MURUJUGA

Commercial Ltd

MURUJUGA COMMERCIAL LIMITED

ACN 646 014 191

Annual Report

2021

TABLE OF CONTENTS

Name:	Murujuga Commercial Limited (ACN 646 014 191)
Registration:	Public company limited by guarantee under the Corporations Act 2001 (Cth)Registered charity with the Australian Charities and Not-for-Profits Commission
Address:	313 King Bay Road, Dampier WA 6713
Phone:	08 9144 4112
Email:	commercial_ltd@murujuga.org.au
Website:	www.murujugacommercial.org.au

Chairperson's Report

Murujuga Commercial Limited (**MCL**) is as subsidiary of Murujuga Aboriginal Corporation (MAC) which works to investigate, pursue and operate commercial ventures for the purposes of providing benefits to the Murujuga community. MCL is a public company limited by guarantee under the *Corporations Act 2001* (Cth) (**Corporations Act**) and registered as a charity under the *Australian Charities and Non-for-profits Commission Act 2012* (Cth) (**ACNC Act**) in the form of a public benevolent institution under the ACNC Act. MCL was Incorporated on 19 November 2020. As such this is its inaugural Annual Report, covering the period November 2020 to end June 2021. It is my pleasure to table this report as the Inaugural Chairperson of the Board of MCL.

The current Board of Directors for MCL was appointed in January 2021. Since then, the Board has been exceptionally busy in building the foundation on which the business of MCL will be built. This includes :

Our Mission Statement

To enable economic self-determination for the Murujuga community through innovative and competitive commercial activities

Our Values

Culture

Unity

Respect

Initiative

Accountability and Transparency

Our Vision

We are a commercial business founded on enduring Aboriginal culture and heritage, maximising value to Murujuga Aboriginal Corporation by transforming the lives of our stakeholders for today and the future.

In line with our mission, vision and values we have determined that MCL will be based on key principles which will inform how we do our business. These are as follows: -

- Respect for Aboriginal heritage, tradition and culture is core to the business and will play a major role in decision making.
- MCL's core strategic advantage lies in its foundation on Aboriginal country, culture and heritage, the unique country entrusted to MAC and the ability to build strategic partnerships in support of business objectives.

- The core principles of sustainability will apply to decision making. In this regard decisions will be based on the maximisation of economic, social and environmental returns to stakeholders.
- The eventual business model is an investment holding company with a portfolio of diverse investments delivering returns against defined objectives.
- Where possible equity participation will be negotiated in any of the operations of MAC and MCL. Whilst equity share may in many cases be small, in core business areas MCL will aspire to controlling interest.
- Business opportunities will be executed in a mix of partnerships, joint ventures and acquisitions.
- Where capacity needs to be developed, preference will be given to acquisitions as a means of insourcing capacity.
- Equity and debt structuring will be done in the context of the overall investment strategy and specific risk and return.
- Partnerships, in particular equity-based partnerships, will be used to build capacity and to construct the portfolio of investments on which MCL will be based in future.
- Priority will be given to partnering with Murujuga member businesses where such capacity exists.

In addition, the Board, with support from MAC, has completed the following: -

- Finalised the MCL Strategic Framework and Business Plan
- Established a Brand Identity for MCL
- Identified a portfolio of business opportunities based on an assessment of our competitive environment and the historical work undertaken by MAC.
- Secured seed funding with support from MAC and the Forward Plan Agreement between MAC and Woodside. In this regard, post year end, MAC have achieved a sponsorship agreement approved by Woodside which will assist in the business becoming self-sustaining.

None of this would have been possible without the incredible dedication and commitment of the MCL Board. I would like to thank my fellow Directors for their contribution which has set up MCL for success into the future. In addition, I would like to thank the Board of MAC for their enduring and patient support and guidance, the CEO and staff of MAC for their excellent operational and strategic support and our business partners, which include Woodside, Perdaman, Yara and Rio Tinto, for assisting us in creating the business opportunities on which our future will be built. In particular I would like to thank Woodside for their generous seed funding. We look forward to building a business which will deliver economic, social and environmental returns to MAC members and the broader community for years to come.

