

# **South Australian Chamber of Mines and Energy Inc**

**Annual Report - 30 June 2025**

**South Australian Chamber of Mines and Energy Inc**  
**Contents**  
**30 June 2025**

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**South Australian Chamber of Mines and Energy Inc**  
**Councillors' report**  
**30 June 2025**

Your Councillors submit the financial report of South Australian Chamber of Mines and Energy Inc ("the Entity") for the financial year ended 30 June 2025.

**Councillors**

The following persons were the Councillors of the Entity during the whole of the financial year and up to the date of this report, unless otherwise stated:

President - Cr. Carl Kavina (Flinders Port Holdings)  
Vice President - Cr. Joanne Jones (Cavpower)  
Vice President - Cr. Andrew Dyda (Finlaysons)  
Chair FRAC - Cr. Joe De Gennaro (Heathgate)  
Cr. Mark Dayman (FYFE)  
Cr. Greg Swain (FMG) (to June 2025)  
Cr. Bill Ovenden (Beach Energy) (from November 2024)  
Cr. Tracey Winters (Santos) (from November 2024)  
Cr. Adam Sanderson (BHP) (from November 2024 to July 2025)  
Cr. Nicola Buley (ElectraNet) (from November 2024)  
Cr. Eric Bardy (SEA Gas) (from November 2024)  
Cr. Bill Best (Beach Energy) (to November 2024)

**Principal activities**

The principal activities of SACOME during the year were to represent companies with interests in the South Australian minerals, energy, extractive and petroleum sectors, including those who provide services to these companies.

**Significant changes**

There were no significant changes in the state of affairs of SACOME which occurred during the financial year.

**Operating results**

The deficit for the year amounted to \$342,450 (2024: \$90,478).

**After balance date events**

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect SACOME's operations, the results of those operations, or SACOME's state of affairs in future financial years.

**COUNCILLORS BENEFITS**

During the financial year:

- (i) no Councillor of SACOME;
- (ii) no firm in which a Councillor is a member; and
- (iii) no body corporate in which a Councillor has a substantial interest has received or become entitled to receive a benefit as a result of a contract between the Councillors, firm or body corporate and SACOME and no officer has received either directly or indirectly from SACOME any payment or other benefit of a pecuniary value, other than those disclosed in Note 18 of the financial report.

On behalf of the Councillors

*C. B. Kavina*

Cr Carl Kavina  
President



Cr Joe De Gennaro  
Chair of the Finance, Risk and Audit Committee

8 September 2025

**South Australian Chamber of Mines and Energy Inc**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2025**

|  | <b>Note</b> | <b>2025</b><br><b>\$</b> | <b>2024</b><br><b>\$</b> |
|--|-------------|--------------------------|--------------------------|
| <b>Revenue</b>   | 3           | 1,913,278                | 1,820,785                |
| <b>Expenses</b>  |             |                          |                          |
| Employee benefits expense  | 4           | (748,429)                | (747,729)                |
| Depreciation and amortisation expense  | 4           | (116,848)                | (119,294)                |
| Bad Debts Expense  |             | (70,918)                 | -                        |
| Rental expense   | 4           | (5,150)                  | (3,547)                  |
| Media & advertising campaign expense   |             | (231,074)                | (209,629)                |
| Consulting expenses  |             | (471,875)                | (369,943)                |
| Event expenses   |             | (146,649)                | (164,565)                |
| Financial management fees  |             | (55,634)                 | (51,695)                 |
| Legal fees   |             | (30,724)                 | (14,790)                 |
| Recruitment expenses   |             | (103,241)                | (730)                    |
| Other expenses   |             | (257,016)                | (208,692)                |
| Finance costs  | 4           | (18,170)                 | (20,649)                 |
| <b>Deficit before income tax expense</b>   |             | (342,450)                | (90,478)                 |
| Income tax expense   |             | -                        | -                        |
| <b>Deficit after income tax expense for the year attributable to the members of South Australian Chamber of Mines and Energy Inc</b> |             | (342,450)                | (90,478)                 |
| Other comprehensive income for the year, net of tax  |             | -                        | -                        |
| <b>Total comprehensive income for the year attributable to the members of South Australian Chamber of Mines and Energy Inc</b>       |             | <u>(342,450)</u>         | <u>(90,478)</u>          |

