

Golf Queensland Limited

ACN: 126 091 450

Financial Report

For the 6 Month Period Ended 30 June 2022

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Directors' Report

During the financial period, to align itself with Golf Australia, the company decided to change their end of financial year to 30 June. Therefore the current financial period represents the 6 months ended 30 June 2022 and the comparative period represents 12 months ended 31 December 2021.

Your directors present their report on the company for the 6 month period ended 30 June 2022.

Directors

The names of each person who has been a director during the 6 month period and to the date of this report are:

- Matthew Joseph Toomey
- Judith Ann Logan
- David Colin Brett
- Patrick Joseph Twomey
- Michele Dale Stanley
- Peter Ward Reeves
- Catherine Ann Connellan
- Brooke Anne O'Keeffe

Secretary

- Luke Graham Bates

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

Objective

Golf Queensland aims to promote and foster the game of golf, preserve its traditions, encourage existing golfers to realise their potential and athletic abilities and develop golfing talent.

Strategy

The Australian Golf industry, including Golf Queensland Limited, has launched its new national strategy from 2022 - 2025, designed by golfers for golfers.

The strategy balances the most passionate club members who comprise the core of Australian golf, with a desire to grow the game by attracting new people to golf. Inspiring existing, returning and new golfers to play more golf through simple, compelling messages which are shared at every opportunity.

These priorities will be supported by growing golf's fanbase, digital products and commercial value for reinvestment, and working together across the golf industry to align behind our national strategy.

Principal Activities

The principal activities of Golf Queensland Limited are facilitating participation programs, delivering tournaments and events, supporting clubs and facilities, running high performance programs, and promoting the game through marketing and public affairs.

Review of Operations

In the 2022 financial period, there has been no further changes in the operations for Golf Queensland Limited.

Operating Results

The deficit for the 6 month period of the entity amounted to \$535,960 (2021 Surplus: \$1,449,416).

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Future Developments

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Information on Directors

Peter Ward Reeves	Appointed Director (Chair) (Appointed as chair 31 August 2022)
Qualifications	Certified Practising Accountant FINSEA Member Bachelor of Business (Accounting), Queensland University of Technology
Experience	Director, Asset Finance & Leasing, Corporate & Institutional Bank, National Australia Bank, 2018 - present Vice President, Structured Asset Finance, Commonwealth Bank of Australia, Brisbane, New York and Sydney, 2005 - 2017 Member of Ashgrove Golf Club
David Colin Brett	Elected Director
Qualifications	Advanced Diploma of Agribusiness (The University of Sydney) Human Resource Management (Macquarie University Sydney)
Experience	Head of Client Coverage Queensland, Corporate and Institutional Banking, National Australia Bank Member at Royal Queensland Golf Club.
Judith Ann Logan	Elected Director
Experience	Management experience with Golf Queensland. Golf Queensland Delegate and President of Brisbane & District Ladies Golf Association, Committee positions including President and Treasurer with Laidley Golf Club for over 28 years, Committee positions including Secretary and Treasurer with the Moreton District Golf Association for over 20 years, over 29 years working at Commonwealth Bank of Australia in clerical to lending positions.
Catherine Ann Connellan	Elected Director
Qualifications	Associate Diploma in Business Management Commerce Certificate Advanced Certificate in Insurance RG146 and ASFA 200 certified
Experience	General Manager, Client Services - Apex Group Pty Ltd Over 40 years' experience in the superannuation and financial services industry. Member of The Brisbane Golf Club. Affiliate of Australian Institute of Company Directors
Brooke Anne O'Keeffe	Elected Director
Qualifications	Bachelor of Business (Human Resource Management). Certificate II in Sports and Recreation