Trevena Hicks- Phillips

Chairperson of the Board of Directors

Operations Report

Six core business areas have been identified which could eventually form the basis of the diversified business structure of MCL. Specific Business opportunities will be developed in these areas, based on the analyses undertaken. These will then be managed via an investment pipeline process. In the short term, revenue generating opportunities will be identified which will be used to ensure self-sufficiency within 3 – 4 years. These will likely be small to start, with a view to grow as the business capacity is built.

Each of the potential core business areas is outlined below.

1. Business Services

The provision of a suite of business services to key clients has been identified as the top priority for development in MCL. The scope of services and a strategy to develop this business stream has been compiled.

Through its obligations under the BMIEA, the State has committed to the creation of contracting opportunities and enterprise development for the Contracting parties, namely all parties to the BMIEA. In addition, through the partnerships developed by MAC, agreements to cooperate in the identification of service provision opportunities exist with Woodside, Perdaman, Rio Tinto and Yara, amongst others. These agreements will form the anchor on which the services business of MCL is built.

Business development and planning activities have commenced with key strategic partners with a view to coming to fruition in the current financial year.

2. Tourism

It is widely recognised that the Pilbara Region of WA has unrealised tourism potential. This raises the need for additional tourism offerings, in particular ones which present Aboriginal cultural tourism opportunities. Murujuga has a unique opportunity to further develop the tourism offerings anchored on the Petroglyphs on its country. At the same time this must be done in a manner which will nurture and protect this priceless heritage.

The Murujuga Tourism function is currently located within MAC. A plan and prospectus for a Tourism Precinct has been developed and seed funding secured. The commercial elements of this Tourism operation are currently being developed in consultation with MAC.

3. Property Development

There is an opportunity in the establishment of a property development business which is based on the land assets allocated to Murujuga under the BMIEA and land falling in the Agreement Area.

The Burrup and Maitland Industrial Estates Agreement (BMIEA) provides specific land entitlements to MAC on behalf of the Traditional Owner Groups. Whilst these are primarily operated under the joint management agreement with the State, there are opportunities in these and other areas which could form the basis of a property development business in MCL.

The opportunity to develop these sites, either as stand-alone opportunities or as part of a property development and management business will be developed. This will include a possible vertical integration strategy.

The ownership and/or operation of key infrastructure and property assets is a further opportunity identified.

4. Aquaculture and Fisheries

The foundation for a MCL Aquaculture and Fisheries business has been established through the trial oyster farm at Flying Foam Passage on the Burrup Peninsula. There is an opportunity to establish a comprehensive aquaculture business which maximises the use of Murujuga land and sea resources. In addition, fishery activities relating to sea cucumber and crustacean harvesting have been identified.

According to the Pilbara Development Commission (PDC), *"….aquaculture is set to overtake capture fisheries as the major source of seafood and projected to rise to provide 62 per cent of global seafood by 2030. Internationally recognised as both a significant area for investment and a requirement to secure food availability for the growing population, harnessing the development of the aquaculture industry presents a game-changing opportunity for the Pilbara. The Pilbara's extensive and relatively population-free coastline and inland areas make it ideal for aquaculture with numerous sites potentially suited for land and marine based developments*."

Specific opportunities include: -

- Oyster farming
- Pond aquaculture of crustaceans and finfish
- Algae and seaweed culturing
- Sea Cucumber
- Tropical Rock Lobster

To date MAC is partnering with the PDC and the CRCNA in the Pilbara Rock Oyster Research & Development Project. This is with a view to establishing a commercial edible oyster industry in the area. Over the next 12 months it is anticipated that this commercial opportunity will be further developed.

5. New Business and Innovation

In line with MCL's Vision of being a business which serves current and future generations, a business area which develops new, innovative and exciting business opportunities is included. To date MAC has had a progressive and innovative approach to business development. This has resulted in the concept development of new technologies, markets and partnerships which could become important businesses into the future. Some of these now present immediate opportunities which will be developed into business cases ready for the investment decision making processes.