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**South Australian Chamber of Mines and Energy Inc**  
**Statement of financial position**  
**As at 30 June 2025**

|                                       | Note | 2025<br>\$       | 2024<br>\$       |
|---------------------------------------|------|------------------|------------------|
| <b>Assets</b>                         |      |                  |                  |
| <b>Current assets</b>                 |      |                  |                  |
| Cash and cash equivalents             | 6    | 1,136,058        | 1,382,426        |
| Accounts receivable and other debtors | 7    | 43,192           | 72,653           |
| Other assets                          | 9    | 33,694           | 61,240           |
| Total current assets                  |      | <u>1,212,944</u> | <u>1,516,319</u> |
| <b>Non-current assets</b>             |      |                  |                  |
| Property, plant and equipment         | 10   | 40,010           | 87,832           |
| Right-of-use assets                   | 8    | 255,385          | 315,631          |
| Total non-current assets              |      | <u>295,395</u>   | <u>403,463</u>   |
| <b>Total assets</b>                   |      | <u>1,508,339</u> | <u>1,919,782</u> |
| <b>Liabilities</b>                    |      |                  |                  |
| <b>Current liabilities</b>            |      |                  |                  |
| Trade and other payables              | 11   | 122,117          | 146,213          |
| Contract liabilities                  | 12   | 136,676          | 194,368          |
| Lease liabilities                     | 13   | 73,537           | 39,738           |
| Employee provisions                   | 14   | 121,596          | 69,853           |
| Total current liabilities             |      | <u>453,926</u>   | <u>450,172</u>   |
| <b>Non-current liabilities</b>        |      |                  |                  |
| Lease liabilities                     | 13   | 315,347          | 388,879          |
| Employee provisions                   | 14   | 915              | 130              |
| Total non-current liabilities         |      | <u>316,262</u>   | <u>389,009</u>   |
| <b>Total liabilities</b>              |      | <u>770,188</u>   | <u>839,181</u>   |
| <b>Net assets</b>                     |      | <u>738,151</u>   | <u>1,080,601</u> |
| <b>Equity</b>                         |      |                  |                  |
| Retained surpluses                    |      | <u>738,151</u>   | <u>1,080,601</u> |
| <b>Total equity</b>                   |      | <u>738,151</u>   | <u>1,080,601</u> |

*The above statement of financial position should be read in conjunction with the accompanying notes*

**South Australian Chamber of Mines and Energy Inc**  
**Statement of changes in equity**  
**For the year ended 30 June 2025**

|   | <b>Retained<br/>profits<br/>\$</b> | <b>Total equity<br/>\$</b> |
|---|------------------------------------|----------------------------|
| Balance at 1 July 2023                              | 1,171,079                          | 1,171,079                  |
| Deficit after income tax expense for the year       | (90,478)                           | (90,478)                   |
| Other comprehensive income for the year, net of tax | -                                  | -                          |
|   | <u>(90,478)</u>                    | <u>(90,478)</u>            |
| Total comprehensive income for the year             | <u>(90,478)</u>                    | <u>(90,478)</u>            |
| Balance at 30 June 2024                             | <u>1,080,601</u>                   | <u>1,080,601</u>           |
|   | <b>Retained<br/>profits<br/>\$</b> | <b>Total equity<br/>\$</b> |
| Balance at 1 July 2024                              | 1,080,601                          | 1,080,601                  |
| Deficit after income tax expense for the year       | (342,450)                          | (342,450)                  |
| Other comprehensive income for the year, net of tax | -                                  | -                          |
|   | <u>(342,450)</u>                   | <u>(342,450)</u>           |
| Total comprehensive income for the year             | <u>(342,450)</u>                   | <u>(342,450)</u>           |
| Balance at 30 June 2025                             | <u>738,151</u>                     | <u>738,151</u>             |