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Experience	<p>Business and Retail Credit Risk Advisor, Suncorp Bank.</p> <p>Previous roles include Relationship Manager/Agribusiness Manager for both Suncorp and NAB.</p> <p>Executive committee experience with Central Highlands Golf for 3 years as Vice President and then President.</p> <p>Previously Ladies Captain and Vice Captain at Springsure Golf Club.</p> <p>Five time winner of Qld Ladies Sandgreens Championship and 2 time winner of Qld Ladies Foursomes (2021 & 2022).</p> <p>Member of Nudgee Golf Club.</p>
Matthew Joseph Toomey	Elected Director
Qualifications	<p>Graduate Diploma of Chartered Accounting - Institute of Chartered Accountants in Australia</p> <p>Bachelor of Commerce - University of Queensland</p>
Experience	<p>Management and sub-committee experience with Golf Queensland and Virginia Golf Club. Graduate Member of Australian Institute of Company Directors.</p>
Patrick Joseph Twomey	Appointed Director
Qualifications	<p>Graduate Diploma of Superannuation - Australian Superannuation Funds Association</p> <p>Graduate Diploma of Financial Planning - Australian Superannuation Funds Association</p> <p>Masters of Business Administration - University of Queensland</p>
Experience	<p>Head of Regions and Operations Australian Retirement Trust,</p> <p>Member of Royal Queensland Golf Club</p> <p>Fellow and Committee Member of National Member Engagement Committee of Australian Superannuation Funds Association</p> <p>Graduate Member of the Australian Institute of Company Directors</p> <p>ASIC Registered Financial Advisor</p>
Michele Dale Stanley	Elected Director
Experience	<p>Committee positions for 8 years at Redland Bay Golf Club including President of the Ladies Committee. Active member of Golf Qld Tournament Support Entity since 2013. On Management Committee of Brisbane and Districts Ladies Golf Association for 2 years. Committee positions at Redlands Lawn Tennis Association including Vice-President. Work experience includes 14 years as Manager of a school canteen and uniform shop and 7 years as an administrative officer with Telstra.</p>

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Meetings of Directors

During the 6 months ended 30 June 2022, 2 meetings of directors were held. Attendances by each director were as follows:

	Directors Meetings	
	No eligible to attend	Number attended
Judith Ann Logan	2	2
Matthew Joseph Toomey	2	2
David Colin Brett	2	1
Patrick Joseph Twomey	2	2
Michele Dale Stanley	2	2
Peter Ward Reeves	2	2
Catherine Ann Connellan	2	2
Brooke Anne O'Keefe	2	2

Indemnifying Officers or Auditor

No indemnities have been given, during or since the end of the financial period, for any person who is or has been an officer or auditor of the entity.

Dividends Paid or Recommended

The company is prohibited from paying a dividend.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings. The entity was not a party to any such proceedings during the 6 month period.

Environmental Issues

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

After Balance Date Events

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

Members' Guarantee

The parent entity is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding's and obligations of the entity. At 30 June 2022 the number of members was 18.

Auditor's Independence Declaration

The lead auditor's independence declaration for the 6 month period ended 30 June 2022 has been received and can be found on page 6 of the directors' report.

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

Director _____


Matthew Toomey

Dated this 24 day of October 2022

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Auditor's Independence Declaration



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DECLARATION OF INDEPENDENCE BY D P WRIGHT TO THE DIRECTORS OF GOLF QUEENSLAND LIMITED

As lead auditor of Golf Queensland Limited for the 6 month period ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Golf Queensland Limited and the entities it controlled during the 6 month period.

A handwritten signature in black ink, appearing to read 'D P Wright', is written over a light blue horizontal line.

D P Wright
Director

BDO Audit Pty Ltd

Brisbane, 24 October 2022

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Statement of Profit or Loss and Other Comprehensive Income
For the 6 Months Ended 30 June 2022

	Note	Jun-22 (6 months) \$	Dec-21 (12 months) \$
Revenue	2	1,201,768	3,694,266
Affiliation fees			-
One Golf services fee - QLD		(1,068,298)	(2,019,004)
District affiliation fees			-
Administration		(8,151)	(80,387)
Depreciation and amortisation	3 (a)	(5,804)	(15,943)
Other expenses	3 (b)	-	(129,516)
Fair value loss on investments	3 (c)	(655,475)	-
Surplus/(Deficit) before income tax expense		<u>(535,960)</u>	<u>1,449,416</u>
Income tax expense	1 (k)	-	-
Surplus/(Deficit) for the period		<u>(535,960)</u>	<u>1,449,416</u>
Other comprehensive income, net of tax		-	-
Total comprehensive deficit for the period		<u>(535,960)</u>	<u>1,449,416</u>

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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**Statement of Financial Position
As At 30 June 2022**

