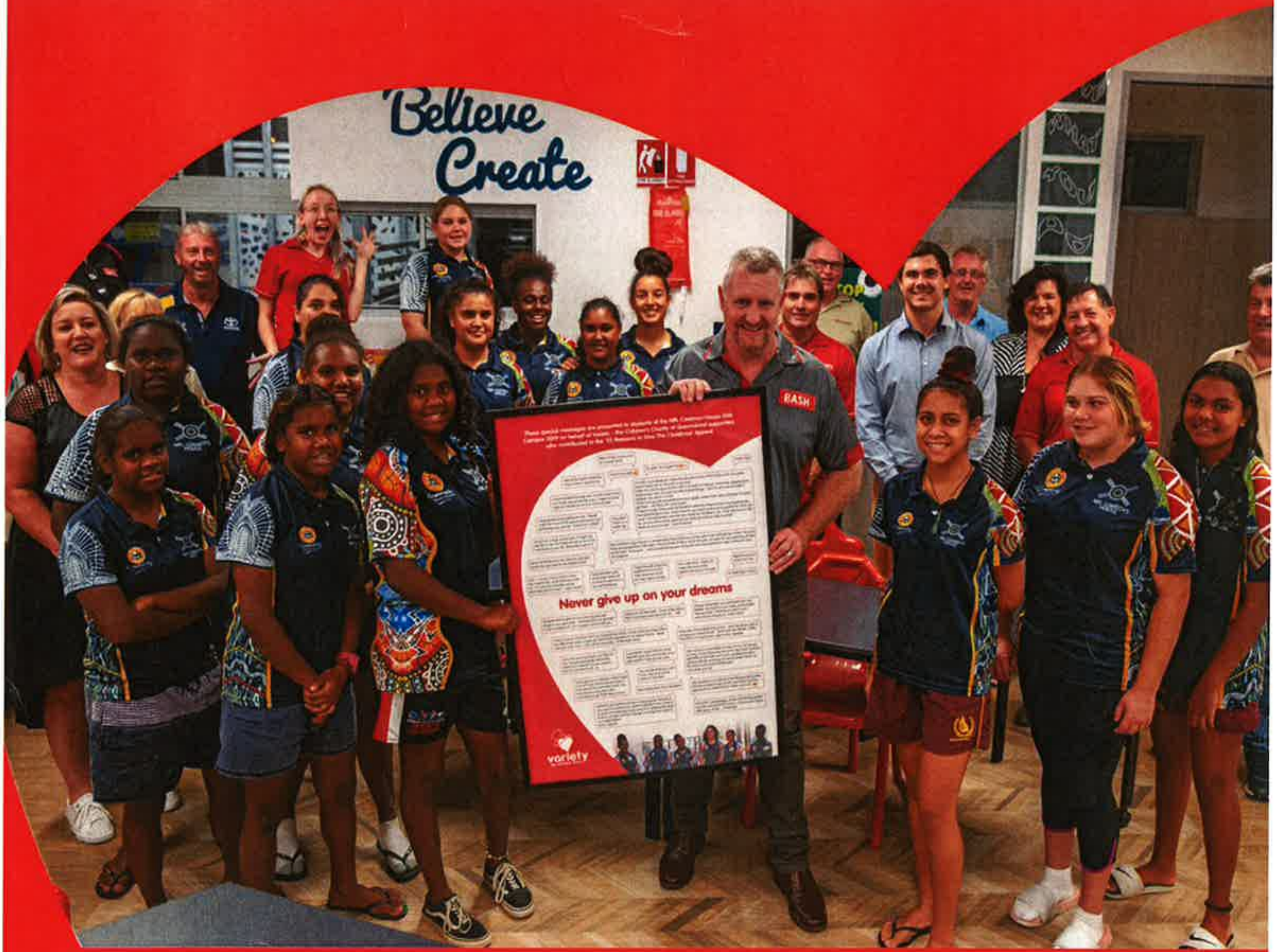

Variety Queensland Incorporated

Financial Statements

For the Year Ended 30 September 2019

ABN: 35940541014 IA 16832

variety
the children's charity

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Committee of Management Report

30 September 2019

Members of the Committee of Management
The Committee Members in office at the date of this report are set out on pages 3 and 4 of this report. The Committee Members had no interests in contracts or proposed contracts with Variety Queensland during the course of the financial year other than noted in the statutory information contained in this report.

Association Information
Variety Queensland Incorporated is an Incorporated Association in Queensland under the *Associations Incorporation Act 1981*. The Charity is a not-for-profit organisation and is prevented by its constitution from paying dividends.

The registered office of the Association is:
Unit 1
5 Ashtan Place
Banyo QLD 4014

The Association employed 16 staff as at 30 September 2019 (30 September 2018: 15).