Business enablers

In order to create a sustainable base for the business, key business enablers have been established and sustained. These include: -

- Ensuring effective governance of MCL, with an effective and efficient Board being put in place
- Finalising MCL Branding which reflects a commercial entity with a unique identity.
- Securing Seed funding from MAC and Woodside (latter post year end)
- Formalisation of the project/investment pipeline and management processes

In addition, a networking, communications and advocacy plan is being developed and the appointment of an Executive Manager is planned for the current financial year.

Risk Management

A formal Risk management process is integral to the governance and management of MCL. Risks are captured on an ongoing basis and assessed for impact and likelihood. Once ranked, risk mitigation measures are be established and implemented to align with the risk appetite of MCL.

The following risk categories are considered: -

- Financial Risks
- Governance Risks
- Social Risks
- Operational Risks
- Environmental Risks
- Political risks
- Reputational risks

In addition, specific risk/return matrices will be developed per project/investment.

Branding

The Board appointed Jilalga Designs, an Aboriginal Company specialising in contemporary designs, to develop the brand for MCL. In our Brand, Murujuga Commercial Ltd is confidently represented by the Baler shell. A symbol of thriving traditional life, the Baler shell was once highly prized and valued for its practical and decorative uses. It symbolises the strong trading partnerships between the coastal people and the inland people showing business and trading has happened in the area and beyond for tens of thousands of years. Murujuga Commercial Ltd now in modern times, will now carry out solid commercial business practices to support the families and future generations of the traditional owners of the area. The five marks on the sand that cradle the Baler shell, represent the Ngarluma, Yaburara, Mardudhunera, Yindjibarndi, and Wong-Goo-Tt-Oo people. Graduating colours used represent the land and sea of the unique tentative world heritage listed Murujuga area.

MURUJUGA
Commercial Ltd

Governance Report

The Board of Directors of MCL is appointed by the Member of MCL, namely Murujuga Aboriginal Corporation.

The current Board consists of:

Trevena Hicks – Phillips	Chairperson of MCL Board and MAC Director
Nellie Connors	MAC Director
Jahna Cedar	MAC Relevant Director
Derek (Jig) Albert	Independent Director
Stephen (Steve) Lennon	Independent Director
Lachlan Haughey	Initial Director

Since their appointment in January 2021, The Board has met on 5 occasions in the period March – June 2021.

MCL Board Left to Right: Derek Albert, Lachlan Haughey, Vincent Adams (MAC Chairperson), Trevena Hicks – Phillips (MCL Chairperson), Nellie Connors, Stephen Lennon

Audited Financial Report for 2021 Financial Year

Murujuga Commercial Limited

ABN 36 646 014 191

Financial Report
For the Period from 19 November 2020 to 30 June 2021

MURUJUGA COMMERCIAL LIMITED
ABN 36 646 014 191

CONTENTS	PAGE

DIRECTORS' REPORT

The directors present their report, together with the financial statements of Murujuga Commercial Limited (the "Company") for the financial period from 19 November 2020 (date of incorporation) to 30 June 2021.

Directors

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

Ms Trevena Hicks-Phillips	(appointed 19 November 2020)
Ms Nellie Connors	(appointed 19 November 2020)
Mr Derek Albert	(appointed 15 February 2021)
Ms Jahna Cedar	(appointed 15 February 2021)
Mr Lachlan Haughey	(appointed 15 February 2021)
Mr Stephen Lennon	(appointed 15 February 2021)
Ms Mary Cosmos	(appointed 19 November 2020, resigned 15 February 2021)
Ms Raelene Cooper	(appointed 19 November 2020, resigned 15 February 2021)

Directors have been in office since the date of incorporation (19 November 2020) to the date of this report unless otherwise stated.

Tui Magner is the Company Secretary and was appointed on 19 November 2020.

Principal activities

The Company was incorporated on 19 November 2020 with a purpose to contribute to the social, economic and environmental well being of the Murujuga people by establishing economic self-determination for the Murujuga Community through innovative and competitive commercial activities.