	Note	Jun-22 \$	Dec-21 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,203,944	1,117,176
Trade and other receivables	5	774,154	725,032
TOTAL CURRENT ASSETS		2,978,098	1,842,208
NON-CURRENT ASSETS			
Financial assets	6	4,147,413	4,769,579
Property, plant and equipment	7	78,826	84,631
TOTAL NON-CURRENT ASSETS		4,226,239	4,854,210
TOTAL ASSETS		7,204,337	6,696,418
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	2,574,599	1,530,720
TOTAL CURRENT LIABILITIES		2,574,599	1,530,720
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		2,574,599	1,530,720
NET ASSETS		4,629,738	5,165,698
EQUITY			
Retained Earnings		4,629,738	5,165,698
Reserves		-	-
TOTAL EQUITY		4,629,738	5,165,698

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

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Statement of Changes in Equity
For the 6 Months Ended 30 June 2022

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2021	2,565,390	1,150,892	3,716,282
Surplus after income tax expense for the year	1,449,416	-	1,449,416
Revaluation of Land and Building	-	-	-
Transfer from Reserves	1,150,892	(1,150,892)	-
Balance at 31 December 2021	5,165,698	-	5,165,698
Balance at 1 January 2022	5,165,698		5,165,698
Deficit after income tax expense for the 6 month period	(535,960)		(535,960)
Revaluation of Land and Building	-		-
Transfer from Reserves	-		-
Balance at 30 June 2022	4,629,738		4,629,738

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Statement of Cash Flows
For the 6 Months Ended 30 June 2022

	Note	Jun-22 (6 months) \$	Dec-21 (12 months) \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		1,843,650	3,854,418
Payments to suppliers and employees		(876,257)	(3,208,637)
Interest received		277	7,162
Distribution received		119,098	44,878
Net cash generated by / (used in) operating activities	15(b)	<u>1,086,768</u>	<u>697,821</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	3,100,000
Payment for investments		-	(4,724,763)
Net cash generated by / (used in) investing activities		<u>-</u>	<u>(1,624,763)</u>
Cash at the beginning of the financial year		1,117,176	2,044,118
Net increase / (decrease) in cash held		1,086,768	(926,942)
Cash at the end of the financial year	15(a)	<u>2,203,944</u>	<u>1,117,176</u>

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

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report includes the financial statements and notes of Golf Queensland Limited ('the entity'). Golf Queensland Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue in accordance with a resolution of directors 24 October 2022. The directors have the power to amend and reissue the financial statements.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

For financial reporting purposes, Golf Queensland Limited is considered a "not for profit" entity.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Change in year end

To align with the Golf Australia, Golf Queensland Limited elected and applied to change year end to 30 June. The 30 June 2022 figures are for six months. 31 December 2021 comparatives are for twelve months.

a. Revenue

The entity charges Queensland affiliation fees to its affiliated clubs in March for the twelve months starting the next July to June period based on the number of members in the prior financial year. These fees are recognised as deferred revenue (note 1(i)) and recognised as revenue in the period they relate to.

Entry fees are recognised upon enrolment into the event and receipt of monies.

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

b. Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least pentennial, valuations by external independent valuers, less subsequent depreciation for buildings.

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same classes of assets are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the Statement of Comprehensive Income and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line and diminishing value basis over the asset's useful life to the entity 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:

Class of Fixed Asset	Depreciation Rate - Diminishing value
Buildings	2%
Office furniture & equipment	11.25% - 40%
Motor vehicles	30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

Asset class carrying amounts are written down immediately to their recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Entity classifies its financial assets into the following categories, those measured at:

- Amortised cost
- Fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Entity changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- The businesses model is to hold assets to collect contractual cash flows;
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

The Entity's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Entity has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Entity renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Entity measures all financial liabilities initially at fair value less transaction costs. Subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

e. Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication 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 expensed to the Statement of Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

f. Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Statement of Financial Position date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments, and bank overdrafts.