Review of Operations
The principal activity of Variety Queensland Incorporated during the year was to supply material aid to children with special needs. No changes in the nature of the following activities occurred during the year; granting of individual and group appeals, provision of Variety Sunshine Coaches and Liberty Swings, Special Children's Christmas Parties and other outings.

The operating surplus for the year ended 30 September 2019 was $305,740 (30 September 2018: $273,478). Kids Support Framework appeals and delivery costs for the year ended 30 September 2019 totalled $1,239,315 (30 September 2018: $1,186,163).

Significant Events after Balance Date
Since the end of the financial year, the Committee Members have not become aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly, or may significantly, affect the operations of the Association, the results of those operations or the state of affairs of the Association in subsequent financial years.

In the opinion of the Committee Members there are no likely changes in the operations of the Association which will adversely affect the results in subsequent financial years.

Committee of Management Report

30 September 2019

Committee of Management Meetings
The number of Committee of Management Meetings held during the year and the number of meetings attended by each Committee Member is as follows:

Committee Member	Meetings Attended	Meetings Eligible to Attend
Peter Apel	12	12
Ben Cox	10	12
Helen Debenham	8	12
Nick Harwood	9	12
Brenda Iverson	2	11
Ian Mackay	5	6
Duncan Murray	5	12
Richard Nevins	1	6
Jessica-Anne Saayman	10	12
Dr Paul Shumack	11	12
Kim Wainwright	6	11

This report is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee on 3 December 2019 by:

Nick Harwood
Chairperson

Jessica-Anne Saayman
Treasurer

Committee of Management Members

30 September 2019

Peter Apel is a solicitor who has worked in private practice in Far North Queensland for over 30 years. He holds degrees in Commerce and Law, is a mediator and a Notary Public. Peter is a Past President and Life Member of the North Queensland Law Association and the Wildlife Conservancy of Tropical Queensland. He is also current Chair of the Quality Industry Training and Employment; a non-profit organisation dedicated to helping the most disadvantaged members of the community gain and retain employment. Peter has been involved in the Variety Bash since 2006.

Ben Cox has dedicated his career to changing the lives of others through his work in the not-for-profit sector. He has extensive experience in fundraising working with the Royal Children's Hospital Foundation, the Cerebral Palsy League, MS Queensland and Legacy. Ben is a passionate advocate for the not for profit sector and is an experienced speaker and thinker on the design, delivery and value of effective fundraising, marketing and communications programs. He also speaks regularly on mentoring, leadership and perseverance. Ben currently serves as Deputy Chair of the Fundraising Institute of Australia's (FIA) Queensland Executive Committee and as a National Director of FIA and sits on several fundraising and marketing advisory panels in the not-for-profit sector.

Helen Debenham is the owner and principal of HD Events, an events management company that assists with the delivery of successful and memorable events such as golf days, gala balls and charity events whose main aim is fundraising. Helen has organised several charity bike rides which has raised over $2 million to support charities, including The Leukaemia Foundation, Royal Children's Hospital Foundation and Aussie Helpers. Helen's background also includes several years as an intensive care nurse in NSW and QLD. Helen and her husband John both feel very fortunate to have four healthy children and are strong believers in contributing to the community, particularly when children in need are involved.

Nick Harwood is a consultant and former partner of Deloitte Australia. Born in the UK, he completed his accounting studies with PwC in London before transferring to their Hong Kong Office. Nick moved to Australia in 2001, joining Deloitte until 2015. While at Deloitte Nick acquired a broad range of business experience, his roles included restructuring and managing companies, transaction management and due diligence, advising boards and executives. On leaving Deloitte, Nick joined a mining services company managing strategic implementation and special projects. He is currently studying an Executive MBA with IMD in Switzerland to further develop his consultancy skills. Nick previously served on the board of Common Ground Queensland, a not for profit organisation seeking to end homelessness in its communities. He is passionate about giving back some of his good fortune to communities.

Brenda Iversen has owned and operated her own smash repairs businesses on the Gold Coast, Gosneys Panel Beating and Mark McHugh Bodywork for 26 years. At their peak, they employed 28 people. Brenda was the only sole female owner/operator of a smash repair facility on the Gold Coast and one of the few in Australia. Both of these businesses have now been sold and Brenda is keen to take a leadership role as a Member of the Committee of Management.

Ian Mackay joined the Committee of Management in February 2006. Ian qualified as a Public Accountant in 1975 and held senior management positions in the fledgling micro and personal computer industry before establishing a mail order software business in 1986. The company evolved into an award-winning distributor and software publisher and was sold to a public company in 2007. Ian retired in 2009, resigned his public company directorship, and he now has more time to share his management and marketing expertise. Ian was elected as Treasurer of Variety Queensland in 2006 and was elected as Chairperson/Chief Barker in 2010 until

Committee of Management Members

30 September 2019

2013 and again in 2016 until 2019. Ian has continued as a Committee of Management member and is a former director of Variety Australia and a former member of the Variety Asia Pacific Committee of Management.
Duncan Murray is a Specialist Emergency Physician, with experience in Public Hospitals and as Director of a Private Emergency Department. His interests include retrieval and remote area medicine, something Variety has been lucky enough to benefit from on the Bash. Director and owner of Xigent Locums, a medical locum agency, Duncan is also Medical Director for Falck (Australia). Duncan was first exposed to Variety on the Bash in 2012; since then has assisted in providing medical support on the Bash. Duncan is also a busy father of three.

