments. Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

**Available-for-sale financial assets**

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category. The company's available-for-sale financial assets comprise listed securities.

All available for sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

**Available-for-sale financial assets**

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

These notes should be read in conjunction with the attached compilation  
report of Central Accounting & Taxation Advisory.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

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**Impairment of Non-Financial Assets**

At the end of each reporting period the company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss

**Cash and Cash Equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

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**Revenue and Other Income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

**Interest revenue**

Interest revenue is recognised using the effective interest rate method.

**Rendering of services**

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

**Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. 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.

**Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	2020 \$	2019 \$
<b>3 Revenue and Other Income</b>		
<b>Revenue</b>		
Sales revenue:		
Rendering of services	31,267	27,933
Other revenue:		
Interest received	8	4
Total revenue	<u>31,275</u>	<u>27,937</u>
 <b>Interest revenue from:</b>		
Interest Received	<u>8</u>	<u>4</u>
Total interest revenue on financial assets not at fair value through profit or loss	<u>8</u>	<u>4</u>
 <b>4 Cash and Cash Equivalents</b>		
Cash at Bank - Westpac *513	52,714	47,238
Cash at Bank - Westpac *302	<u>1</u>	<u>1</u>
	<u>52,715</u>	<u>47,239</u>
 <b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Input Tax Credits	<u>450</u>	<u>597</u>

The company does not hold any financial assets with terms have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

These notes should be read in conjunction with the attached compilation  
report of Central Accounting & Taxation Advisory.



**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	2020 \$	2019 \$
The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short term nature of the balances.		
<b>6 Trade and Other Payables</b>		
Current		
GST Payable	3,126	2,793
GST suspense account	1	1
	<u>3,127</u>	<u>2,794</u>
<b>7 Retained Earnings</b>		
Retained earnings at the beginning of the financial period	45,042	43,546
Net profit attributable to members of the company	4,996	1,496
Retained earnings at the end of the financial period	<u>50,038</u>	<u>45,042</u>

**8 Financial Risk Management**

The company is exposed to a variety of financial risks through its use of financial instruments.

The company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The company does not speculate in financial assets

The company does not have any derivative instruments at 30 June 2020.

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2020**

	2020	2019
	\$	\$

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**Objectives, Policies and Processes**

Risk management and assessment is carried out generally by the Board of Directors as a whole and any material risk exposures for the company are discussed at director meetings.

Specific information regarding the mitigation of each financial risk to which company is exposed is provided below.

The company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

**9 Company Details**

The registered office of the company is:  
Employee Ownership Australia Limited  
Suite 105 Level 1, 40-50 Clarence Street, Sydney NSW 2000

The principal place of business is:  
Suite 105 Level 1, 40-50 Clarence Street, Sydney NSW 2000

The principal activities of the business include:  
Promotion of Employee Ownership of Business

**EMPLOYEE OWNERSHIP AUSTRALIA LIMITED**  
**ABN 40 152 310 266**

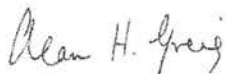
**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 18, for the period ended 30 June 2020 are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - (b) give a true and fair view of the financial position and performance 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.

Director:



Mr Alan Howard Greig

Director:



Mr Andrew Clements

**Dated this 9th day of September 2020**

**COMPILATION REPORT  
TO EMPLOYEE OWNERSHIP AUSTRALIA LIMITED  
ABN 40 152 310 266**

We have compiled the accompanying general purpose financial statements of Employee Ownership Australia Limited which comprise the statement of financial position as at 30 June 2020, and the statement of comprehensive income, statement of changes in equity for the period then ended, a summary of significant accounting policies and other explanatory notes.

These have been prepared in accordance with the financial reporting framework described in Note 1 to the financial statements.

**The responsibility of directors**

The directors are solely responsible for the information contained in the general purpose financial statements and have determined that the financial reporting framework used is appropriate to meet their needs and for the purpose for which the financial statements were prepared.

**Our responsibility**

On the basis of the information provided by the directors, we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The general purpose financial statements were compiled exclusively for the benefit of the directors. We do not accept responsibility to any other person for the contents of the general purpose financial statements.

**Name of Firm:** Central Accounting & Taxation Advisory  
Certified Practising Accountants

**Name of Partner:**

  
Bob Cai

**Address:** Suite 105 Level 1, 50 Clarence Street, Sydney NSW 2000

**Dated this day of**

10/09/2020