



**SEQ Regional Recreational
Facilities Pty Ltd**

ACN 146 894 804

Annual Report

For the Year Ended 30 June 2020

ANNUAL REPORT

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SEQ Regional Recreational Facilities Pty Ltd DIRECTORS' REPORT

The Directors present their report and the auditor's report thereon together with the financial report of SEQ Regional Recreational Facilities Pty Ltd (the company) for the financial year ended 30 June 2020.

Directors

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

Cr Greg Christensen (Chair)	1 July 2019 to present
Robert Smith	1 July 2019 to present
Cr Gail O'Neill	1 July 2019 to present
Scott Smith	1 July 2019 to present
Cr David McLachlan	1 July 2019 to 12 November 2019
Cr Fiona Hammond	12 November 2019 to 11 May 2020
Cr Fiona Cunningham	26 May 2020 to present

Company Secretary

The name of the Company Secretary in office at any time during or since the end of the financial year is:

Scott Smith	1 July 2019 to present
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Company Details

The company is an Australian proprietary company limited by shares, incorporated and registered in Brisbane, Queensland. The eight shareholder members are:

Brisbane City Council
City of Gold Coast Council
Ipswich City Council
Lockyer Valley Regional Council
Logan City Council
Redland City Council
Scenic Rim Regional Council
Somerset Regional Council

Operating Result

The deficit of the company for the financial year ended 30 June 2020 was \$18,942. [30 June 2019 - \$7,430 surplus].

Review of Operations

A review of operations of the company during the financial year and the result of those operations found the company continues on a long-term basis to manage the Operator's Lease with overall positive results for attendees visiting the facility. The Queensland Moto Park has been operating as an on-going business for the total period of eight and a half years to the end of this financial year. The Queensland Moto Park suspended operations for a period of 11 weeks due to the Federal and State Government's COVID-19 restrictions.

Significant Changes in the State of Affairs

Due to COVID-19 restrictions set by the Federal and State Governments, the normal operations of Queensland Moto Park were suspended on 25 March 2020. The facility re-opened for general business on 10 June 2020. No other significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the organisation are:

- a) to be an organisation that represents the interests of the residents and recreational enthusiasts of members of the Company;
- b) to foster cooperation amongst members on issues of mutual concern or to further joint interests;
- c) to plan, develop and deliver recreational facilities that offer service to South East Queensland residents.

Events Subsequent to the End of the Reporting Period

There are no significant matters or circumstances that have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Likely Developments and Expected Results of Operations

The likely developments in the operations of the company and the expected results of 2020/2021 will be influenced by the outcome of the continued operations of the Queensland Moto Park, particularly in relation to the Federal and State Government restrictions around COVID-19. It is unknown during this period if continued development in upgrading the facilities will occur at the Park.

Operational and Environmental Regulation

The State Planning Regulatory Provisions (Off-road Motorcycling Facility on State owned land at Wyaralong) (SPRP) October 2010 was the statutory instrument applicable to the Wyaralong site. Environment regulation is managed by the *Vegetation Management Act 1999 (Qld)*, the *Water Act 2000 (Qld)* and the *Environmental Protection and Biodiversity Conservation Act 1999 (C'th)*. The State Planning Regulatory Provisions (SPRP) was removed as a statutory instrument as part of the State government's planning reform agenda. The regulation previously applied under the SPRP was instead captured in the Regulation to the new Planning Act. The Planning Regulation commenced on the same day as the Planning Regulations on 3rd July 2017.

The company's operations are regulated by Commonwealth and State laws and regulations. A Trustee Lease for the Park, between Motorcycling Queensland and the company, sets out the purpose of the land upon which the Park is situated.

Dividends

No dividends were paid or declared during or since the end of the financial year. The Directors may not authorise the payment by the company to members of any dividends.

SEQ Regional Recreational Facilities Pty Ltd
DIRECTORS' REPORT

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year.

Indemnification of Officers

Insurance Premium has been paid in this financial year for Directors' and Officers' Liability which covers any natural person who was or is or may hereafter become a Director, Secretary or Officer of the company.