Richard Nevins a long-standing Variety Queensland member and supporter. Richard was the Director of a marine transport and maintenance company which had diverse business interests. Richard was resident children's entertainer at Grundy's Surfers Paradise for 7 years and was on the Board of the Hang Gliding Federation of Australia for 3 years, during which time he organised the 1998 World Hang Gliding Championships at Forbes NSW. Richard was awarded an Australian Sports Medal in 2000 for his contributions to the sport. Richard has previously served on the Variety Queensland Board of Management as Entertainment Director and was a key figure in the establishment of the Gold Coast crew. Notably, Richard served as Bash Chairman in 2005/6 – a watershed year in the growth and development of this key event. Now mostly retired, Richard seeks to dedicate more of his time, energy and resources to Variety Queensland.

Jessica-Anne Saayman is an independent consultant and specialist in Assurance Consulting Services. Following migration to Australia in late 2013, she joined Deloitte Australia as an assurance and advisory partner, and remained with the firm until 2019. On leaving Deloitte Australia, Jessica started her own consulting business, focusing on regulatory and advisory solutions for her clients. Her extensive experience in the areas of technical, assurance and advisory applicable to listed, unlisted, and privately held entities over a number of industries, and more recently the public and not-for-profit sectors, provides a wealth of knowledge for Variety as it faces new regulatory challenges affecting the not-for-profit sector. Her passion involves assisting her clients with practical solutions for legislative and governance issues affecting them. Jessica and her husband believe in paying their blessings forward, and in particular to children in need. She is excited to bring this passion and her financial expertise to the Variety Board to serve the broader community.

Dr Paul Shumack is the Managing Director of Australasian Aeromedical Specialist Services. His qualifications include MB BS, FAFOEMRACP, FACAsM, MRAeS, and Specialist Physician. He is a Group Captain in the RAAF Specialist Reserves. Paul has participated in many Variety Queensland events, donating his time as Chief Medical Officer. Paul has been a Committee of Management Member since the mid-eighties and is currently on the Appeals Committee as well as being the Chief Medical Officer.

Kim Wainwright has both high-level public and private sector experience in advisory and management positions. Kim initially commenced her career in helping roles around 18 years ago working with disadvantaged youth after studying Social Science and Human Services. After leaving the government around nine years ago, In 2009 Kim Wainwright took her first step into business ownership, launching a consultation business in the mining, transport and training sectors. In 2014 Kim founded Xplore Resources to provide professional and technical services to the mining industry. Xplore Resources now has around 60 employees across Australia and overseas and specialises in battery minerals, as well as coal. Kim has embarked on a continued drive for improvement, starting numerous new companies, and accepting a range of directorships and board positions including being a founding director on a resources Private Equity Fund since 2015. Kim believes in promoting business' social license to operate which is demonstrated in her community engagement activities including being on the board of Variety the Children's Charity for the past 6 years and recently being appointment by the Minister for Health

Committee of Management Members

30 September 2019

to the Prince Charles Hospital Foundation.The Members of the Committee of Management (Committee Members) of Variety Queensland Incorporated have pleasure in submitting the following report in respect of the year ended 30 September 2019 in accordance with a resolution of Committee Members.

Statement of Changes in Equity

For the Year Ended 30 September 2019

2018	**Note**	**Retained Earnings $**	**Total $**
Balance as at 01 October 2017		(93,698)	**(93,698)**
Adjustment on initial adoption of AASB 9		(44,160)	**(44,160)**
Restated Balance as at 01 October 2017		(137,858)	**(137,858)**
Surplus for the Year		273,478	**273,478**
Balance as at 30 September 2018		**$135,620**	**$135,620**

2019	**Note**	**Retained Earnings $**	**Total $**
Balance as at 01 October 2018		$135,620	**$135,620**
Surplus for the Year		305,740	**305,740**
Balance as at 30 September 2019		**$441,359**	**$441,359**

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 September 2019

Equity		
Retained Earnings	**441,359**	135,620
Total Equity	**$441,359**	**$135,620**

