



GolfQueensland

Golf Queensland Limited

ANNUAL REPORT

Year Ended 30 June 2023

Golf Queensland Limited
A.C.N. 126 091 450
A.B.N. 54 126 091 450
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Website www.golf.org.au
Golf Australia Reg No. A0048256Z ARBN 118 151 894 ABN 54 118 151 894



Chair's Report

It gives me great pleasure in presenting my first Chair report and it comes at a time when Golf is certainly booming in Queensland.

This has been the first full year of operations driven by the Australian Golf Strategy and I am pleased to report that the Strategy, as a key focus guiding our decision making at the Golf Queensland (GQ) Board and by the Golf Australia (GA) staff, is delivering results.

It is with this knowledge of alignment that the One Golf Services agreement was renewed with GA in early 2023 for a five-year term. The GQ Board will continue to monitor the delivery of services by GA Staff throughout this period and, as part of the renewal process, a balanced scorecard system was developed to provide structure to operational planning and act as a tool to measure the performance of services provided in the State.

I am also very pleased to report that the alignment between Golf Australia and the PGA of Australia continues to grow and was evident with the fantastic summer of golf that was presented in late 2022 and early 2023.

Pillar one of the Australian Golf Strategy is "Telling our story better" and this year we have spoken with many stakeholders about the fact that Golf is Big, Golf is getting Bigger and that Golf is Different. Various reports have been delivered over the past 12 months that confirm this statement through the growth of participation both on golf courses and on off-course facilities like mini golf courses and technology-based ranges.

It has been fantastic to see numerous Queensland Golf Clubs embrace this trend and invest in their facilities to service this emerging market of non-traditional golfers.

Throughout the year we had numerous highlights, these included:

- An increase in Queensland Club membership of 3.9%;
- An increase in Mygolf Program participants of 21% and MyGolf Centres of 3%;
- An increase of 74% in Get into Golf Participants;
- The delivery of successful State Championships including the Outback Queensland Masters, which won the Gold Award at both the Queensland and Australian Tourism Awards in the festivals and events category;
- Our Clubs and Facility Program continued to deliver expert advice across a range of areas including governance, audits, and reviews; and,
- The Brisbane Golf Club signed the R&A Women in Golf Charter, becoming the first Queensland Club to acknowledge women's contributions playing, leading or working in golf. Since this signing a number of other Queensland Clubs have also become signatories with many others working through the program.



GolfQueensland

The Golf Queensland Board was also pleased to commit in February 2023 its' first allocation of funds from the Golf Queensland Investment Fund. These funds have been directed to 1. the employment of a GA Queensland-based participation officer role (full time); 2. A donation to the Australian Golf Foundation for the Australian Junior Girls Scholarship Program and, 3. funds to provide material for external activations away from golf courses.

As a Board we welcomed Frank Higginson, who filled the casual vacancy left by David Brett when he resigned in October 2022 following his election to the Golf Australia Board.

I do wish to acknowledge the fantastic contribution David provided to Golf in Queensland through his position on the Board for over ten years, with five of these years as Chair.

I sincerely thank my fellow Directors for their support and guidance over the past 12 months.

I would like to thank the GA Staff that continue to do a great job in delivering golf services throughout Queensland.

I would like to acknowledge the support of the Queensland Government through the Active Industry Base Fund (AIBF).

I would also like to thank the many Clubs and facilities who have hosted State and National events, activities and competitions over the last 12 months, and to the many wonderful volunteers involved in our operations who have provided a significant investment of their time to golf in Queensland over this past period.

Finally, I thank the input and time provided by all our Queensland Districts. I encourage Districts to continue to raise any matter either directly to myself, with other Golf Queensland Board members or relevant Golf Australia staff.

A handwritten signature in black ink, appearing to read 'Peter Reeves', with a large, sweeping flourish extending to the right.

Peter Reeves
Chair

Golf Queensland Limited

ACN: 126 091 450

Financial Report

For the year ended 30 June 2023

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Directors' Report

During the financial period to June 2022, to align itself with Golf Australia, the company decided to change their end of financial year to 30 June. Therefore, the comparative financial period represents the 6 months ended 30 June 2022 and the current period represents 12 months ended 30 June 2023.

Your directors present their report on the company for the year ended 30 June 2023.

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
- Judith Ann Logan
- David Colin Brett (resigned 24 November 2022)
- Patrick Joseph Twomey
- Michele Dale Stanley
- Peter Ward Reeves
- Catherine Ann Connellan
- Brooke Anne O'Keeffe
- Frank Higginson (commenced 8 May 2023)

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

Secretary

- Luke Graham Bates

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 set a national strategy covering the period from 2022 to 2025.

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 2023 financial year, there has been no further changes in the operations for Golf Queensland Limited.

