Golf Queensland Limited

ANNUAL REPORT

Year Ended 31 December 2019

Golf Queensland Limited
A.C.N. 126 091 450
A.B.N. 54 126 091 450
14 Walden Lane
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HERSTON QLD 4029
www.golfqueensland.org.au

CHAIR'S REPORT

In this, our first full year under the One Golf model, the Golf Queensland Board is pleased with the outcomes for Golf in Queensland and are working closely with the Board and Staff of Golf Australia to ensure this continues in the future.

Working to the Golf Australia Strategic Plan has ensured the alignment of program delivery from National to State Level. This has been felt by the golfer across many of the programs in place from Juniors to Seniors. Further, in November, the Golf Queensland Board provided input on the Golf Australia strategic plan with all other member states.

Seven State of Play Forums were held across Queensland in the first half of the year, focusing on the new national strategy for women's and girls' golf - Vision 2025, the forum also provided a brief on the Queensland Golf Facilities Plan. Both programs continued to evolve over the year and will provide great opportunities for the game to grow in many aspects in the years to come.

Our junior My Golf program continued to grow reaching over 20,000 participants in the 2018/19 year. Through the leadership of the Queensland Development Staff, Queensland Golf Clubs and facilities attributed to an impressive 10,000 of these junior My Golfers coming from Queensland.

In addition to another successful staging of State Championship events, the inaugural Outback Queensland Masters (OQM) was staged through June and July. With our partners Tourism and Events Queensland and the Queensland Government Year of the outback tourism events program, the OQM provided significant exposure for Golf and our Outback Queensland Golf Clubs. All participants provided glowing feedback on the format which leaves it in a great position moving ahead.

The transition to the One Golf Model has not come without its challenges. Golf Australia reported a significant loss in the first year of trading, although part of this loss is understandable under a new system the Golf Queensland Board will monitor this area closely moving ahead.

The collection of affiliation fees by staff for the first time in Queensland did not go as planned. Unfortunately, the inaugural affiliation fee collection process was affected by the One Golf transition and ultimately extended past the planned collection dates, however all fees were collected in 2019 and distributed accordingly. The first year of collections did provide a lot of learnings which have been used to prepare a more robust plan in 2020.

I sincerely thank my fellow Board Directors for their support and guidance over the past 12 months. As volunteers they commit significant amounts of personal time to travel and meet in Brisbane and attend function across the State. I would also like to thank the many other volunteers involved in our operations who have provided a significant amount of time to Golf in Queensland over this past period.

Finally, I thank the input and time provided by all our Queensland Districts both on and off the golf course. I encourage Districts to continue to raise any matter either directly to myself, with other Golf Queensland Board members or relevant Golf Australia staff to ensure that golf's success in Queensland continues.

David Brett

Chair

Golf Queensland Limited

ACN: 126 091 450

Financial Report

For the Year Ended 31 December 2019

Golf Queensland Limited ACN 126 091 450

Contents

Golf Queensland Limited ACN 126 091 450

Directors' Report

Your directors present their report on the company for the financial year ended 31 December 2019.

Directors

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

- Matthew Joseph Toomey
- Carmel Joan O'Keeffe
- Judith Ann Logan
- David Colin Brett
- David James Alexander Bell
- Patrick Joseph Twomey
- Andrew Gerard Slack – resigned 21 January 2019
- Michele Dale Stanley
- Peter Ward Reeves – appointed 12 February 2020

Secretary

- Matthew Thomas Sedgman

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

Objective

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

Strategy

The strategies employed to achieve those objectives utilise the following drivers:

- we will strive to attract, introduce and keep people in the game;
- we will provide opportunities for talented Queensland golfers to excel;
- we will optimise our operations through diligent and best practice management while assisting clubs and districts to do the same; and
- to achieve sustained organisational performance we will actively grow and develop our resources inclusive of finances, facilities, partnerships and other infrastructure.

Principal Activities

The principal activities during the year were the provision of Participation and Development programs, Tournaments, High Performance programs, and Technical programs. These activities were developed in line with our key drivers as supporting strategies within the business plan. The success of these activities in achieving their desired outcome is assessed against Key Performance Indicators linked to the business plan's supporting strategies.

Review of Operations

On 4 April 2018 the subsidiary company, Joint Venture Golf Holdings Pty Ltd, was wound up. From this date forward, the financial statements reflect Golf Queensland Limited as a standalone company.