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 September 2019

	Note	2019 $	2018 $
Cash Flows from Operating Activities			
Receipts from Donors, Sponsors and Others		4,154,952	3,870,505
Payments to Suppliers and Employees		(3,376,153)	(3,400,433)
Interest Received		1,392	1,666
Interest Paid		(6,472)	(7,895)
Appeals Paid		(447,578)	(411,717)
Net Cash provided by / (used in) Operating Activities	**4 (a)**	**$326,141**	**$52,126**
Cash Flows from Investing Activities			
Payments for Property Plant and Equipment		(59,404)	(32,411)
Proceeds from Sale of Property Plant and Equipment		67,986	21,091
Net Cash from/(used in) Investing Activities		**$8,581**	**($11,319)**
Cash Flows from Financing Activities			
Repayment of Borrowings		(24,909)	(22,077)
Proceeds from Borrowings		-	-
Net Cash used in Financing Activities		**($24,909)**	**($22,077)**
Net Increase/(Decrease) in Cash and Cash Equivalents		309,814	18,729
Cash and Cash Equivalents at Beginning of Year		519,107	500,378
Cash and Cash Equivalents at End of Year	**4**	**$828,921**	**$519,107**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2019

1 Basis of Preparation

The financial statements cover Variety Queensland Incorporated as an individual entity. Variety Queensland Incorporated is an incorporated association established under the provisions of the *Associations Incorporation Act 1981*. The Association is domiciled in Queensland and the registered office, which is the principal place of business, is located at:

Unit 1
5 Ashtan Place
BANYO QLD 4014

The financial statements of Variety Queensland Incorporated for the year ended 30 September 2019 were authorised for issue in accordance with a resolution of the Committee of Management on 3 December 2019.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the *Associations Incorporations Act 1981* and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act 2012).

Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

In the event of the association being wound up, any property remaining after satisfaction of the debts and liabilities of the association shall be distributed to another incorporated association having objects similar to those of the association; or for charitable or benevolent purposes, as determined by resolution of the Committee Members. No member, or former member, of the association shall be a recipient of any assets after the winding up.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Statement of Financial Position

As at 30 September 2019

	Note	2019 $	2018 $
Assets			
Current Assets			
Cash and Cash Equivalents	4	828,921	519,107
Trade and Other Receivables	5	173,050	92,304
Inventory		17,161	24,874
Other Current Assets	6	141,794	50,287
Financial Assets at Amortised Cost	9	59,861	58,515
Total Current Assets		**$1,220,787**	**$745,087**
Non-Current Assets			
Property Plant and Equipment	7	176,941	237,204
Intangible Assets	8	12,910	16,270
Total Non-Current Assets		**$189,851**	**$253,474**
Total Assets		**$1,410,638**	**$998,561**
Liabilities			
Current Liabilities			
Trade and Other Payables	10	494,976	373,025
Provisions for Employee Benefits	11	99,698	71,942
Borrowings	12	24,693	24,910
Deferred Income		249,247	265,220
Total Current Liabilities		**$868,614**	**$735,097**
Non-Current Liabilities			
Provisions for Employee Benefits	11	16,363	18,850
Borrowings	12	84,301	108,994
Total Non-Current Liabilities		**$100,665**	**$127,844**
Total Liabilities		**$969,279**	**$862,941**
Net Assets		**$441,359**	**$135,620**

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income

For The Year Ended 30 September 2019

	Note	2019 $	2018 $
Event Fees and Levies Income		931,252	1,061,719
Event Direct Costs		(749,292)	(868,252)
Net Event Contribution		181,960	193,467
Event Fundraising Income		2,789,814	2,594,434
Other Fundraising Income		1,197,620	1,235,908
Other Income		32,832	19,284
Total Revenue		**$4,202,226**	**$4,043,093**
Other Event Expenses		(1,238,518)	(1,245,308)
Fundraising Costs		(494,158)	(286,906)
Total Cost of Fundraising		**($1,732,676)**	**($1,532,214)**
Gross Profit		**$2,469,550**	**$2,510,879**
Advertising and Promotion		(42,878)	(21,758)
Communications		(36,788)	(37,610)
Depreciation and Amortisation	3(a)	(38,026)	(66,054)
Design, Printing and Stationery		(11,270)	(5,950)
Employee Expenses		(285,597)	(408,472)
Finance Costs	3(b)	(6,468)	(7,908)
Information Technology		(78,408)	(72,567)
Insurance		(20,375)	(20,134)
Motor Vehicle Expenses		(42,439)	(45,484)
Rent		(130,392)	(125,820)
Subscriptions		(48,534)	(47,901)
Travel and Accommodation		(14,023)	(16,125)
Utilities		(19,276)	(21,847)
Variety Australia and Variety International Fees		(61,665)	(71,900)
Other Expenses		(88,356)	(81,708)
Total Expenses		**($924,495)**	**($1,051,238)**
Surplus before Kids Support Framework appeals and delivery		**$1,545,055**	**$1,459,641**
Kids Support Framework - granted		(1,111,260)	(1,109,358)
Kids Support Framework - delivery		(128,055)	(76,805)
Surplus / (Deficit) for the Year		**$305,740**	**$273,478**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Property Plant and Equipment

Plant and equipment is measured on the cost basis and is therefore carried at cost less accumulated depreciation and any impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carry amount is written down immediately to its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 2 (e) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit and loss during the financial period in which they are incurred.