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**South Australian Chamber of Mines and Energy Inc**  
**Statement of cash flows**  
**For the year ended 30 June 2025**

|  | Note | 2025<br>\$              | 2024<br>\$              |
|--|------|-------------------------|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                      |      |                         |                         |
| Receipts from members and customers                              |      | 1,895,787               | 2,065,108               |
| Payments to suppliers and employees                              |      | (2,131,798)             | (1,910,292)             |
| Interest received  |      | 100,874                 | 41,969                  |
| Interest and other finance costs paid                            |      | (14,968)                | (19,337)                |
| Net GST (paid to) ATO  |      | (47,750)                | (81,444)                |
| Net cash from/(used in) operating activities                     | 23   | <u>(197,855)</u>        | <u>96,004</u>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                      |      |                         |                         |
| Payments for property, plant and equipment                       | 10   | <u>(13,063)</u>         | <u>(5,047)</u>          |
| Net cash used in investing activities                            |      | <u>(13,063)</u>         | <u>(5,047)</u>          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                      |      |                         |                         |
| Principal payments of lease liabilities                          |      | <u>(35,450)</u>         | <u>(30,966)</u>         |
| Net cash used in financing activities                            |      | <u>(35,450)</u>         | <u>(30,966)</u>         |
| Net increase/(decrease) in cash and cash equivalents             |      | (246,368)               | 59,991                  |
| Cash and cash equivalents at the beginning of the financial year |      | <u>1,382,426</u>        | <u>1,322,435</u>        |
| Cash and cash equivalents at the end of the financial year       | 6    | <u><u>1,136,058</u></u> | <u><u>1,382,426</u></u> |

*The above statement of cash flows should be read in conjunction with the accompanying notes*

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 1. Material accounting policy information**

The accounting policies that are material to the Entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and South Australian legislation the Associations Incorporation Act 1985 and associated regulations, as appropriate for not-for profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB')

The financial statements, except for the 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.

**Revenue recognition**

The Entity recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

*Grants*

Grant revenue is recognised in profit or loss when SACOME satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before SACOME is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

*Interest*

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

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 1. Material accounting policy information (continued)**

**Income tax**

As the Entity is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold 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.

Accounts receivable 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 for further discussion on the determination of impairment losses.

**Contract assets**

Contract assets are recognised when the Entity has transferred goods or services to the customer but where the Entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

**Property, plant and equipment**

Property, plant and equipment is 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 its estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 for details of impairment).

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 SACOME and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

**Depreciation**

The depreciable amount of all plant and equipment is depreciated on a straight line balance basis over the useful lives of the assets to SACOME, 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:

|                              |         |
|------------------------------|---------|
| Office furniture & equipment | 20-33%  |
| Leasehold improvements       | 2.5-10% |
| Motor vehicles               | 20%     |

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

**Note 1. Material accounting policy information (continued)**

**Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Contract liabilities**

Contract liabilities represent the Entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Entity has transferred the goods or services to the customer.

**Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

**Note 1. Material accounting policy information (continued)**

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

SACOME's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where SACOME does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**Fair value measurement**

SACOME 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.

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

**Comparative Figures**

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

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

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 1. Material accounting policy information (continued)**

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Entity for the annual reporting period ended 30 June 2025. The Entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

**Note 3. Revenue**

|  | 2025<br>\$              | 2024<br>\$              |
|--|-------------------------|-------------------------|
| <i>Revenue from contracts with customers</i> |                         |                         |
| Memberships                                  | 1,295,863               | 1,199,635               |
| Function and conference fees                 | 173,073                 | 174,525                 |
| Sponsorship                                  | 210,000                 | 205,000                 |
| Media & advertising campaign income          | 100,000                 | 115,000                 |
| Sundry income                                | 62,968                  | 55,937                  |
|  | <u>1,841,904</u>        | <u>1,750,097</u>        |
| <i>Other revenue</i>                         |                         |                         |
| Other income                                 | -                       | 462                     |
| Profit/loss on sale of assets                | -                       | 9,991                   |
| Interest                                     | 71,374                  | 60,235                  |
|  | <u>71,374</u>           | <u>70,688</u>           |
| Revenue                                      | <u><u>1,913,278</u></u> | <u><u>1,820,785</u></u> |