On 6 September 2018, Golf Queensland Limited entered into a Services Agreement with Golf Australia Limited. Golf Australia Limited will manage and administer the principal activities previously managed by Golf Queensland. The results of this are disclosed in the attached financial report.

In the 2019 financial year, there has been no further changes in the operations for Golf Queensland Limited.

Operating Results

The loss for the year of the entity amounted to $53,976 (2018 Profit: $75,888).

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

David Colin Brett	Elected Director (Chair)
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.
David James Alexander Bell	Elected Director
Qualifications	Bachelor of Laws / Bachelor of Business (Accountancy) - Queensland University of Technology
	Master of Sport Management – Griffith University
Experience	Management and sub-committee experience with Golf Queensland, Virginia Golf Club, University of Queensland Tennis Club Inc. and Queensland Athletics Ltd.
	Admitted as a solicitor to the Supreme Court of Queensland and the High Court of Australia
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.
Carmel Joan O'Keeffe	Elected Director
Experience	Management experience with Golf Queensland, Delegate to Women's Golf Central Qld, Secretary Golf Central Highlands through amalgamation, executive committee Springsure Golf Club for the last 25 years, CQ Meg Nunn Team for the last 7 years.

Matthew Joseph Toomey	Elected Director
Qualifications	Graduate Diploma of Chartered Accounting - Institute of Chartered Accountants in Australia
	Bachelor of Commerce – University of Queensland
Experience	Management and sub-committee experience with Golf Queensland and Virginia Golf Club. Graduate Member of Australian Institute of Company Directors.
Patrick Joseph Twomey	Appointed Director
Qualifications	Graduate Diploma of Superannuation – Australian Superannuation Funds Association
	Graduate Diploma of Financial Planning – Australian Superannuation Funds Association
	Masters of Business Administration - University of Queensland
Experience	General Manager, Growth and Development - Sunsuper
	Member of Royal Queensland Golf Club
	Associate of Australian Superannuation Funds Association
Andrew Gerard Slack	Appointed Director (Resigned 21 January 2019)
Qualifications	Diploma of Education
Experience	Sports Editor Channel Nine News Brisbane
	Wallabies Captain and National Selector (Australian Rugby Union)
	Queensland Reds Coach
	Member of The Brisbane Golf Club
	Vice President of the Queensland Rugby Union
Michele Dale Stanley	Director
Experience	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.
Peter Ward Reeves	Appointed Director (Appointed 12 February 2020)
Qualifications	Certified Practising Accountant
	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

Meetings of Directors

During the financial year ended 31 December 2019, 3 meetings of directors were held. Attendances by each director were as follows:

	Directors Meetings	
	No eligible to attend	**Number attended**
David James Alexander Bell	3	2
Judith Ann Logan	3	2
Carmel Joan O'Keeffe	3	3
Matthew Joseph Toomey	3	3
David Colin Brett	3	3
Patrick Joseph Twomey	3	3
Andrew Gerard Slack	0	0
Michele Dale Stanley	3	3

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, 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 year.

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

Subsequent to the year end of the financial year, Australia has been impacted by the worldwide pandemic, Novel Coronavirus 2019 (COVID-19). The World Health Organisation (WHO) announced a global health emergence on 31 January 2020 and it was subsequently classified as a pandemic on 11 March 2020.

The full impact of the COVID-19 outbreak continues to evolve at the date of this report. The Company is therefore uncertain and unable to estimate the full impact that the pandemic will have on its financial condition, and future results of operations during 2020.

Management is actively monitoring the global situation and its impact on the Company's financial condition, operations, and workforce. To date, the Company has been able to collect golf fees as expected with future collections being dependent on the various clubs' financial position.

Although the Company cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the Company's results of future operations in fiscal year 2020. However, as part of management's analysis and the Company's cash position, the Company is confident they will continue as a going concern for at least twelve months from signing of the accounts.

Other than the foregoing, no other matters or circumstances has arisen since 31 December 2019 that has 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.

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 outstandings and obligations of the entity. At 31 December 2019 the number of members was 18.

Auditor's Independence Declaration

The lead auditor's independence declaration for the financial year ended 31 December 2019 has been received and can be found on page 7 of the directors' report.

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

Director

David Brett

Dated this 4 day of May 2020

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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 year ended 31 December 2019, 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.