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Directors' Report (continued)

Operating Results

The surplus of the entity for the year amounted to \$409,163 (30 June 2022 deficit for 6-month period: \$535,960).

Information on Directors

Peter Ward Reeves	Appointed Director (Chair)
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
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
Experience	Business and Retail Credit Risk Advisor, Suncorp Bank. Previous roles include Relationship Manager/Agribusiness Manager for both Suncorp and NAB. Executive committee experience with Central Highlands Golf for 3 years as Vice President and then President. Previously Ladies Captain and Vice-Captain at Springsure Golf Club. 5-time winner of Qld Ladies Sand Greens Championship and 2-time winner of Qld Ladies Foursomes (2021 & 2022). Member of Nudgee Golf Club.

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Directors' Report (continued)

Information on Directors (continued)

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	Head of Regions and Operations Australian Retirement Trust, Member of Royal Queensland Golf Club Fellow and Committee Member of National Member Engagement Committee of Australian Superannuation Funds Association Graduate Member of the Australian Institute of Company Directors ASIC Registered Financial Advisor
Michele Dale Stanley	Elected 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.
Frank Charles Higginson	Filling Casual Vacancy
Qualifications	LLB (Bachelor of Laws) QUT 1997, Admitted to the Supreme Courts of Queensland, NSW and the High Courts of Australia and England and Wales
Experience:	Admitted as a Queensland solicitor in 1997 and practicing in property law and strata since then. Member of Royal Queensland Golf Club (Chair of the RQ Foundation and on the RQ Membership Committee), Member of Southport Golf Club and The Grand Golf Club. ARAMA Board member - the peak body for management rights in Australia.

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Directors' Report (continued)

Meetings of Directors

During the financial year, 5 meetings of directors were held. Attendances by each director were as follows:

	No eligible to attend	Directors Meetings Number attended
Judith Ann Logan	5	4
Matthew Joseph Toomey	5	5
David Colin Brett	3	3
Patrick Joseph Twomey	5	4
Michele Dale Stanley	5	5
Peter Ward Reeves	5	5
Catherine Ann Connellan	5	4
Brooke Anne O'Keefe	5	5
Frank Charles Higginson	1	1

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 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

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 2023 the number of members was 18.

Directors' Report (continued)

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 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

A handwritten signature in black ink, appearing to read 'Matthew Toomey', with a long horizontal stroke extending to the right.

Matthew Toomey

Dated this 26th day of October 2023

Golf Queensland Limited ACN 126 091 450

Auditor's Declaration of Independence



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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 period ended 30 June 2023, 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.

A handwritten signature in black ink, appearing to read 'D P Wright', written over a white background.

D P Wright
Director

BDO Audit Pty Ltd

Brisbane, 26 October 2023

Golf Queensland Limited ACN 126 091 450

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2023

	Note	30 Jun 2023	30 Jun 2022 (6 months)
		\$	\$
Revenue from operating activities	2(a)	2,210,975	1,082,670
Revenue from investing activities	2(b)	447,873	(536,377)
Golf Australia services fee		(2,204,702)	(1,068,298)
Administration		(13,129)	(8,151)
Depreciation and amortisation	3 (a)	(11,241)	(5,804)
Other expenses	3 (b)	(20,613)	-
Surplus/(deficit) before income tax expense		409,163	(535,960)
Income tax expense	1 (i)	-	-
Surplus/(deficit) for the period		409,163	(535,960)
Other comprehensive income, net of tax		-	-
Total comprehensive deficit for the period		409,163	(535,960)

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 2023

	Note	30 Jun 2023	30 Jun 2022
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,223,919	2,203,944
Trade and other receivables	5	864,618	774,154
TOTAL CURRENT ASSETS		<u>3,088,537</u>	<u>2,978,098</u>
NON-CURRENT ASSETS			
Financial assets	6	4,612,107	4,147,413
Property, plant and equipment	7	63,195	78,826
TOTAL NON-CURRENT ASSETS		<u>4,675,302</u>	<u>4,226,239</u>
TOTAL ASSETS		<u>7,763,839</u>	<u>7,204,337</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	2,724,938	2,574,599
TOTAL CURRENT LIABILITIES		<u>2,724,938</u>	<u>2,574,599</u>
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>2,724,938</u>	<u>2,574,599</u>
NET ASSETS		<u>5,038,901</u>	<u>4,629,738</u>
EQUITY			
Retained Earnings		5,038,901	4,629,738
TOTAL EQUITY		<u>5,038,901</u>	<u>4,629,738</u>