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 4. Significant expenses**

|  | <b>2025</b>      | <b>2024</b>      |
|--|------------------|------------------|
|  | <b>\$</b>        | <b>\$</b>        |
| <b>Expenses</b>                              |                  |                  |
| Employee benefits expenses                   | 748,429          | 747,729          |
| Consultancy fees                             | 471,875          | 369,943          |
| Finance costs (Bank charges)                 | 1,694            | 1,311            |
| Finance costs (Interest - Lease liabilities) | 16,476           | 19,337           |
| Depreciation and amortisation                | 60,885           | 65,434           |
| Depreciation - right-of-use assets           | 55,963           | 53,860           |
| Rent expense                                 | 5,150            | 3,547            |
| Superannuation expense                       | 62,936           | 66,231           |
| Bad debts expense                            | 70,918           | -                |
|  | <u>1,494,326</u> | <u>1,327,392</u> |

**Note 5. Auditor's Fees**

|  | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
|  | <b>\$</b>     | <b>\$</b>     |
| Remuneration of the auditor of SACOME for: |               |               |
| - Auditing services                        | 15,175        | 17,045        |
| - Other services                           | 455           | 1,020         |
|  | <u>15,630</u> | <u>18,065</u> |

**Note 6. Cash and cash equivalents**

|                       | <b>2025</b>      | <b>2024</b>      |
|-----------------------|------------------|------------------|
|                       | <b>\$</b>        | <b>\$</b>        |
| <i>Current assets</i> |                  |                  |
| Cash at bank          | <u>1,136,058</u> | <u>1,382,426</u> |

*Reconciliation of cash*

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

|                           | <b>2025</b>      | <b>2024</b>      |
|---------------------------|------------------|------------------|
|                           | <b>\$</b>        | <b>\$</b>        |
| Cash and cash equivalents | <u>1,136,058</u> | <u>1,382,426</u> |

**Note 7. Accounts receivable and other debtors**

|                             | <b>2025</b>   | <b>2024</b>   |
|-----------------------------|---------------|---------------|
|                             | <b>\$</b>     | <b>\$</b>     |
| <i>Current assets</i>       |               |               |
| Trade receivables           | 14,286        | 9,583         |
| Amounts receivable from ATO | 28,906        | 33,570        |
| Other debtors               | -             | 29,500        |
|                             | <u>43,192</u> | <u>72,653</u> |

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 7. Accounts receivable and other debtors (continued)**

|   | 2025          | 2024         |
|---|---------------|--------------|
| <i>Reconciliation of accounts receivable</i>        |               |              |
| Total current accounts receivable and other debtors | 43,192        | 72,653       |
| Less Amounts receivable from ATO                    | (28,906)      | (33,570)     |
| Less: Other debtors (interest)                      | -             | (29,500)     |
|   | <u>14,286</u> | <u>9,583</u> |

The following table shows the movement in lifetime expected credit loss that has been recognised for accounts receivable and other debtors in accordance with the simplified approach set out in AASB 9.

*Lifetime Expected Credit Loss - Credit impaired*

SACOME applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2025 is determined as follows. The expected credit losses below also incorporate forward-looking information.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

|                    | Expected credit loss rate |      | Carrying amount |              | Allowance for expected credit losses |          |
|--------------------|---------------------------|------|-----------------|--------------|--------------------------------------|----------|
|                    | 2025                      | 2024 | 2025            | 2024         | 2025                                 | 2024     |
|                    | %                         | %    | \$              | \$           | \$                                   | \$       |
| Not overdue        | -                         | -    | 1,336           | -            | -                                    | -        |
| > 30 days past due | -                         | -    | 12,950          | 9,583        | -                                    | -        |
|                    |                           |      | <u>14,286</u>   | <u>9,583</u> | <u>-</u>                             | <u>-</u> |

*Credit risk*

SACOME always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period. SACOME writes off an accounts receivable amount when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, eg when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

*Collateral held as security*

No collateral is held as security for any of the accounts receivable or other debtor balances.