D P Wright
Director

BDO Audit Pty Ltd

Brisbane, 04 May 2020

Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31 December 2019

	Note	2019	2018
		$	$
Revenue	2	3,412,277	3,736,732
Employee benefits expense	3	(64,755)	(860,188)
Affiliation fees		(1,192,215)	(1,071,154)
One Golf services fee - QLD		(1,856,115)	-
Service fee to Golf Australia		-	(573,041)
District affiliation fees		(270,707)	-
Project and program expenses	3	(5,523)	(934,787)
Administration		(5,421)	(130,779)
Depreciation and amortisation	3	(71,337)	(90,895)
Surplus (Loss)		(53,796)	75,888
Income tax expense	1 (k)	-	-
Surplus (Loss)		(53,796)	75,888
Other comprehensive income			
Items that will not be reclassified subsequently to Profit or Loss			
Gain on revaluation of land and buildings, net of tax		-	-
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year		(53,796)	75,888

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

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Statement of Financial Position
for the Year Ended 31 December 2019

	Note	2019	2018
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,203,819	3,576,528
Trade and other receivables	5	1,808,767	934,211
TOTAL CURRENT ASSETS		4,012,586	4,510,739
NON-CURRENT ASSETS			
Financial assets	6	1	1
Property, plant and equipment	7	1,691,017	1,772,260
TOTAL NON-CURRENT ASSETS		1,691,018	1,772,261
TOTAL ASSETS		5,703,604	6,283,000
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	1,958,001	2,483,601
TOTAL CURRENT LIABILITIES		1,958,001	2,483,601
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		1,958,001	2,483,601
NET ASSETS		3,745,603	3,799, 399
EQUITY			
Retained Earnings		2,594,711	2,648,507
Reserves		1,150,892	1,150,892
TOTAL EQUITY		3,745,603	3,799,399

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 Year Ended 31 December 2019

	Retained Earnings	Asset Revaluation Reserve	Total
	$	$	$
Balance at 1 January 2018	2,572,619	1,150,892	3,723,511
Surplus after income tax expense for the year	75,888	-	75,888
Revaluation of Land and Building	-	-	-
Transfer from Reserves	-	-	-
Balance at 31 December 2018	2,648,507	1,150,892	3,799,399
Balance at 1 January 2019	2,648,507	1,150,892	3,799,399
Surplus after income tax expense for the year	(53,796)	-	(53,796)
Revaluation of Land and Building	-	-	-
Transfer from Reserves	-	-	-
Balance at 31 December 2019	2,594,711	1,150,892	3,745,603

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 Year Ended 31 December 2019

	Note	2019	2018
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		2,644,973	3,751,975
Payments to suppliers and employees		(4,071,875)	(3,277,239)
Interest received		41,556	63,469
Net cash generated by / (used in) operating activities	15(b)	(1,385,345)	538,205
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		12,636	39,202
Payment for property, plant and equipment		-	(15,554)
Net cash generated by / (used in) investing activities		12,636	23,648
Cash at the beginning of the financial year		3,576,528	3,014,675
Net increase / (decrease) in cash held		(1,372,709)	561,853
Cash at the end of the financial year	15(a)	2,203,819	3,576,528

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

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.

On 4 April 2018 the subsidiary company, Joint Venture Golf Holdings Pty Ltd, was wound up. From this date forward, the financial statements reflect Golf Queensland Limited as a standalone company.

The financial statements were authorised for issue in accordance with a resolution of directors on 4 May 2020. 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.

a. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Non-reciprocal grant revenue is recognised in the Statement of Comprehensive Income when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the Statement of Financial Position as a liability until such conditions are met or services provided.

The entity charges capitation 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. Only fees applicable to the financial period July – December are recognised as income, with January to June fees recognised as deferred revenue (note 1(i)).

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. Inventories

Inventories are measured at cost, adjusted when applicable for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

c. 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 triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. 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.

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.

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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Deferred Revenue

The entity bills 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 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.

j. Contributions

Golf Queensland receives non-reciprocal contributions from the government and other parties for no or a nominal value. These contributions are recognised at the fair value on the date of acquisition upon which time an asset is taken up in the Statement of Financial Position and revenue in the Statement of Comprehensive Income.

k. 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*.

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.

m. New and Amended Standards Adopted

AASB 9 Financial Instruments was adopted from 1 January 2018 which resulted in changes in accounting policies and the Entity had to make retrospective adjustments as a result of adopting the new standard.

The impact of this standard and the new accounting policies are disclosed in the following note. The other standards did not have any impact on the Entity's accounting policies and did not require retrospective adjustments.

AASB 9 replaces the provisions of AASB 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The new accounting policies are set out in the note below. In accordance with the transitional provisions in AASB 9 (7.2.15) and (7.2.26), comparative figures have not been restated.