Depreciation
The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use.

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

Class of Fixed Assets	Depreciation Rate
Building Improvements	33.33%
Computer Equipment	30%
Plant and Equipment	20%
Motor Vehicles	20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Sales of Non-current Assets
The gross proceeds of non-current asset sales are included at the date control of the asset passes to the buyer. The gain or loss on disposal of assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

(b) Leases

Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset but not the legal ownership are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amount equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or ownership over the term of the lease.

(c) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Variety Queensland has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(d) Financial Instruments

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost, fair value through other comprehensive income (FVOVI) or fair value through profit or loss (FVTPL) depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted. The fair values of quoted investments are based on current bid prices. For unlisted investments, the association establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

Financial Assets at Amortised Cost

Financial Assets are subsequently measured at amortised cost if they meet the following criteria:

- The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on a specified.

Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

Financial assets can be subsequently measured at FVOCI if they meet the following criteria:

- An equity investment issued by listed and unlisted companies that are not held for trading; or
- A debt instrument is held within a business model whose objective is achieved by both holding the financial asset in order to collect contractual cash flows and selling the financial asset, and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All subsequent changes in fair value are recognised in other comprehensive income

Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets are subsequently measured at FVTPL if they meet the following criteria:

- The asset is held-for-trading;
- A debt instrument that does not qualify to be measured at amortised cost or FVOCI;
- An equity instrument which the association has not elected to classify as at FVOCI; or
- A financial asset where the association has elected to measure the asset at FVTPL under the fair value option.

All subsequent changes in fair value are recognised in profit or loss.

Loans and Receivables

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

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

Impairment of Financial Assets

The association has two types of financial assets subject to AASB 9's new expected credit loss model, being financial assets at amortised cost and trade and other receivables. An assessment is performed on expected credit losses using the simplified approach for these financial assets. There was no material impairment loss identified.

Cash and cash equivalents, and investments are also subject to the impairment requirements of AASB 9. There was no material impairment loss identified for these types of assets.

(e) Impairment of Non-Financial Assets

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. An impairment loss is recognised in the profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(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 with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Appeals Payable

Appeals payable are carried at cost and are recognised when the entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits as a result of past transactions or events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(i) Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including:

- interest on the bank overdraft
- interest on short-term and long-term borrowings
- interest on finance leases
- unwinding of the discount on provisions

(j) Provisions

Provisions are recognised when the association has a present (legal or constructive) obligation as a result of a past event, it is probable the association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

(k) Employee Benefits

Provision is made in respect of the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(l) Income Taxes

No provision for income tax has been made in the financial report as Variety Queensland is exempt from income tax under the *Income Tax Assessment Act 1997* as it is a public benevolent institution.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Contingencies and commitments are also disclosed net of GST payable or recoverable. 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 within the receipts from members, funding and others and payments to suppliers and employees.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the ATO.

(n) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised:

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

(n) Revenue Recognition continued

Event and Fundraising Income
Revenue from event and fundraising activities are recognised in the statement of comprehensive income during the period in which the event or fundraising activity occurs.

Deferred Income
In some cases, revenue is received in respect of an event that falls into the following financial year. In such cases, the revenue is deferred and recognised as deferred income.

Interest Income
Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Donated Goods
Goods are donated to be sold at auctions, to be used in events or functions or to be granted as appeals. Donated goods are recognised as revenue at their replacement cost, and expensed when the goods are sold, or otherwise used.

Donations of Services
Donated services, such as the use of a conference centre to host an event, are recognised as revenue at their replacement cost. An equivalent amount is recognised as an expense, relating to the type of service donated.

Membership Income
Revenue from the provision of membership subscriptions is recognised when they are received.

(o) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Notes to the Financial Statements

For the Year Ended 30 September 2019

(p) Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Impairment
The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Estimation of Useful Life of Assets
The association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Assessment of Fair Value for Donated Goods and Services
The assessment of the fair value of goods and services donated to the association is based on an estimation of their replacement cost. The replacement costs is determined mainly by reference to invoiced amounts prepared by suppliers based on their market rates of services or supplying cost of goods. The condition of any goods not used during the year is assessed at each balance date to determine whether any adjustments are necessary to the carrying value.

No other significant judgements, estimates and assumptions were made during the financial year.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

(q) Adoption of New, Revised or Amended Accounting Standards and Interpretations

The association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the association. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the incorporated association:

AASB 9 Financial Instruments
The entity has adopted AASB 9 from 1 October 2017. Refer to note 2(d) for further information regarding the accounting policies under AASB9.