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 8. Right-of-use assets**

|                                | 2025<br>\$       | 2024<br>\$       |
|--------------------------------|------------------|------------------|
| <i>Non-current assets</i>      |                  |                  |
| Buildings - right-of-use       | 528,382          | 532,665          |
| Less: Accumulated depreciation | <u>(272,997)</u> | <u>(217,034)</u> |
|                                | <u>255,385</u>   | <u>315,631</u>   |

SACOME leases Level 3, 115 King William Street, Adelaide, 5000 for its offices under an agreement with a five year lease term expiring in May 2025, with an option to extend for a further five years.

**Note 9. Other assets**

|                       | 2025<br>\$    | 2024<br>\$    |
|-----------------------|---------------|---------------|
| <i>Current assets</i> |               |               |
| Prepayments           | <u>33,694</u> | <u>61,240</u> |

**Note 10. Property, plant and equipment**

|                                  | 2025<br>\$       | 2024<br>\$       |
|----------------------------------|------------------|------------------|
| <i>Non-current assets</i>        |                  |                  |
| Leasehold improvements - at cost | 225,066          | 225,066          |
| Less: Accumulated depreciation   | <u>(225,066)</u> | <u>(180,053)</u> |
|                                  | -                | 45,013           |
| Motor vehicles - at cost         | 30,276           | 30,276           |
| Less: Accumulated depreciation   | <u>(13,467)</u>  | <u>(7,864)</u>   |
|                                  | 16,809           | 22,412           |
| Office equipment - at cost       | 93,627           | 80,565           |
| Less: Accumulated depreciation   | <u>(70,426)</u>  | <u>(60,158)</u>  |
|                                  | 23,201           | 20,407           |
|                                  | <u>40,010</u>    | <u>87,832</u>    |

*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:

|                         | Leasehold<br>Improve.<br>\$ | Motor<br>Vehicles<br>\$ | Office<br>Equipment<br>\$ | Total<br>\$     |
|-------------------------|-----------------------------|-------------------------|---------------------------|-----------------|
| Balance at 1 July 2023  | 90,026                      | 29,882                  | 28,311                    | 148,219         |
| Additions               | -                           | -                       | 5,047                     | 5,047           |
| Depreciation expense    | <u>(45,013)</u>             | <u>(7,470)</u>          | <u>(12,951)</u>           | <u>(65,434)</u> |
| Balance at 30 June 2024 | 45,013                      | 22,412                  | 20,407                    | 87,832          |
| Additions               | -                           | -                       | 13,063                    | 13,063          |
| Depreciation expense    | <u>(45,013)</u>             | <u>(5,603)</u>          | <u>(10,269)</u>           | <u>(60,885)</u> |
| Balance at 30 June 2025 | <u>-</u>                    | <u>16,809</u>           | <u>23,201</u>             | <u>40,010</u>   |

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 11. Trade and other payables**

|                            | <b>2025</b>    | <b>2024</b>    |
|----------------------------|----------------|----------------|
|                            | <b>\$</b>      | <b>\$</b>      |
| <i>Current liabilities</i> |                |                |
| Accounts payables          | 68,644         | 103,827        |
| Accruals                   | 30,374         | 16,725         |
| Other payables             | 23,099         | 25,661         |
|                            | <u>122,117</u> | <u>146,213</u> |

**Note 12. Contract liabilities**

|                                  | <b>2025</b>    | <b>2024</b>    |
|----------------------------------|----------------|----------------|
|                                  | <b>\$</b>      | <b>\$</b>      |
| <i>Current liabilities</i>       |                |                |
| Membership fees in advance       | 136,676        | 144,641        |
| Event income received in advance | -              | 49,727         |
|                                  | <u>136,676</u> | <u>194,368</u> |