Dividends

There were no dividends paid, recommended or declared during the period.

Review of Operations

The financial report for the period ended 30 June 2021 and the results herein, is prepared in accordance with Australian Accounting Standards.

The deficit for the Company for the period was $76,980.

Events Subsequent to the End of the Reporting Period

The Company was registered with the Australian Charities and Not-for-profits Commission on 10 November 2021. The registration was back-dated and took effect from 19 November 2020.

On 27 October 2021, the Murujuga Commercial Limited loan balance as at 30 June 2021 ($71,697) from Murujuga Aboriginal Corporation (MAC) was forgiven by the MAC board.

Apart from the above and ongoing impacts of COVID-19, the Company is not aware of any other subsequent events or circumstances that has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental Regulation

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Company Limited by Guarantee

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. The Company is registered with the Australian Charities and Not-for-Profits Commission and regulated by the Australian Charities and Not-for-Profits Commission Act 2012. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $1 each towards meeting any outstanding obligations of the Company. At 30 June 2021, the Company has 1 member.

Proceedings on Behalf of Company

No person has applied to the Court for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

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

Auditor Independence Declaration

The lead auditor's independence declaration is set out on page 16 of this financial report.

Signed in accordance with a resolution of the board of directors.

Trevena Hicks-Phillips

MURUJUGA COMMERCIAL LIMITED
ABN 36 646 014 191

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 19 NOVEMBER 2020 TO 30 JUNE 2021

	Note	2021
Revenue		-
Accounting and bookkeeping fees		1,500
Depreciation and amortisation expense	3	65
Board expenses	6	51,667
Legal fees		221
Committee and meeting expenses		496
Travel and accommodation		22,004
Other expenses		1,028
Total Expenses		76,980
Net deficit for the period		**(76,980)**
Other comprehensive income for the period		-
Total comprehensive income for the period		**(76,980)**
Total net deficit attributable to:		
Members of parent entity		(76,980)
		(76,980)

The accompanying notes form an integral part of the financial statements.

MURUJUGA COMMERCIAL LIMITED
ABN 36 646 014 191

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 $
Current Assets		
Trade and other receivables	2	1,812
Total current assets		**1,812**
Non-current Assets		
Property, plant and equipment	3	2,238
Total non-current assets		**2,238**
Total Assets		**4,050**
Current liabilities		
Trade and other payables	4	9,334
Loan from parent entity	5	71,697
Total current liabilities		**81,031**
Total liabilities		**81,031**
Net Assets		**(76,980)**
Equity		
Accumulated deficit		(76,980)
Total equity		**(76,980)**

The accompanying notes form an integral part of the financial statements.

MURUJUGA COMMERCIAL LIMITED
ABN 36 646 014 191

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 19 NOVEMBER 2020 TO 30 JUNE 2021

	Retained Surplus $	Total Equity $
At 19 November 2020	-	-
Deficit attributable to members of the entity	(76,980)	(76,980)
Total other comprehensive income for the period	-	-
As at 30 June 2021	**(76,980)**	**(76,980)**

The accompanying notes form an integral part of the financial statements.

MURUJUGA COMMERCIAL LIMITED
ABN 36 646 014 191

SOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 19 NOVEMBER 2020 TO 30 JUNE

	Note	2021 $
Cash Flows From Operation Activities		
Receipts from customers		(1,812)
Payments to suppliers and employees		(67,582)
Net cash generated from operating activities	**7**	**(69,393)**
Cash Flows From Investing Activities		
Payments for property, plant and equipment		(2,303)
Net cash inflows/(outflows) from investing activities		**(2,303)**
Cash Flows From Financing Activities		
Proceeds from loan from related parties		71,697
Net cash inflows/(outflows) from financing activities		**71,697**
Net increase/(decreased) in cash and cash equivalents		-
Cash and cash equivalents at beginning of financial period		-
Cash and cash equivalents at end of financial period		-

The accompanying notes form an integral part of the financial statements.