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings. The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

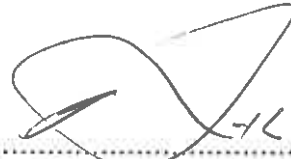
A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in accordance with a resolution of the Directors



.....
Cr Greg Christensen
Chairman/Director

Dated: 16/10/2020



.....
Robert Smith
Deputy Chair/Director

Dated: 16/10/2020

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of SEQ Regional Recreational Facilities Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence Declaration

As lead auditor for the audit of SEQ Regional Recreational Facilities Pty Ltd for the financial year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



S Narasimhan
As Delegate of the Auditor-General of Queensland

16 October 2020

Queensland Audit Office
Brisbane

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
INCOME			
Contributions	2(f)	-	7,530
Rent		52,351	68,714
Interest and Other Revenue		1,123	1,844
Total Income		53,474	78,089
EXPENSES			
General Office Expenses		11,806	11,832
Depreciation and Amortisation Expense	2(b), (c)	46,542	44,862
Other Operating Expense		8,068	8,075
Auditing Fees – Queensland Audit Office	3	6,000	5,890
Total Expense		72,416	70,659
Net surplus/deficit attributable to members of the company		(18,942)	7,430
Total Comprehensive Income attributable to members of the company		(18,942)	7,430

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash and Cash Equivalents	2(e) & 4	156,364	131,217
Trade and Other Receivables	2(g)	5,794	8,741
Prepayments		5,889	5,938
Total Current Assets		168,047	145,896
NON-CURRENT ASSETS			
Property Plant and Equipment	5	1,472,380	1,514,106
Intangible Assets	6	139,882	140,578
Total Non-Current Assets		1,612,262	1,654,684
Total Assets		1,780,309	1,800,581
CURRENT LIABILITIES			
Trade and other Payables	2(h)	6,865	8,195
Total Current Liabilities		6,865	8,195
Total Liabilities		6,865	8,195
Net Assets		1,773,444	1,792,386
EQUITY			
Share Capital – Ordinary Shares		8	8
Share Capital – Non-Redeemable Pref Shares	2(j)	1,100,000	1,100,000
Retained Earnings		673,436	692,378
Total Equity		1,773,444	1,792,386

The Statement of Financial Position should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

2019/2020	Note	Retained Earnings \$	Share Capital \$	Total \$
Balance at beginning of year	2(j)	692,378	1,100,008	1,792,386
Net deficit for the year		(18,942)	-	(18,942)
Balance at Year End		673,436	1,100,008	1,773,444

2018/2019	Note	Retained Earnings \$	Share Capital \$	Total \$
Balance at beginning of year	2(j)	684,948	1,100,008	1,784,956
Net surplus for the year		7,430	-	7,430
Balance at Year End		692,378	1,100,008	1,792,386

The Statement of Changes in Equity should be read in conjunction with the accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Inflow			
Receipts from customers		55,346	89,149
Interest Received		1,123	1,844
Total receipts from customers		56,469	90,993
Outflow			
Payments to suppliers		(27,202)	(31,174)
Net Cash Flows used in Operating Activities	7	29,267	59,819
CASH FLOWS FROM INVESTING ACTIVITIES			
Outflow			
Acquisition of assets at cost		(4,120)	(10,092)
Net Cash Flows used in Investing Activities		(4,120)	(10,092)
NET INCREASE/(DECREASE) IN CASH HELD			
		25,147	49,727
Cash at the beginning of the year		131,217	81,490
Cash at the End of the Year		156,364	131,217

The Statement of Cash Flows should be read in conjunction with the accompanying notes to the financial statements.

SEQ Regional Recreational Facilities Pty Ltd
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

The financial statements cover SEQ Regional Recreational Facilities Pty Ltd (the company) as an individual entity. The company is limited by shares, incorporated and domiciled in Australia.

The State Government of Queensland owns six parcels of land situated within the Scenic Rim Regional Council area at Wyaralong and has appointed this company to act as Trustee for sport and recreation purposes. The Queensland Moto Park (Wyaralong) operates on this property under a lease agreement with this arrangement having no financial impact to the company. Motorcycling Queensland continues as the operator of the Queensland Moto Park (Wyaralong).

1. BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Australian Accounting interpretations of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. This company is a not-for-profit organisation as it is not operating for the surplus or gain of its individual members.