Classification and Measurement

On 1 January 2018 (the date of initial application of AASB 9), the Entity's management have assessed which business models to apply to the financial assets held by the Entity and have classified its financial instruments into the appropriate AASB 9 categories. There was no change to the classification of these assets or to the measurement of these assets.

Impairment of financial assets

The Entity has one type of financial asset that is subject to AASB 9's new expected credit loss model, being trade and other receivables.

The Entity was required to revise its impairment methodology under AASB 9. There was no material impact of the change in impairment methodology on the Entity's retained earnings and equity.

While cash and cash equivalents are also subject to the impairment requirements of AASB 9, there was no material impairment loss identified.

AASB 9 Financial Instruments – accounting policies applied from 1 January 2018

- *Investments and other financial assets*

Classification

From 1 January 2018, the Entity classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI, or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this well depend on whether the entity has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Entity reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the entity measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transition costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt Instruments

Subsequent measurement of debt instruments depends on the Entity's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the entity classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective

interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the statement of profit or loss.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Impairment

From 1 January 2018, the Entity assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Entity applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impact of adoption

AASB 9 was adopted without restating comparative information. There was no impact on any new standards adopted to the Balance Sheet.

AASB 15 Revenue

AASB 15 Revenue from Contracts with Customers encourages entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of the goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under AASB 118 Revenue. The Standard is effective 1 January 2019, and there was no material impact on this new standard adopted.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

AASB 16 Leases

This Standard requires all leases, aside from those less than 12 months from commencement date and 'low value items', to be capitalised in the financial statements by recognising a 'right-of-use' asset and a lease liability for the present value of the obligation. Therefore, there will no longer be a straight-line 'rental' expense in profit or loss (with the two exceptions noted above). All leases will incur a frontend loaded expense, comprising of depreciation on the right-of-use asset and interest on the lease liability. When initially measuring the right-of-use asset and lease liability, non-cancellable lease payments, as well as payments on option periods with the entity is reasonably certain to exercise, must be included in the present value calculation. There will be no changes to accounting for leases as a lessor, and no changes to accounting for the two exceptions noted above. The Standard is effective 1 January 2019, and there was no material impact on this new standard adopted.

AASB 1058 Income for Not-for-Profit Entities

AASB 1058 Income of Not-for-Profit Entities establishes principles and guidance when accounting for:

i. Transactions where the consideration to acquire an asset is significantly less than the fair value, principally to enable a NFP to further its objectives, and

ii. The receipt of volunteer services.

AASB 1058 supersedes all current income recognition requirements for private sector not-for-profit entities (NFPs), and most of the requirements for public sector NFPs currently contained in AASB 1004 Contributions. The Standard is effective 1 January 2019, and there was no material impact on this new standard adopted.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Notes to the Financial Statements
for the Year Ended 31 December 2019

	2019	2018
	$	$
NOTE 2: REVENUE		
Operating Activities		
Affiliation Fees - QLD	3,359,611	2,866,391
Grants	-	312,875
Entry Fees	118	333,601
Interest	41,556	63,470
Sponsorship	-	125,609
Donations	-	11,708
Other	10,992	23,078
Total Revenue	3,412,277	3,736,732
NOTE 3: EXPENSES		
Project and program expenses		
- Employment expenses	5,191	36,410
- Member support services	-	253,768
- Accommodation & travel	818	259,720
- Communications	(486)	16,578
- Advertising & promotion	-	66,890
- Contractor fees	-	276,993
- Grants	-	24,428
Total project and program expenses	5,523	934,787
Depreciation and amortisation		
– Buildings	33,300	33,300
– Motor vehicles	29,229	38,516
– Furniture & equipment	8,808	19,079
Total Depreciation expense	71,337	90,895
Total employee benefits expense	64,755	860,188
– Superannuation expense included above	-	71,429
Auditor remuneration		
– for audit of financial report	12,000	13,500

	2019	2018
	$	$
NOTE 4: CASH AND CASH EQUIVALENTS		
CURRENT		
Cash at bank	2,203,619	3,576,328
Cash on hand	200	200
	2,203,819	3,576,528

	2019	2018
NOTE 5: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	207,583	639,107
Provision for impairment of receivables **1(m)**	-	-
	207,583	639,107
Prepayments	1,600,384	294,304
Sundry debtors	800	800
	1,808,767	934,211

	2019	2018
NOTE 6: FINANCIAL ASSETS		
NON CURRENT		
Investment in Club Plus Pty Ltd	1	1
	1	1