Note 1: Summary of Significant Accounting Policies

Reporting Entity

This financial report covers Murujuga Commercial Limited (the "Company") as an individual entity.

Murujuga Commercial Limited is a company limited by guarantee, incorporated and domiciled in Australia. The address of the Company's registered office is 313 King Bay Road, Dampier WA 6713.

The financial report covers the period from incorporation, 19 November 2020, to 30 June 2021, and is the first financial report of the Company. There are therefore no comparative balances in this financial report.

Basis of Preparation

In the opinion of the Directors the Company is not a reporting entity. The financial report has been prepared as a general purpose (simplified disclosure standard) financial report for distribution to the members of the Company and for the purposes of satisfying the requirements *Australian Charities and Not-for-Profit Commission Act 2012*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The Company has early adopted the General Purpose Financial Statements Simplified Disclosure for For-Profit and Not-for-Profit Entities Standard (AASB 1060), which will become mandatory from 1 July 2021. Further details can be found in note 1.i.

The financial report is presented in Australian dollars.

The financial statements have been prepared on an accruals basis and are based on historical costs except where otherwise stated in this report.

a. Going Concern

The financial statements have been prepared on the basis that the Company will continue as a going concern. The Board is of the opinion that the Company has sufficient financial support from the Company's parent entity (Murujuga Aboriginal Corporation) and sufficient incoming revenue streams to continue as a going concern, therefore the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

b. Financial Instruments

Initial Recognition and Measurement

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

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and Subsequent Measurement

(i) Financial liabilities

Financial liabilities are subsequently measured at either fair value through profit and loss, or amortised cost using the effective interest rate method.

A financial liability is measured at either: fair value through profit and loss if the financial liability is held for trading, or is initially designated as at fair value through profit or loss. A financial liability is held for trading if it is incurred for the purpose of repurchasing or repaying in the near term, is part of a portfolio where there is an actual pattern of short-term profit taking, or is a derivative financial instrument.

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

Note 1: Summary of Significant Accounting Policies (Continued)

b. Financial Instruments (Continued)

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

A financial liability cannot be reclassified.

(ii) Financial assets

Financial assets are subsequently measured at either fair value through profit and loss or other comprehensive income, or amortised cost using the effective interest rate method.

A financial asset is subsequently measured at amortised cost if the financial asset is managed solely to collect contractual cash flows, and the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates, and the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

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

Trade and Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Trade and other receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period, which remain unpaid.

Trade and other payables are recognised initially at fair value plus transaction cost. Subsequent to initial recognition trade and other payables are measured at amortised cost, using the effective interest method. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Derecognition

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

(i) Derecognition of financial liabilities

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

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

(ii) Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred, and the Company no longer controls the asset.

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

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Note 1: Summary of Significant Accounting Policies (Continued)

b. Financial Instruments (Continued)

Impairment

The Company recognises a loss allowance for expected credit losses on: financial assets that are measured at amortised cost or fair value through other comprehensive income.

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

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

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

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

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

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

c. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

d. Revenue

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

e. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

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

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

f. Income Tax

No provision for income tax has been raised as the entity has self-assessed as being exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Note 1: Summary of Significant Accounting Policies (Continued)

g. Current and Non-current Classification

Assets and liabilities are presented in the Statement of Financial Position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised on intended to be sold or consumed in the Company's normal operating cycle; is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting date; or the asset is cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

h. Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Period
Plant and equipment	3-5 years

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

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

j. Impairment of Non-financial Assets

At the end of each reporting period, the Company that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

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.

k. Critical Accounting Estimates and Judgements

Management evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Note 1: Summary of Significant Accounting Policies (Continued)

l. New and revised accounting standards and interpretations on issue but not yet adopted

AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods which the Company has decided not to early adopt. No determination has been made on the impact of these new accounting standards on the financial statements of the Company.