The financial statements have been prepared on an accruals basis and are based on historical costs, except where stated. Amounts in the financial statements have been rounded to the nearest Australian dollar.

Issuance of Financial Statements

The financial statements are authorised for issue by the Directors at the date of signing the financial statements.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a. Income Tax

SEQ Regional Recreational Facilities Pty Ltd is exempt from income tax under the provisions of Item 2.1 of the table in Section 50-10 of the *Income Tax Assessment Act 1997* and has been advised that it would not be required to lodge income tax returns unless and until requested to do so by the Deputy Commissioner of Taxation.

b. Property, Plant and Equipment

Property, Plant and Equipment are carried at cost, less where applicable, any accumulated depreciation and any accumulated impairment deficits. The recognition threshold on items of property, plant and equipment is zero.

The Operator Lease conditions between this company and Motorcycling Queensland require specific capital assets purchased by Motorcycling Queensland be acquired by this company at the date of purchase and recognised as a contribution by Motorcycling Queensland to the company.

Impairment

All assets subject to impairment testing are assessed for indicators of impairment on at least an annual basis.

SEQ Regional Recreational Facilities Pty Ltd
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Depreciation

Depreciation of Property, Plant and Equipment has been calculated on a straight-line basis over their expected useful life. This method is considered to best correspond with the underlining pattern of consumption.

The estimated useful lives are re-assessed annually and used for each class:

Buildings	40 years with zero residual value
Infrastructure	Between 10 and 40 years with zero residual value

c. Intangible Assets

Intangible assets with a cost or other value exceeding \$5,000 are recognised as intangible assets in the financial statements. Costs associated with the easement are capitalised and are amortised on a straight-line basis over the period of expected benefit to the company. Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

The estimated useful lives are re-assessed annually and used for each class:

Easement Agreements	40 years with zero residual value
Water Title	nil amortisation

d. Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial position when the company becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and Cash Equivalents at amortised cost
- Receivables held at amortised cost
- Payables held at amortised cost

The company does not enter into transactions for speculative purposes, nor for hedging.

e. Cash and Cash Equivalents

Cash and Cash Equivalents include deposits held with an Australian bank for a period of between one and three months. The company does not have a bank overdraft.

f. Income

Income is recognised when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. Asset contributions by Motorcycling Queensland are recognised as income when received and readily available to be used.

Base and turnover rent is recognised and charged as income per quarter as per the Operator's lease arrangements. Interest revenue is brought to account when earned from cash deposited in the company's bank account and accrued as at 30 June 2020.

SEQ Regional Recreational Facilities Pty Ltd
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

g. Trade and Other Receivables

Receivables are recognised at the amount due at the time of sale or service delivery. The collectability is assessed at period end and an allowance is made for impairment if necessary. There is no likelihood of impairment of credit risk. Further to this, conditions are provided for in the operator's lease contract should the debtor default on any rental payments.

h. Trade and Other Payables

Payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts.

i. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense.

Receivables and Payables are stated with the amount of GST included. The net amount of GST recoverable from the ATO is included as a current asset in the statement of financial position. The net amount of GST payable to the ATO is included as a current liability in the statement of financial position.

j. Share Capital

Share Capital consists of eight equal par value fully paid shares of \$1 each held by each of the eight members. In the 2010/2011 financial year, 1,100,000 non-redeemable preference shares were called and paid in full to the company by the existing members. No further calls for ordinary shares or non-redeemable preference shares have been conducted since the 2010/2011 financial year.

k. Accounting Estimates/Significant Management Judgments

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgments that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year and are outlined in the following statements notes:

- Property, Plant and Equipment – Note 5
- Intangible Assets – Note 6

Such estimates, judgments and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

l. Application of New Accounting Standard

At the date of authorisation of this report there are no standards issued in the 2019/2020 financial year that are expected to have a material impact on the financial statements. The relevant standards are listed as follows:

SEQ Regional Recreational Facilities Pty Ltd
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020

AASB 1058 Income of Non-Profit Entities and AASB 15 Revenue from Contracts with Customers

The transition date for AASB 1058 and AASB 15 is 1 July 2019. The company has identified that there is no material impact in adopting the new standard. The company currently recognises contributions, rent and interest income in accordance with this new standard (Note 2f).