*Reconciliation*

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

|   |                  |                  |
|---|------------------|------------------|
| Opening balance                                       | 194,368          | 111,403          |
| Payments received in advance                          | 136,676          | 194,368          |
| Transfer to revenue - included in the opening balance | <u>(194,368)</u> | <u>(111,403)</u> |
| Closing balance                                       | <u>136,676</u>   | <u>194,368</u>   |

**Note 13. Lease liabilities**

|                                | <b>2025</b>    | <b>2024</b>    |
|--------------------------------|----------------|----------------|
|                                | <b>\$</b>      | <b>\$</b>      |
| <i>Current liabilities</i>     |                |                |
| Lease liabilities              | <u>73,537</u>  | <u>39,738</u>  |
| <i>Non-current liabilities</i> |                |                |
| Lease liabilities              | <u>315,347</u> | <u>388,879</u> |
|                                | <u>388,884</u> | <u>428,617</u> |

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 14. Employee provisions**

|                                | 2025<br>\$     | 2024<br>\$    |
|--------------------------------|----------------|---------------|
| <i>Current liabilities</i>     |                |               |
| Annual leave                   | 60,696         | 22,970        |
| Long service leave             | 60,900         | 46,883        |
|                                | <u>121,596</u> | <u>69,853</u> |
| <i>Non-current liabilities</i> |                |               |
| Long service leave             | 915            | 130           |
|                                | <u>122,511</u> | <u>69,983</u> |

The provision for employee benefits represents amounts accrued for annual leave and long service leave. Based on past experience, SACOME does not expect the full amount of annual leave to be settled wholly within the next 12 months. However, the amount must be classified as a current liability because SACOME does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

**Note 15. Financial instruments**

***Financial risk management***

SACOME's financial instruments consist mainly of deposits with banks, local money market instruments, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments, as detailed in the accounting policies to these financial statements, are as follows:

|                                     | 2025<br>\$       | 2024<br>\$       |
|-------------------------------------|------------------|------------------|
| <b>Financial assets</b>             |                  |                  |
| Cash and cash equivalents           | 1,136,058        | 1,382,426        |
| Loans and other receivables         | 43,192           | 42,582           |
| Total financial assets              | <u>1,179,250</u> | <u>1,425,008</u> |
| <b>Financial liabilities</b>        |                  |                  |
| Accounts payable and other payables | 122,117          | 146,212          |
| Lease liabilities                   | 388,884          | 428,621          |
| Total financial liabilities         | <u>511,001</u>   | <u>574,833</u>   |

**Financial Risk Management Policies**

SACOME's Finance, Risk and Audit Committee is responsible for, among other issues, monitoring and managing financial risk exposures of SACOME. The Committee monitors SACOME's transactions and reviews the effectiveness of controls relating to credit risk, liquidity risk and market risk. Discussions on monitoring and managing financial risk exposures are held at least quarterly.

The Council's overall risk management strategy seeks to ensure that SACOME meets its financial targets, while minimising potential adverse effects of cash flow shortfalls.

**Specific Financial Risk Exposures and Management**

The main risks SACOME is exposed to through its financial instruments are credit risk, liquidity risk, and market risk relating to interest rate risk. There have been no substantive changes in the types of risks SACOME is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

**Note 15. Financial instruments (continued)**

**a. Credit risk**

Credit risk is managed through maintaining procedures (such as the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties) ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the committee has otherwise assessed as being financially sound.

*Credit risk exposures*

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by SACOME securing accounts receivable and other debtors.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 7.

SACOME has no significant concentrations of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 7.

**b. Liquidity risk**

Liquidity risk arises from the possibility that SACOME might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. SACOME manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- only investing surplus cash with major financial institutions; and
- proactively monitoring the recovery of unpaid subscriptions.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. SACOME 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.

*Financial liability and financial asset maturity analysis*

*Financial assets pledged as collateral*

No financial assets have been pledged as security for any financial liability.