The application of AASB 9 has not impacted the financial position or performance in the previous financial year other than the derecognition of available for sale financial assets of $44,160, being the value attributed to the shares held in Variety Australia.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

(r) New Accounting Standards for Application in Future Periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the association, together with an assessment of the potential impact of such pronouncements on the association when adopted in future periods, are discussed below.

AASB 15 Revenue from Contracts with Customers

AASB 15 *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2019). The core principle of revenue recognition will be to recognise revenue on the transfer of goods or services to a customer at an amount that reflects the amount of consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is required to be recorded by following a five-stage process:

1. Identifying the contract with the customer;
2. Identifying the performance obligations in the contract;
3. Determining the transaction price;
4. Allocating the transaction price to the performance obligations;
5. Recognising revenue when (or as) the performance obligations are satisfied.

The association continues to evaluate the overall impact of AASB 15 on the financial statements. The key area of impact for the Association will be the recognition of grant and event revenue.

AASB 1058: Income of Not-for Profit Entities

AASB 1058 *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019). This Standard is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives.

- Income arising from an excess of the initial carrying amount of an asset over the related amount being contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. Income must be recognised in profit or loss when the entity satisfies its obligations under the transfer.

A private sector not-for-profit entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004 *Contributions*.

The Association continues to evaluate the overall impact of AASB 1058 on the financial statements. The key area of impact for the Association will be the recognition of grant and event revenue.

AASB 16 Leases

AASB 16 *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019). When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application. The association continues to evaluate the overall impact of AASB 16 on the financial statements.

As at the reporting date, the association has non-cancellable undiscounted operating lease commitments of $138,923. However, the association has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the association's profit and classification of cash flows.

Notes to the Financial Statements

For the Year Ended 30 September 2019

2 Summary of Significant Accounting Policies continued

(s) Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

The entity has recognised a net surplus of $305,740 with a net cash inflow from operating activities of $326,141 for the period ended 30 September 2019 and as at that date, current assets exceed current liabilities by $352,173, and the association had a net asset position of $485,520.

In the Committee Members' opinion, there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable and will continue as a going concern. The ability of the entity to continue as a going concern is dependent upon the successful implementation of management's plans to reduce the ratio of fundraising costs to funds raised and to manage cash flows so as to ensure that the entity is able to pay its debts as and when they fall due. At the date of this report and having considered the above factors, the Committee Members are confident that the entity will be able to continue as a going concern.

Notes to the Financial Statements

For the Year Ended 30 September 2019

3 Expenses

(a) Depreciation and Amortisation Expense

	2019 $	2018 $
Depreciation		
Plant and Equipment	11,288	17,639
Computer Equipment	6,553	8,157
Motor Vehicles	52,989	64,337
Building Improvements	2,170	4,198
Amortisation	8,950	7,553
Total Depreciation and Amortisation Expenses before Allocation	**$81,950**	**$101,884**
Less: Motor Vehicles Re-allocated to Other Event Expenses	(43,924)	(35,830)
Total Depreciation and Amortisation Expenses After Allocation	**$38,026**	**$66,054**

(b) Finance Costs

	2019 $	2018 $
Other	6,468	7,908
Total Finance Costs	**$6,468**	**$7,908**

4 Cash and Cash Equivalents

	2019 $	2018 $
Cash on Hand	800	800
Cash at Bank	828,121	518,307
Total Cash and Cash Equivalents	**$828,921**	**$519,107**

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Notes to the Financial Statements

For the Year Ended 30 September 2019

4 Cash and Cash Equivalents continued

(a) Reconciliation of Cash Flows from Operating Activities

	2019 $	2018 $
Operating Surplus/(Deficit)	305,740	273,478
Adjustments for:		
Depreciation and Amortisation Expense	81,950	101,884
Gain on Sale of Fixed Assets	(26,909)	(12,000)
Loss on Sale of Fixed Assets	-	3,411
Non Cash (Donations)/Expenditure	(1,347)	(1,427)
(Increase) / Decrease in Trade and Other Receivables	(25,134)	(3,823)
(Increase) / Decrease in Prepayments	(91,507)	106,068
(Increase) / Decrease in Accrued Income	(55,612)	(81,646)
(Increase) / Decrease in Inventory	7,713	(4,656)
Increase / (Decrease) in Trade and Other Payables	169,576	(39,063)
Increase / (Decrease) in Provisions	9,472	(10,111)
Increase / (Decrease) in Deferred Income	(15,973)	(371,836)
Increase / (Decrease) in Appeals Payable	(31,828)	91,847
Cashflows from Operating Activities	**$326,141**	**$52,126**

5 Trade and Other Receivables

	2019 $	2018 $
Trade Receivables	22,939	-
GST Recoverable	(585)	-
Other Receivables	150,696	92,304
Total Trade and Other Receivables	**$173,050**	**$92,304**

Accrued Income is included in Other Receivables. Accrued Income is fundraising income owing but not received as at 30 September 2019.