AASB 16 Leases

The transition date for AASB 16 is 1 July 2019. The company has not entered into any leases and as such there will be no impact to the financial statements.

3. AUDITOR'S REMUNERATION

Total audit fees paid or payable to the Queensland Audit Office relating to the 2019/2020 financial statements is \$6,000 [2018/2019 \$5,890].

4. CASH AND CASH EQUIVALENTS	2020	2019
	\$	\$
Cash at Bank	74,479	80,317
Cash in Term Deposit at Bank	81,885	50,899
Total Cash and Cash Equivalents	156,364	131,217

Cash and cash equivalents include cash on hand and term deposits held at call with Australian registered only banks, with terms for a period of three months or less.

It is the company's intention to hold these short-term fixed bank deposits to maturity. These short-term deposits held by the company are stated at the amortised cost until interest is received into the accounts.

5. PROPERTY, PLANT AND EQUIPMENT	2020	2019
	\$	\$
Buildings at cost	840,047	840,047
Less Accumulated Depreciation	(134,459)	(113,458)
Total Buildings	705,588	726,589
Infrastructure at cost	951,545	947,425
Less Accumulated Depreciation	(184,752)	(159,908)
Total Infrastructure	766,792	787,517
Total Property, Plant and Equipment	1,472,380	1,514,106

SEQ Regional Recreational Facilities Pty Ltd
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020

2020

PROPERTY, PLANT AND EQUIPMENT RECONCILIATION	Buildings \$	Infrastructure \$	Total \$
Carrying Amount at 1/7/2019	726,589	787,517	1,514,106
Acquisitions	-	4,120	4,120
Transfers from Work in Progress	-	-	-
Disposals	-	-	-
Depreciation	(21,001)	(24,845)	(45,846)
Carrying Amount at 1/7/2020	705,588	766,792	1,472,380

2019

PROPERTY, PLANT AND EQUIPMENT RECONCILIATION	Buildings \$	Infrastructure \$	Work In Progress \$	Total \$
Carrying Amount at 1/7/2018	608,203	801,169	131,279	1,540,650
Acquisitions	4,195	11,082	2,345	17,622
Transfer from Work in Progress	133,625	-	(133,625)	-
Disposals	-	-	-	-
Depreciation	(19,433)	(24,732)	-	(44,166)
Carrying Amount at 1/7/2019	726,589	787,517	-	1,514,106

6. INTANGIBLE ASSETS	2020 \$	2019 \$
Water Title		
Opening Value as at 1 July	116,787	116,787
Acquisitions	-	-
Closing Value as at 30 June	116,787	116,787
Easement Agreement		
Easement Agreement at Cost	27,833	27,833
Less Accumulated Amortisation	(4,738)	(4,042)
Closing Value as at 30 June	23,096	23,791

SEQ Regional Recreational Facilities Pty Ltd
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020

Accumulated Amortisation		
Opening Balance as at 1 July	(4,042)	(3,346)
Amortisation in the period	(696)	(696)
Closing Balance as at 30 June	(4,738)	(4,042)
Total Intangible Assets	139,882	140,578

7. RECONCILIATIONS OF NET CASH USED IN OPERATING ACTIVITIES TO SURPLUS FOR THE PERIOD	2020 \$	2019 \$
Net Deficit	(18,942)	7,430
Non-cash flows in surplus from ordinary activities:		
Depreciation and Amortisation	46,542	44,862
Non-Cash Contributions Received	-	(7,530)
Change in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	2,947	20,587
(increase)/Decrease in prepayments	49	(152)
Increase/(Decrease) in trade and other payables	(1,329)	(5,378)
Total Cash Flow from Operating Activities	29,267	59,819

8. COMMITMENTS

The company has no commitments.

9. CONTINGENCIES

The company has no contingent assets that may become receivable, and there are no contingent liabilities that may become payable.

10. RELATED PARTY TRANSACTIONS AND DISCLOSURES

a. Key Management Personnel Remuneration

Key Management Personnel who are not elected representatives of their respective councils are entitled to receive Honoria fees and reimbursement for their travel expenses when attending meetings. There were no Honoria fees paid to Key Management Personnel for the 2019/2020 financial year (2018/2019 \$1,000).