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

i. Deferred Revenue

The entity bills Queensland affiliation fees to its affiliated members in June based on the number of members in the prior financial year for the next twelve months. It is the policy of the entity to treat Queensland affiliation fees received in advance as deferred revenue in the Statement of Financial Position where the entity is contractually obliged to provide the services in a subsequent financial period. Golf Queensland acts as an agent for Golf Australia and various districts within Queensland. Other affiliation fees that are collected but not yet disbursed by Golf Queensland in this capacity are recorded as payable amounts in the Statement of Financial Position.

j. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

k. New, revised or amended Accounting Standards and Interpretations

The principal accounting policies adopted in the preparation of the financial statements are set out in the notes above. These policies have been consistently applied to all the periods presented, unless otherwise stated. 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 period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

l. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report 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 entity.

Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

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**Notes to the Financial Statements
For the 6 Months Ended 30 June 2022**

	Jun-22 (6 months) \$	Dec-21 (12 months) \$
NOTE 2: REVENUE		
a) Revenue from operating activities		
Affiliation Fees - QLD	1,068,298	2,019,004
District Fees	-	-
Golf Link & Golf Australia Affiliation Fees	-	-
Interest	277	7,162
Other	14,095	19,829
Total revenue from operating activities	1,082,670	2,045,995
b) Revenue from investing activities		
Distribution Income - Vanguard Investment	119,098	44,878
Unrealised gain on fair value - Vanguard Investment	-	35,193
Total revenue from investing activities	119,098	80,071
c) Other revenue		
Gain on sale of land and buildings	-	1,568,200
Total other revenue	-	1,568,200
NOTE 3: EXPENSES		
a) Depreciation and Amortisation		
- Motor vehicles	3,171	10,655
- Furniture & equipment	2,633	5,288
Total depreciation expense	5,804	15,943
b) Other Expenses		
- Bad debts	-	41,592
- Utilities	-	33
- Legal Fees	-	17,891
- Commissions	-	60,000
- Grants and Donations	-	10,000
Total other expenses	-	129,516
c) Loss on Investments		
- Unrealised loss on fair value - Vanguard investment	655,475	-

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**Notes to the Financial Statements
For the 6 Months Ended 30 June 2022**

	Jun-22	Dec-21
	(6 months)	(12 months)
	\$	\$
<i>Auditor remuneration</i>		
BDO Brisbane for audit of financial report	9,000	14,000

Audit fees are paid by Golf Australia Limited on behalf of Golf Queensland Limited. As such, the expense is incurred by Golf Australia Limited and not recorded by Golf Queensland Limited. This treatment is in line with other state's golf affiliates administrated by Golf Australia Limited.

	Jun-22	Dec-21
	\$	\$
NOTE 4: CASH AND CASH EQUIVALENTS		
CURRENT		
Cash at bank	2,203,744	1,116,976
Cash on hand	200	200
	2,203,944	1,117,176

NOTE 5: TRADE AND OTHER RECEIVABLES

CURRENT		
Trade receivables	696,999	160,490
Prepayments	-	564,542
Accrued revenue	77,155	-
	774,154	725,032

NOTE 6: FINANCIAL ASSETS

NON CURRENT		
Unlisted investments - fair value		
Vanguard Growth Index Fund	4,147,413	4,769,579
	4,147,413	4,769,579

These investments are recorded in the accounts as “at fair value through profit and loss”, with revaluation increments/decrements recorded in profit/(loss) and the carrying value recognised at market value at reporting date.

GQ Investment Fund

Golf Queensland Limited has benefited financially from two significant asset sales - the Golf Queensland Training Centre at Brookwater in 2016 and the Golf Queensland Head Office at Bowen Hills in 2021.

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

The GQ Investment Fund was created so the entity can preserve the proceeds from these asset sales to provide:

- a long-term stream of investment earnings which can be used to fund strategic initiatives for the benefit of golf in Queensland;
- a reserve to be drawn upon to absorb a large, unexpected financial shock (e.g. a significant reduction in affiliation fees); or
- a reserve to be drawn upon if the service agreement with Golf Australia Limited is terminated and Golf Queensland Limited is required to re-establish its operations.

Golf Queensland Limited is a small, not-for-profit entity and investment management is not core business. For this reason, a passive approach (as opposed to an active approach) has been adopted. The benefits of this approach are low fees, transparency, portfolio diversification and the lack of active risk.

An annual distribution equal to 4.5% of the closing market value at 31 December will be made available from the GQ Investment Fund each year. The Board of Golf Queensland Limited will determine how these monies should be spent for the forthcoming financial year.