6 Other Current Assets

	2019 $	2018 $
Prepayments	141,794	50,287
Total Other Current Assets	**$141,794**	**$50,287**

Notes to the Financial Statements

For the Year Ended 30 September 2019

7 Property Plant and Equipment

	2019 $	2018 $
Buildings Improvements		
At Cost	14,894	14,894
Less: Accumulated Depreciation	(14,760)	(12,590)
Total Buildings Improvements	**$134**	**$2,304**
Plant and Equipment		
At Cost	185,083	169,827
Less: Accumulated Depreciation	(152,124)	(140,835)
Total Plant and Equipment	**$32,959**	**$28,992**
Computer Equipment		
At Cost	59,333	51,031
Less: Accumulated Depreciation	(47,779)	(41,226)
Total Computer Equipment	**$11,554**	**$9,805**
Motor Vehicles		
At Cost	252,872	318,139
Less: Accumulated Depreciation	(120,578)	(122,036)
Total Motor Vehicles	**$132,294**	**$196,103**
Property Plant and Equipment		
At Cost	512,182	553,891
Less: Accumulated Depreciation	(335,241)	(316,687)
Total Property Plant and Equipment	**$176,941**	**$237,204**

Notes to the Financial Statements

For the Year Ended 30 September 2019

Movements in Carrying Amounts

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

	2019 $
Building Improvements	
Balance at the Beginning of the Year	2,304
Additions	-
Depreciation Expense	(2,170)
Carrying Amount at the End of the Year	**$134**
Plant and Equipment	
Balance at the Beginning of the Year	28,992
Additions	15,255
Depreciation Expense	(11,288)
Carrying Amount at the End of the Year	**$32,959**
Computer Equipment	
Balance at the Beginning of the Year	9,805
Additions	8,302
Depreciation Expense	(6,553)
Carrying Amount at the End of the Year	**$11,554**
Motor Vehicles	
Balance at the Beginning of the Year	196,103
Additions	30,258
Disposals	(41,078)
Depreciation Expense	(52,989)
Carrying Amount at the End of the Year	**$132,294**

Notes to the Financial Statements

For the Year Ended 30 September 2019

	2019	2018
	$	$

8 Intangible Assets

	2019	2018
Computer Software		
At Cost	151,746	146,156
Less: Accumulated Amortisation	(138,836)	(129,886)
Total Computer Software	**$12,910**	**$16,270**

Movements in Carrying Amounts

Movement in the carrying amount for each class of intangible assets between the beginning and the end of the current financial year is as follows:

	2019
	$
Computer Software	
Balance at the Beginning of the Year	16,270
Additions	5,590
Amortisation Expense	(8,950)
Carrying Amount at the End of the Year	**$12,910**

9 Financial Assets at Amortised Cost

	2019	2018
	$	$
Term Deposits - Fixed Interest	59,861	58,515
Total Financial Assets at Amortised Cost	**$59,861**	**$58,515**

Notes to the Financial Statements

For the Year Ended 30 September 2019

		2019	2018
		$	$

10 Trade and Other Payables

		2019 $	2018 $
Trade Payables	(i)	159,129	70,543
Appeals Payable		185,473	217,301
Accrued Expenses and Other Payables	(ii)	150,374	85,181
Total Current Trade and Other Payables		**$494,976**	**$373,025**

(i) Trade Payables are non-interest bearing and are normally settled on 30 day terms.
(ii) Accrued expenses and other payables are non-interest bearing and have an average term of 30 days.

11 Provision for Employee Benefits

	2019 $	2018 $
Current		
Provision for Annual Leave	87,739	71,942
Provision for Long Service Leave	11,959	-
Total Current Provision for Employee Benefits	**$99,698**	**$71,942**
Non-Current		
Provision for Long Service Leave	16,363	18,850
Total Non-Current Provision for Employee Benefits	**$16,363**	**$18,850**

Notes to the Financial Statements

For the Year Ended 30 September 2019

	2019	2018
	$	$

12 Borrowings

Westpac Banking Corporation	108,994	133,904
Total Borrowings	**$108,994**	**$133,904**
Current		
Westpac Banking Corporation	24,693	24,910
Total Current Borrowings	**$24,693**	**$24,910**
Non-Current		
Westpac Banking Corporation	84,301	108,994
Total Non-Current Borrowings	**$84,301**	**$108,994**

13 Auditors Remuneration

Audit of Financial Report	10,390	10,948
Audit of Art Union	1,432	1,200
Total Auditor's Remuneration	**$11,822**	**$12,148**

The auditors of Variety Queensland Incorporated is BDO Audit Pty Ltd.