	Notes	2019 $	2018 $
NOTE 7: PROPERTY, PLANT AND EQUIPMENT			
LAND AND BUILDINGS			
Buildings at valuation		1,665,000	1,665,000
Less accumulated depreciation		(99,900)	(66,600)
Total land and buildings		1,565,100	1,598,400
OFFICE EQUIPMENT & FURNITURE			
Office equipment and furniture - at cost		269,364	269,364
Less accumulated depreciation		(212,444)	(203,636)
		56,920	65,728
Trophies owned		18,257	18,257
Total office equipment and furniture		75,177	83,985
MOTOR VEHICLES			
Motor Vehicles - at cost		152,639	189,216
Less accumulated depreciation		(101,899)	(99,341)
Total motor vehicles		50,740	89,875
Total property, plant and equipment		1,691,017	1,772,260

Valuation of Land and Buildings:

The valuation of Land and Buildings was at director valuation based independent valuations by John Martin Valuations on 31 December 2016. The valuation assumes that the property is free of encumbrances, restrictions or other impairments of an onerous nature, the property is free of mortgages, charges and other financials liens, there is no surface to sub-surface soil problems, the existing improvements are Council approved/certified.

The fair value of the land and building market value as at the date of the inspection for financial reporting purposes.

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land and Buildings	Motor Vehicles	Office Equipment and Furniture	Total
	$	$	$	$

2018

Movements in Carrying Amounts

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

	Land and Buildings	Motor Vehicles	Office Equipment and Furniture	Total
Balance at the beginning of the period	1,631,700	128,391	127,673	1,887,764
Additions at cost	-	-	15,554	15,554
Disposals	-	-	(40,163)	(40,163)
Depreciation expense	(33,300)	(38,516)	(19,079)	(90,895)
Carrying amount at end of period	1,598,400	89,875	83,985	1,772,260

2019

Movements in Carrying Amounts

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

	Land and Buildings	Motor Vehicles	Office Equipment and Furniture	Total
Balance at the beginning of the period	1,598,400	89,875	83,985	1,772,260
Additions at cost	-	-	-	-
Disposals	-	(9,906)	-	(9,906)
Depreciation expense	(33,300)	(29,229)	(8,807)	(71,337)
Carrying amount at end of period	1,565,100	50,740	75,177	1,691,017

	2019	2018
	$	$
NOTE 8: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	320,135	-
Other current payables	37,539	1,020,803
Deferred income	1,600,327	1,462,798
Total Trade and other Payables	1,958,001	2,483,601

NOTE 9: RESERVES

Asset Revaluation Reserve

This reserve records the revaluation of land and buildings.

	2019	2018
	$	$
NOTE 10: CAPITAL AND LEASING COMMITMENTS		
a. **Operating Lease Commitments**		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable — minimum lease payments		
- not later than 12 months	-	2,837
- later than 12 months but not later than 5 years	-	-
	-	2,837

No operating leases as at 31 December 2019.

NOTE 11: CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities.

NOTE 12: EVENTS AFTER THE BALANCE DATE

After Balance Date Events

Subsequent to the year end of the financial year, Australia has been impacted by the worldwide pandemic, Novel Coronavirus 2019 (COVID-19). The World Health Organisation (WHO) announced a global health emergence on 31 January 2020 and it was subsequently classified as a pandemic on 11 March 2020.

The full impact of the COVID-19 outbreak continues to evolve at the date of this report. The Company is therefore uncertain and unable to estimate the full impact that the pandemic will have on its financial condition, and future results of operations during 2020.

Management is actively monitoring the global situation and its impact on the Company's financial condition, operations, and workforce. To date, the Company has been able to collect golf fees as expected with future collections being dependent on the various clubs' financial position.

Although the Company cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have an adverse effect on the Company's results of future operations in fiscal year 2020. However, as part of management's analysis and the Company's cash position, the Company is confident they will continue as a going concern for at least twelve months from signing of the accounts.