**c. Market risk**

*(i) Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. SACOME is exposed to earnings volatility on floating rate instruments. The financial instruments that expose SACOME to interest rate risk are limited to cash and cash equivalents.

At 30 June 2025 SACOME had no borrowings or financial debts payable.

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

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 15. Financial instruments (continued)**

*Sensitivity analysis*

The following table illustrates sensitivities to SACOME's exposures to changes in interest rates. The table indicates the impact of how profit 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.

|                                | <b>Current<br/>Surplus<br/>\$</b> | <b>Equity<br/>\$</b> |
|--------------------------------|-----------------------------------|----------------------|
| <b>Year ended 30 June 2025</b> |                                   |                      |
| +/- 2 % in interest rates      | 16,997                            | 16,997               |
| <b>Year ended 30 June 2024</b> |                                   |                      |
| +/- 2 % in interest rates      | 18,452                            | 18,452               |

No sensitivity analysis has been performed on foreign exchange risk as SACOME has no significant exposure to currency risk.

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

**Fair value**

**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 amounts as presented in the statement of financial position. Refer to Note 17 for disclosures regarding the fair value measurement of SACOME's financial assets.

|                                       | <b>2025</b>                       |                          | <b>2024</b>                       |                          |
|---------------------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|
|                                       | <b>Carrying<br/>amount<br/>\$</b> | <b>Fair value<br/>\$</b> | <b>Carrying<br/>amount<br/>\$</b> | <b>Fair value<br/>\$</b> |
| <i>Assets</i>                         |                                   |                          |                                   |                          |
| Cash at bank                          | 1,136,058                         | 1,136,058                | 1,382,426                         | 1,382,426                |
| Accounts receivable and other debtors | 43,192                            | 43,192                   | 42,582                            | 42,582                   |
| <b>Total financial assets</b>         | <u>1,179,250</u>                  | <u>1,179,250</u>         | <u>1,425,008</u>                  | <u>1,425,008</u>         |
| <i>Liabilities</i>                    |                                   |                          |                                   |                          |
| Accounts payable and other payables   | 122,117                           | 122,117                  | 146,212                           | 146,212                  |
| Lease liability                       | 388,884                           | 388,884                  | 428,621                           | 428,621                  |
| <b>Total financial liabilities</b>    | <u>511,001</u>                    | <u>511,001</u>           | <u>574,833</u>                    | <u>574,833</u>           |

Cash and cash equivalents, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Accounts payable and other payables exclude amounts relating to the provision for annual leave, which is outside the scope of AASB 9.

**Note 16. Fair value measurement**

SACOME does not measure and recognise any assets or liabilities at fair value on a recurring basis after initial recognition.

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 17. Key management personnel disclosures**

*Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of SACOME, directly or indirectly, including its Councillors, is considered key management personnel.

*Compensation*

The aggregate compensation made to Councillors and other members of key management personnel of the Entity is set out below:

|                              | <b>2025</b>    | <b>2024</b>    |
|------------------------------|----------------|----------------|
|                              | <b>\$</b>      | <b>\$</b>      |
| Short-term employee benefits | 322,562        | 500,733        |
| Post-employment benefits     | 29,519         | 49,831         |
|                              | <u>352,081</u> | <u>550,564</u> |

**Note 18. Contingent assets and contingent liabilities**

The Council is not aware of any contingent liabilities or contingent assets present as at 30 June 2025 (2024 \$Nil).

**Note 19. Commitments**

SACOME has commitments for capital expenditure, which at reporting date have not been recognised as liabilities of \$Nil (2024: \$Nil).

**Note 20. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 17.

*Transactions with related parties*

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.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current reporting date.

**Note 21. Economic dependency**

The ability of SACOME to provide services at the current level of operations is dependent upon SACOME maintaining membership subscription income and sponsorship funding.

**Note 22. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Entity's operations, the results of those operations, or the Entity's state of affairs in future financial years.