	Jun-22	Dec-21
	\$	\$
NOTE 7: PROPERTY, PLANT AND EQUIPMENT		
OFFICE EQUIPMENT & FURNITURE		
Office equipment and furniture - at cost	269,364	269,364
Less accumulated depreciation	(227,760)	(225,126)
	41,604	44,238
Trophies owned	18,257	18,257
Total office equipment and furniture	59,861	62,495
MOTOR VEHICLES		
Motor Vehicles - at cost	149,912	149,912
Less accumulated depreciation	(130,947)	(127,776)
Total motor vehicles	18,965	22,136
Total property, plant and equipment	78,826	84,631

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**Notes to the Financial Statements
For the 6 Months Ended 30 June 2022**

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land and Buildings	Motor Vehicles	Office Equipment and Furniture	Total
	\$	\$	\$	\$
2021				
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 prior financial year:				
Balance at the beginning of the period	1,531,800	35,518	68,783	1,636,101
Additions at cost	-	-	-	-
Disposals	(1,531,800)	(2,727)	-	(1,534,527)
Depreciation expense	-	(10,655)	(6,288)	(16,943)
Carrying amount at end of period	-	22,136	62,495	84,631

2022

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 6 month period:

Balance at the beginning of the period	-	22,136	62,495	84,631
Additions at cost	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	-	(3,171)	(2,634)	(5,805)
Carrying amount at end of period	-	18,965	59,861	78,826

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

	Jun-22	Dec-21
	\$	\$
NOTE 8: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	1,217,875	380,052
Credit notes	-	-
Other current payables	2,127	45,909
GST Payable	137,413	36,461
Deferred income	1,217,184	1,068,298
Total trade and other payables	<u>2,574,599</u>	<u>1,530,720</u>

NOTE 9: RESERVES

Asset Revaluation Reserve

This reserve records the revaluation of land and buildings.

NOTE 10: CAPITAL AND LEASING COMMITMENTS

No lease commitments exist as at 30 June 2022.

NOTE 11: CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities.

NOTE 12: EVENTS AFTER THE BALANCE DATE

After Balance Date Events

At the date of this report there are no matters or circumstances that have arisen since 30 June 2022 that have significantly affected, or may significantly affect the entity's operations in future financial years, the entity's results in the future period, or the entity's state of affairs during future financial years.

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION

No staff were employed during the period ended 30 June 2022.

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**Notes to the Financial Statements
For the 6 Months Ended 30 June 2022**

NOTE 14: RELATED PARTY TRANSACTIONS

The names of the directors who have held office during the 6 month period are

- Matthew Joseph Toomey
- Judith Ann Logan
- David Colin Brett
- Patrick Joseph Twomey
- Michele Dale Stanley
- Peter Ward Reeves
- Catherine Ann Connellan
- Brooke Anne O’Keeffe

The directors are not remunerated for their services provided to the entity, other than normal reimbursement type costs for travel etc.

	Jun-22	Dec-21
	\$	\$
NOTE 15: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank	2,203,744	1,116,976
Other cash	200	200
	2,203,944	1,117,176
b. Reconciliation of Cashflow from Operations with Profit after Income Tax		
Profit/(Loss) after income tax	(535,960)	1,449,416
Non cash flows		
Depreciation	5,804	15,943
Loss/(Gain) on disposal of fixed assets	-	(1,568,200)
Unrealised Loss/ (Gain) on investment	655,475	(35,193)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(49,124)	1,573,727
Increase/(decrease) in trade and other payables	837,824	386,228
Increase/(decrease) in deferred revenue	148,886	(1,142,972)
Increase/(decrease) in other creditors and accruals	23,863	(5,693)
Cash flows provided by operating activities	1,086,768	697,821

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Notes to the Financial Statements For the 6 Months Ended 30 June 2022

NOTE 16: FINANCIAL RISK MANAGEMENT

The entity's financial instruments consist mainly of deposits with banks, investment portfolio, accounts receivable and payable.

The entity does not have any derivative instruments at 30 June 2022.