Notes to the Financial Statements

For the Year Ended 30 September 2019

14 Key Management Personnel

(a) Details of Key Management Personnel

Committee of Management Members

Nick Harwood	Chief Barker
Ben Cox	Vice Chairperson
Peter Apel	Secretary
Jessica-Anne Saayman	Treasurer
Duncan Murray	Board Member / Chairperson, Appeals Committee
Paul Shumack	Board Member
Brenda Iversen	Board Member
Helen Debenham	Board Member

Executives

Steve Wakerley	Chief Executive Officer
Christine Anderson	Head of Fundraising and Marketing
Ian Allan	Finance Manager

(b) Compensation of Key Management Personnel

The total benefits paid to Key Management Personnel are $472,457 (30 September 2018: $449,184). These benefits include short-term employee benefits (salary and fees and non-monetary benefits), superannuation, annual leave granted, and annual leave unused.

Notes to the Financial Statements

For the Year Ended 30 September 2019

15 Related Party Disclosure

Variety Queensland is a member or "Tent" of a worldwide organisation, Variety International – The Children's Charity. Other entities also members of this body are "Tents" from each State and Territory in Australia, are considered related parties to Variety Queensland.

(a) Key Management Personnel
Details relating to key management personnel, including remuneration, are included in note 15.

(b) Transactions with Related Parties

	2019 $	2018 $
Variety Australia		
Revenue	68,325	119,396
Expenses	(83,809)	(133,201)
Amounts owed to	-	46,260
Amounts owed from	-	-
Variety International		
Revenue	-	-
Expenses	(8,229)	(10,079)
Amounts owed to	-	-
Amounts owed from	-	-
Variety New South Wales		
Revenue	109,822	148,722
Expenses	(11,419)	(1,000)
Amounts owed to	-	-
Amounts owed from	-	-
Variety New Zealand		
Revenue	118	44
Expenses	-	-
Amounts owed to	-	-
Amounts owed from	-	-
Variety Northern Territory		
Revenue	2,478	12,592
Expenses	(1,768)	-
Amounts owed to	-	-
Amounts owed from	-	-

Notes to the Financial Statements

For the Year Ended 30 September 2019

15 Related Party Disclosure continued

	2019 $	2018 $
Variety South Australia		
Revenue	2,015	598
Expenses	-	(153)
Amounts owed to	-	-
Amounts owed from	-	-
Variety Tasmania		
Revenue	553	166
Expenses	(1,137)	(259)
Amounts owed to	-	-
Amounts owed from	-	-
Variety Victoria		
Revenue	2,425	81,436
Expenses	(1,324)	(172)
Amounts owed to	-	-
Amounts owed from	-	-
Variety Western Australia		
Revenue	75	648
Expenses	(1,324)	(103)
Amounts owed to	-	-
Amounts owed from	-	-

Terms and Conditions of Transactions with Related Parties
Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

Outstanding balances at year end are unsecured, interest free and settlement occurs in cash.

16 Contingent Liabilities

During the Live Appeal section of the 2014 Variety of Chefs, $150,000 in donations were received for assistance dogs. This amount has not previously been shown as a liability as there were no dogs available to appeal and no applications had been received. During the financial years 2015 and 2016 $83,300 has been spent leaving a balance of $66,700. The association did not have any other contingent liabilities at 30 September 2019 (30 September 2018: nil).

Notes to the Financial Statements

For the Year Ended 30 September 2019

17 Commitments

Variety Queensland's lease commitment in relation to its lease of the office at Unit 1, 5 Ashtan Place, Banyo Qld 4104 is as follows:

Future minimum lease payments comprise:

	2019	2018
	$	$
Within One Year	118,967	108,056
In more than one year but less than five years	19,956	126,680
Total Commitment	**$138,923**	**$234,736**

18 Events After the End of the Reporting Period

No other matters or occurrences have come to attention since the financial year end up to the present time which would materially affect the financial report or disclosure therein.

Statement by Members of the Committee of Management

For the Year Ended 30 September 2019

In the opinion of the Committee of Management, the financial report as set out on pages 5 to 34:

1. Presents a true and fair view of the financial position of Variety Queensland Incorporated as at 30 September 2019 and its performance for the year ended on that date in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Variety Queensland Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:

Nick Harwood
Chairperson

Jessica-Anne Saayman
Treasurer

Dated this 3 December 2019

Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Variety Queensland Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Variety Queensland Incorporated (the registered entity), which comprises the statement of financial position as at 30 September 2019, the statement of 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 statement by members of the committee of management.

In our opinion the accompanying financial report of Variety Queensland Incorporated, is in accordance with the *Associations Incorporation Act 1981* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the registered entity's financial position as at 30 September 2019 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is the committee of management 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 responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the Associations Incorporation Act 1981 and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

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

Anthony Whyte
Director

Brisbane, 3 December 2019