**South Australian Chamber of Mines and Energy Inc**  
**Notes to the financial statements**  
**30 June 2025**

**Note 23. Reconciliation of surplus/(deficit) after income tax to net cash from operating activities**

|  | <b>2025</b>      | <b>2024</b>   |
|--|------------------|---------------|
|  | <b>\$</b>        | <b>\$</b>     |
| Deficit after income tax expense for the year              | (342,450)        | (90,478)      |
| Adjustments for:   |                  |               |
| Depreciation and amortisation                              | 116,848          | 119,294       |
| Change in operating assets and liabilities:                |                  |               |
| Decrease/ (Increase) accounts receivable and other debtors | 29,461           | (22,881)      |
| Decrease/ (Increase) in prepayments                        | 27,546           | (37,525)      |
| Increase/ (Decrease) trade and other payables              | (81,788)         | 127,145       |
| Increase/ (Decrease) other provisions                      | 52,528           | 449           |
| Net cash from/(used in) operating activities               | <u>(197,855)</u> | <u>96,004</u> |

**Note 24. Non-cash investing and financing activities**

|                                      | <b>2025</b> | <b>2024</b>   |
|--------------------------------------|-------------|---------------|
|                                      | <b>\$</b>   | <b>\$</b>     |
| Additions to the right-of-use assets | <u>-</u>    | <u>17,380</u> |

**Note 25. Changes in liabilities arising from financing activities**

|                                       | Lease<br>Liability<br>\$ |
|---------------------------------------|--------------------------|
| Balance at 1 July 2023                | 442,203                  |
| Net cash used in financing activities | (30,966)                 |
| Acquisition of right of use assets    | <u>17,380</u>            |
| Balance at 30 June 2024               | 428,617                  |
| Net cash used in financing activities | (35,450)                 |
| Changes in fair values                | <u>(4,283)</u>           |
| Balance at 30 June 2025               | <u><u>388,884</u></u>    |

**South Australian Chamber of Mines and Energy Inc**  
**Councillors' declaration**  
**30 June 2025**

In the opinion of the Councillors of The South Australian Chamber of Mines and Energy Incorporated the financial report comprising the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming a part of the financial report:


- presents fairly, in all material respects, the financial position of SACOME as at 30 June 2025 and its performance for the year ended on that date, in accordance with Australian Accounting Standards as disclosed in Note 1; and
- at the date of this statement, there are reasonable grounds to believe that SACOME is able to pay its debt as and when they fall due.

On behalf of the Councillors

*C. B. Kavina*

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Cr Carl Kavina  
President



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Cr Joe De Gennaro  
Chair of the Finance, Risk and Audit Committee

8 September 2025

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH AUSTRALIAN CHAMBER OF MINES AND ENERGY INC

### Opinion

We have audited the financial report of South Australian Chamber of Mines and Energy Incorporated ('the Association'), which comprises the Statement of Financial Position as at 30 June 2025, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Councillors' Declaration.

In our opinion, the accompanying financial report of the Association is in accordance with the Associations Incorporation Act 1985; including:

- (i) presents fairly the Association's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards.

### 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 Association in accordance with the ethical requirements of the Accounting Professional & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Councillors are responsible for the other information. The other information comprises the information in the Councillors' Report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 the other information we are required to report that fact. We have nothing to report in this regard.

### Advisory. Tax. Audit.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH AUSTRALIAN CHAMBER OF MINES AND ENERGY INC (CONT)

### Councillors' responsibility for the financial report

The Councillors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Act 1985 and for such internal control as the Councillors 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 Councillors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Councillors either intend to liquidate the Association 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used, the reasonableness of accounting estimates and related disclosures made by those charged with governance.

### Advisory. Tax. Audit.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTH AUSTRALIAN CHAMBER OF MINES AND ENERGY INC (CONT)**

### **Auditor's responsibility for the audit of the financial report (cont)**

- 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 entity'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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

*Nexia Edwards Marshall*

Nexia Edwards Marshall  
Chartered Accountants



Damien Pozza  
Partner

Adelaide  
South Australia

8 September 2025

### **Advisory. Tax. Audit.**