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

Financial Assets		Jun-22	Dec-21
Cash and cash equivalents	4	2,203,944	1,117,176
Trade and Other Receivables	5	774,114	725,032
Investments	6	4,147,413	4,769,579
Total Financial Assets		7,125,471	6,611,787
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	8	2,574,599	1,530,720
Total Financial Liabilities		2,574,599	1,530,720

Golf Queensland Limited ACN 126 091 450

Notes to the Financial Statements For the 6 Months Ended 30 June 2022

Financial Risk Policies, Exposure and Management

The entity's activities expose it to a variety of financial risks. An assessment of these risks is as follows:

a. Interest rate risk

Interest rate risk is where fluctuations in interest rates impact an entity's revenues and expenses.

Interest revenue generated from cash is subject to movements in interest rates. However, this risk is not significant as the entity is not reliant on interest revenue to support its operations. For the 6-month period to 30 June 2022, interest revenue accounted for less than 0.1% of total revenue.

The entity has no debt and therefore no interest expense.

b. Equity risk

Equity risk is the variance between the expected returns and actual returns of an investment.

As detailed in Note 6, the entity has placed the proceeds from two significant asset sales into a passive index fund, the Vanguard Growth Index Fund, which offers broad diversification across multiple asset classes.

The value of the investment will fluctuate from year-to-year but the focus of Golf Queensland is on long-term returns. The target is to generate an average return of 4.5 per cent plus CPI per annum (net of all fund manager fees) over rolling 10-year periods.

c. Credit risk

Credit risk is the possibility of a financial loss resulting from the potential non-performance by counterparties of contract obligations.

Cash is held in an Australian bank account with a Moody's credit rating of Aa3.

Trade receivables relate to annual affiliation fees yet to be paid by some of the 200 affiliated golf clubs to Golf Queensland. No provision for impairment has been recognised at 30 June 2022 as these debts are considered to be of high quality. The non-payment of affiliation fees can result in a suspension of services to those golf clubs.

	Jun-22	Dec-21
	\$	\$
Cash and cash equivalents		
- Cash at Bank	2,203,944	1,117,176
4	<u>2,203,944</u>	<u>1,117,176</u>

Golf Queensland Limited ACN 126 091 450

**Notes to the Financial Statements
For the 6 Months Ended 30 June 2022**

NOTE 16: FINANCIAL RISK MANAGEMENT (continued)

d. Liquidity risk

Liquidity risk is the possibility the entity might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities.

The entity has a current ratio of 1.16 at 30 June 2022 and maintains a sufficient cash balance to meet all reasonably anticipated operating cash flow requirements.

If required, the investment in the Vanguard Growth Index Fund can be redeemed with settlement taking two business days.

Financial liability and financial asset maturity analysis

	Within 1 Year		Total	
	Jun-22	Dec-21	Jun-22	Dec-21
	\$	\$	\$	\$
Financial liabilities due for payment				
Trade and other payables (excluding estimated annual leave and deferred income)	1,357,415	462,422	1,357,415	462,422
Total expected outflows	<u>1,357,415</u>	<u>462,422</u>	<u>1,357,415</u>	<u>462,422</u>
Financial Assets – cash flows realisable				
Cash and cash equivalents	2,203,944	1,117,176	2,203,944	1,117,176
Trade and other receivables	774,114	725,032	774,114	725,032
Investments	4,147,412	4,769,579	4,147,412	4,769,579
Total anticipated inflows	<u>7,125,470</u>	<u>6,611,787</u>	<u>7,125,470</u>	<u>6,611,787</u>
Net (outflow)/inflow on financial instruments	<u>5,768,055</u>	<u>6,149,365</u>	<u>5,768,055</u>	<u>6,149,365</u>

NOTE 17: ENTITY DETAILS

The registered office and principal place of business of the entity is:

Golf Queensland Limited
Level 1,87 Schneider Road,
EAGLE FARM, QLD 4009

NOTE 18: MEMBERS' GUARANTEE

The parent is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstandings and obligations of the entity. At 30 June 2022 the number of members was 18.

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Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 25 are in accordance with the *Corporations Act 2001*
 - a. comply with Accounting Standards and the *Corporations Regulations 2001*; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the 6 month period ended on that date of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the entity 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.



Matthew Toomey (Director)

Dated this 24 day of October 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Golf Queensland Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Golf Queensland Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the 6 months then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Golf Queensland Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the period ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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 directors are responsible for assessing the Company'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 directors either intend 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


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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO


D P Wright

Director

Brisbane, 24 October 2022