AASB 1060 General Purpose Financial Statements Simplified Disclosure for For-Profit and Not-for-Profit Entities is a new disclosure Standard to replace the existing reduced disclosure requirements (RDR) framework. AASB 1060 becomes mandatory for all Tier 2 for-profit and not-for-profit entities from 1 July 2021, however the Company has chosen to early adopt the Standard.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 19 NOVEMBER 2020 TO 30 JUNE 2021 (CONTINUED)

Note 2: Trade and Other Receivables	2021 $
Current	
GST Receivable	1,812
Total Trade and Other Receivables	**1,812**

Note 3: Property, Plant and Equipment	2021 $
Computer Equipment	
Computer equipment at cost	2,303
Computer equipment accumulated depreciation	(65)
Total Property, Plant and Equipment	**2,238**

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

Movement in Property, Plant and Equipment	Computer Equipment $
Additions at cost	2,303
Depreciation expense	(65)
Carrying amount at 30 June 2021	**2,238**

Note 4: Trade and Other Payables	2021 $
Current	
Payroll liabilities	9,334
Total Trade and Other Payables	**9,334**

Note 5: Loan from Parent Entity	2021 $
Current	
Loan payable to Murujuga Aboriginal Corporation	71,697
Total Loan from Parent Entity	**71,697**
Movement in Loan from Parent Entity	
Loans advanced	71,697
Loan repayments made	-
Balance at 30 June 2021	**71,697**

Note 6: Key Management Personnel

The totals of remuneration paid to key management personnel ("KMP") of the Corporation during the year are as follows:

	2021 $
- Short-term benefits	47,184
- Post-employment benefits	4,483
	51,667

The key management personnel of the Company during the period were determined to be the Directors of the Corporation.

Note 7: Cash Flow Information

	2021 $
Reconciliation of Cash flows from Operations with Profit for the Year	
Net loss after tax	(76,980)
Non cash flows	
Depreciation	65
Changes in assets and liabilities:	
(Increase) / Decrease in receivables	(1,813)
Increase / (Decrease) in payables	9,334
	(69,393)

Note 8: Financial Risk Management

The Company's financial instruments consist of trade and loans receivable and payable. These instruments expose the Company to a variety of financial risks: credit risk and liquidity risk.

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

	Note	2021 $
Financial Assets		
Trade and other receivables	2	1,812
		1,812
Financial liabilities		
Trade and other payables	4	9,334
Loan from parent entity	5	71,697
		81,031

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Company. There are no significant concentrations of credit risk.

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 value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Note 8: Financial Risk Management (Continued)

b. Liquidity risk

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

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile; and
- managing credit risk related to financial assets.

The Company receives sufficient financial support from its parent entity (Murujuga Aboriginal Corporation) to facilitate payment of the Company's debts as and when they fall due.

Note 9: Contingent Liabilities

The Company had no contingent liabilities as at 30 June 2021.

Note 10: Related Party Transactions

Parent entity
Murujuga Aboriginal Corporation is the parent entity.

Key management personnel
Disclosures relating to key management personnel are set out in Note 6.

Transactions with related parties
There were no transactions other than those outlined in Note 5 and 6 with related parties.

Note 11: Events After the Reporting Period

The Company was registered with the Australian Charities and Not-for-profits Commission on 10 November 2021. The registration was back-dated and took effect from 19 November 2020.

On 27 October 2021, the Murujuga Commercial Limited loan balance as at 30 June 2021 ($71,697) from Murujuga Aboriginal Corporation (MAC) was forgiven by the MAC board.

Apart from the above and ongoing impacts of COVID-19, the Company is not aware of any other subsequent events or circumstances that has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

MURUJUGA COMMERCIAL LIMITED
ABN 36 646 014 191

DIRECTORS' DECLARATION

In the opinion of the Directors of Murujuga Commercial Limited:

1. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

2. The figures presented in the financial statements and notes are in accordance with the *Australian Charities and Not-for-Profit Commission Act 2012,* including:

   (a) compliance with the Australian Accounting Standards; and

   (b) providing a true and fair view of the financial position as at 30 June 2021 and of the performance for the period ended on that date of the Company.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to Regulation 60.15 of the *ACNC Regulation 2013.*

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Trevena Hicks-Phillips