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 30 June 2023

	Retained Earnings \$	Total \$
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)
Balance at 30 June 2022	<u>4,629,738</u>	<u>4,629,738</u>
Balance at 1 July 2022		
Surplus after income tax expense for the year	<u>409,163</u>	<u>409,163</u>
Balance at 30 June 2023	<u>5,038,901</u>	<u>5,038,901</u>

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 30 June 2023

	Note	30 Jun 2023	30 Jun 2022 (6 months)
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		2,340,267	1,843,650
Payments to suppliers		(2,330,956)	(876,257)
Interest received		664	277
Distribution received		139,661	119,098
Net cash generated by operating activities	14(b)	<u>149,636</u>	<u>1,086,768</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		10,000	-
Payments for financial assets (distributions reinvested)		(139,661)	-
Net cash generated by / (used in) investing activities		<u>(129,661)</u>	<u>-</u>
Cash at the beginning of the financial year		2,203,944	1,117,176
Net increase in cash held		19,975	1,086,768
Cash at the end of the financial year	14(a)	<u>2,223,919</u>	<u>2,203,944</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 Year Ended 30 June 2023

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 26 October 2023. 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

In 2022, to align with the Golf Australia, Golf Queensland Limited elected and applied to change year end to 30 June. The 30 June 2023 figures are for twelve months. 30 June 2022 comparatives are for six 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.

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.

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Notes to the Financial Statements For the Year Ended 30 June 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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
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.

Notes to the Financial Statements
For the Year Ended 30 June 2023

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 business 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 Year Ended 30 June 2023

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. 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 Year Ended 30 June 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. 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.

h. 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.

i. 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*.

j. 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.

k. 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 Year Ended 30 June 2023

	30 Jun 2023	30 Jun 2022 (6 months)
	\$	\$
NOTE 2: REVENUE		
a) Revenue from operating activities		
Affiliation fees - QLD	2,204,701	1,068,298
Interest revenue	664	277
Gain on sale of assets	5,610	-
Other revenue	-	14,095
Total revenue from operating activities	2,210,975	1,082,670
b) Revenue from investing activities		
Distribution income - Vanguard investment	109,711	119,098
Unrealised gain/(loss) on fair value - Vanguard investment	338,162	(655,475)
Total revenue from investing activities	447,873	(536,377)
NOTE 3: EXPENSES		
a) Depreciation and Amortisation		
Motor vehicles	5,085	3,171
Furniture & equipment	6,156	2,633
Total depreciation expense	11,241	5,804
b) Other Expenses		
Bank fees	613	-
Grants to Golf Australia	20,000	-
Total other expenses	20,613	-

	30 Jun 2023	30 Jun 2022 (6 months)
	\$	\$
<i>Auditor remuneration</i>		
BDO Brisbane for audit of financial report	10,000	9,000

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.

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**Notes to the Financial Statements
For the Year Ended 30 June 2023**

	30 Jun 2023	30 Jun 2022
	\$	\$
NOTE 4: CASH AND CASH EQUIVALENTS		
CURRENT		
Cash at bank	2,223,719	2,203,744
Cash on hand	200	200
	2,223,919	2,203,944

NOTE 5: TRADE AND OTHER RECEIVABLES

CURRENT		
Trade receivables	817,413	696,999
Accrued revenue	47,205	77,155
	864,618	774,154

NOTE 6: FINANCIAL ASSETS

NON-CURRENT		
Unlisted investments - fair value		
Vanguard Growth Index Fund	4,612,107	4,147,413
	4,612,107	4,147,413

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.

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.

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Notes to the Financial Statements For the Year Ended 30 June 2023

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 30 June 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.

	30 Jun 2023	30 Jun 2022
	\$	\$
NOTE 7: PROPERTY, PLANT AND EQUIPMENT		
OFFICE EQUIPMENT & FURNITURE		
Office equipment and furniture - at cost	269,364	269,364
Less accumulated depreciation	(232,845)	(227,760)
	<u>36,519</u>	<u>41,604</u>
Trophies owned	18,257	18,257
Total office equipment and furniture	<u>54,776</u>	<u>59,861</u>
MOTOR VEHICLES		
Motor Vehicles - at cost	70,004	149,912
Less accumulated depreciation	(61,585)	(130,947)
Total motor vehicles	<u>8,419</u>	<u>18,965</u>
Total property, plant and equipment	<u>63,195</u>	<u>78,826</u>

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Notes to the Financial Statements
For the Year Ended 30 June 2023

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Motor Vehicles	Office Equipment and Furniture	Total
	\$	\$	\$
30 June 2022 (6 months)			
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	22,136	62,495	84,631
Additions at cost	-	-	-
Disposals	-	-	-
Depreciation expense	(3,171)	(2,634)	(5,805)
Carrying amount at end of period	<u>18,965</u>	<u>59,861</u>	<u>78,826</u>

2023

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 year:

Balance at the beginning of the period	18,965	59,861	78,826
Additions at cost	-	-	-
Disposals	(4,390)	-	(4,390)
Depreciation expense	(6,156)	(5,085)	(11,241)
Carrying amount at end of period	<u>8,419</u>	<u>54,776</u>	<u>63,195</u>

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Notes to the Financial Statements For the Year Ended 30 June 2023

	30 Jun 2023	30 Jun 2022
	\$	\$
NOTE 8: TRADE AND OTHER PAYABLES		
CURRENT		
Trade payables	1,446,009	1,217,875
Other current payables	3,171	2,127
GST payable	105,948	137,413
Deferred income	1,169,811	1,217,184
Total trade and other payables	<u>2,724,938</u>	<u>2,574,599</u>

NOTE 9: CAPITAL AND LEASING COMMITMENTS

No lease commitments exist as at 30 June 2023.

NOTE 10: CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities.

NOTE 11: 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 2023 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 12: KEY MANAGEMENT PERSONNEL COMPENSATION

No staff were employed during the period ended 30 June 2023.

NOTE 13: RELATED PARTY TRANSACTIONS

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

- Matthew Joseph Toomey
- Judith Ann Logan
- David Colin Brett (resigned 24 November 2022)
- Patrick Joseph Twomey
- Michele Dale Stanley
- Peter Ward Reeves
- Catherine Ann Connellan
- Brooke Anne O'Keefe
- Frank Charles Higginson (commenced 8 May 2023)

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

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**Notes to the Financial Statements
For the Year Ended 30 June 2023**

	30 Jun 2023	30 Jun 2022
	\$	\$
NOTE 14: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at bank	2,223,719	2,203,744
Other cash	200	200
	2,223,919	2,203,944
b. Reconciliation of Cashflow from Operations with Profit after Income Tax		
Profit/(Loss) after income tax	409,163	(535,960)
Non-cash flows		
Depreciation	11,241	5,804
Gain on sale of assets	(5,610)	-
Unrealised Loss/(gain) on investment net of fees	(325,032)	655,475
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(90,466)	(49,124)
Increase/(decrease) in trade and other payables	150,340	1,010,573
Cash flows provided by operating activities	149,636	1,086,768

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Notes to the Financial Statements
For the Year Ended 30 June 2023

NOTE 15: 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 2023.

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:

		30 Jun 2023	30 Jun 2022
		\$	\$
Financial Assets			
Cash and cash equivalents	4	2,223,919	2,203,944
Trade and other receivables	5	864,618	774,154
Investments	6	4,612,107	4,147,413
Total Financial Assets		<u>7,700,644</u>	<u>7,125,511</u>
Financial Liabilities			
Trade and other payables	8	2,724,938	2,574,599
Total Financial Liabilities		<u>2,724,938</u>	<u>2,574,599</u>

Golf Queensland Limited ACN 126 091 450

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

NOTE 15: FINANCIAL RISK MANAGEMENT (continued)

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 year ended 30 June 2023, 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 2023 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.

	30 Jun 2023	30 Jun 2022
	\$	(6 months)
		\$
Cash and cash equivalents		
- Cash at Bank	2,223,919	2,203,944
4	2,223,919	2,203,944

Golf Queensland Limited ACN 126 091 450

**Notes to the Financial Statements
For the Year Ended 30 June 2023**

NOTE 15: 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 1.13 at 30 June 2023 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	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
	\$	\$	\$	\$
Financial liabilities due for payment				
Trade and other payables (excluding deferred income)	1,555,127	1,357,415	1,555,128	1,357,415
Total expected outflows	<u>1,555,128</u>	<u>1,357,415</u>	<u>1,555,128</u>	<u>1,357,415</u>
Financial Assets – cash flows realisable				
Cash and cash equivalents	2,223,919	2,203,944	2,223,919	2,203,944
Trade and other receivables	864,618	774,154	864,617	774,154
Investments	4,612,107	4,147,413	4,612,107	4,147,413
Total anticipated inflows	<u>7,700,644</u>	<u>7,125,511</u>	<u>7,700,644</u>	<u>7,125,511</u>
Net (outflow)/inflow on financial instruments	<u>6,145,517</u>	<u>5,768,096</u>	<u>6,145,516</u>	<u>5,768,096</u>

NOTE 16: 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 17: 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 2023 the number of members was 18.

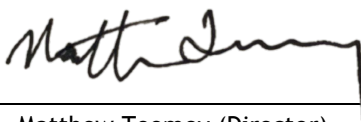
Golf Queensland Limited ACN 126 091 450

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 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 2023 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.



Matthew Toomey (Director)

Dated this 26th day of October 2023

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 2023, 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 30 June 2023 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.

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, 26 October 2023