Other than the foregoing, no other matters or circumstances has arisen since 31 December 2019 that has 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

	Short Term Benefits	Post-employment Benefits	Total
	$	$	$
2019			
Total compensation	-	-	-
2018			
Total compensation	101,516	9,469	110,985

NOTE 14: RELATED PARTY TRANSACTIONS

The names of the directors who have held office during the year are

- Matthew Joseph Toomey
- Carmel Joan O'Keeffe
- Judith Ann Logan
- David Colin Brett
- David James Alexander Bell
- Patrick Joseph Twomey
- Andrew Gerard Slack - resigned 21 January 2019
- Michele Dale Stanley

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

	2019	2018
	$	$

NOTE 15: CASH FLOW INFORMATION

	2019	2018
a. Reconciliation of Cash		
Cash at bank	2,203,619	3,576,328
Other cash	200	200
	2,203,819	3,576,528
b. Reconciliation of Cashflow from Operations with Profit after Income Tax		
(Profit)/Loss after income tax	(53,796)	75,888
Non cash flows		
Depreciation and amortisation	71,337	90,895
Loss/(Gain) on disposal of fixed assets	(2,730)	960
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(874,556)	43,925
(Increase)/decrease in inventory	-	5,557
Increase/(decrease) in trade and other payables	321,433	(1,750)
Increase/(decrease) in deferred revenue	137,529	19,820
Increase/(decrease) in other creditors and accruals	(984,562)	574,937
Increase/(decrease) in employee entitlements	-	(272,027)
Cash flows provided by operating activities	(1,385,345)	538,205

NOTE 16: FINANCIAL RISK MANAGEMENT

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

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		2019	2018
Cash and cash equivalents	4	2,203,819	3,576,528
Trade and Other Receivables	5	1,808,767	934,211
Total Financial Assets		4,012,586	4,510,739
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	8	1,958,001	2,483,601
Total Financial Liabilities		1,958,001	2,483,601

Financial Risk Management Policies

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

The entity does not have any derivative instruments at 31 December 2019.

i. Treasury Risk Management

The Directors have overall responsibility for the determination of the Entity's risk management objectives. The Entity's risk management policies and objectives are designed to minimise the potential impacts of financial instruments risks on the results of the Entity where such impacts may be material.

ii. Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities.

Liquidity risk

The entity manages liquidity risk by regularly monitoring the management accounts.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

Specific Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

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 entity.

The entity does not have any material credit risk exposure as its major source of revenue is the receipt of affiliation fees.

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.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

The entity has no significant concentration of credit risk exposure to any single counterparty or entity of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

NOTE 16: FINANCIAL RISK MANAGEMENT (continued)

	Note	2019	2018
		$	$
Cash and cash equivalents			
- AA rated		2,203,819	3,576,528
	4	2,203,819	3,576,528

b. Liquidity risk

Liquidity risk arises from the possibility that the entity might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The entity 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;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis

	Within 1 Year		Total	
	2019	2018	2019	2018
	$	$	$	$
Financial liabilities due for payment				
Trade and other payables (excluding estimated annual leave and deferred income)	37,539	1,020,803	37,539	1,020,803
Total expected outflows	37,539	1,020,803	37,539	1,020,803
Financial Assets — cash flows realisable				
Cash and cash equivalents	2,203,819	3,576,528	2,203,819	3,576,528
Trade and other receivables	1,808,767	934,211	1,808,767	934,211
Total anticipated inflows	4,012,586	4,510,739	4,012,586	4,510,739
Net (outflow)/inflow on financial instruments	3,975,047	3,490,052	3,975,047	3,490,052

c. Market Risk

i. Interest rate risk

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

The financial assets of the entity consisted of cash and cash equivalents and trade and other receivables.

ii. Sensitivity Analysis

The following table illustrates sensitivities to the entity's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit **$**	**Equity** **$**
Year ended 31 December 2019		
+/- 2% in interest rates	+/- 40,858	+/- 40,858
Year Ended 31 December 2018		
+/- 2% in interest rates	+/- 71,531	+/- 71,531

d. Net Fair Values

1. Fair value estimation

The net fair values of all financial assets and liabilities approximate their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

2. Financial instruments measured at fair value

There are no financial instruments recognised at fair value in the statement of financial position.

NOTE 17: ENTITY DETAILS

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

Golf Queensland Limited
Unit 2, 14 Wren Street
BOWEN HILLS, QLD 4006

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 31 December 2019 the number of members was 18.

Golf Queensland Limited ACN 126 091 450

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 30 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 31 December 2019 and of the performance for the year 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.

David Brett (Director)

Dated this 4 day of May 2020

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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 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial 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 31 December 2019 and of its financial performance for the year 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.

Emphasis of matter - Subsequent event

We draw attention to Note 12 of the financial report, which describes the non-adjusting subsequent event on the impact of the COVID-19 outbreak on the Company. Our opinion is not modified with respect to this matter.

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, 04 May 2020