No other remuneration or employee benefits are payable to Key Management Personnel from the company in the financial year.

SEQ Regional Recreational Facilities Pty Ltd
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2020

b. Related Party Transactions

The company has not engaged any shareholder councils to provide services in relation to the Queensland Moto Park within the last three financial years.

11. FINANCIAL RISK MANAGEMENT

The Board of Directors has the authority to control and manage the company's financial affairs, with development and adherence to the company budget, bank authorisations and day to day management. The company's principal financial instruments comprise cash and short-term deposits, with other financial assets and liabilities such as trade receivables and payables, which arise directly from its operations.

	Note	2020 \$	2019 \$
Financial Assets at Amortised Cost			
Cash and Cash Equivalents	4	156,364	131,217
Trade and Other Receivables		5,794	8,742
Total Financial Assets		162,158	139,959
Financial Liabilities at Amortised Cost			
Trade and Other Payables		6,865	8,195
Total Financial Liabilities		6,865	8,195

a. Credit Risk

Credit Risk exposure refers to a situation where the company may incur financial deficit as a result of another party to a financial instrument failing to discharge their obligation. The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the statement of financial position and notes to the financial statements. Receivables are received within the 30-day period. As at year end, Trade and Other Receivables have a balance of \$5,795 [30 June 2019: \$8,742].

b. Liquidity Risk

Liquidity risk refers to the ability of an entity to meet its obligations associated with financial liabilities. The company manages this risk through the following mechanisms:

- contractual agreement for receipt of rent income on a quarterly basis and payable within 28 days;
- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with a major financial institution;
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

SEQ Regional Recreational Facilities Pty Ltd
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

c. Interest Rate Risk

Interest rate risk refers to possible fluctuations in the values of financial instruments as a result of changes in market rates. Exposure to interest rate risk arises predominantly from assets and liabilities bearing variable interest rates as the company intends to hold financial assets and liabilities to maturity.

12. FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

AASB 1059 Service Concession Arrangements: Grantors is applicable to financial reporting period 2020/2021. The standard defines service concession arrangement and applies a new control concept to the recognition of service concession assets and related liabilities. The entity is not a grantor of any service concession arrangements, therefore this standard will have no impact on the financial statements.

13. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no significant events subsequent to the reporting date that requires disclosure.

14. COMPANY DETAILS

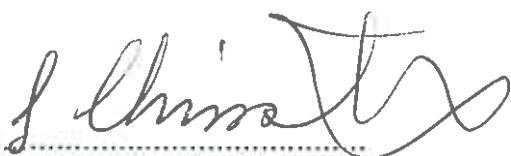
The Registered Office of the company is:
Level 12, Suncorp Plaza Building,
343 Albert Street
Brisbane Qld 4000

SEQ Regional Recreational Facilities Pty Ltd
DIRECTORS' DECLARATION

In the opinion of the directors of SEQ Regional Recreational Facilities Pty Ltd:

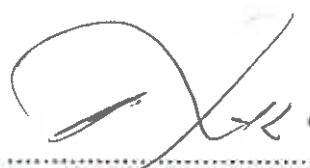
1. The financial statements and notes of SEQ Regional Recreational Facilities Pty Ltd are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with the Australian Accounting Standards (including the Australian Accounting interpretations) and the *Corporations Regulations 2001*; and
 - (b) giving a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that SEQ Regional Recreational Facilities Pty Ltd will be able to pay its debts as and when they become due and payable.

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



.....
Cr Greg Christensen
Chairman/Director

Dated: 16/10/2020



.....
Robert Smith
Deputy Chair/Director

Dated: 16/10/2020

INDEPENDENT AUDITOR'S REPORT

To the Members of SEQ Regional Recreational Facilities Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of SEQ Regional Recreational Facilities Pty Ltd.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended
- b) complies with Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises information included in the directors' report for the year ended 30 June 2020 but does not include the financial report and my auditor's report thereon.

Those directors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard

Responsibilities of the company for the financial report

The company's directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and for such internal control as the company's directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

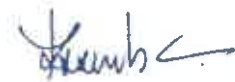
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.

- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the company's 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 I identify during my audit.



20 October 2020

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane