

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
**ABN: 85 155 004 523**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**30 JUNE 2018**

**TOOWOOMBA & SURAT BASIN ENTERPRISE PTY LTD**  
**ABN: 85 155 004 523**

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# TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD

ABN: 85 155 004 523

## DIRECTOR'S REPORT

Your directors presents this report on the company for the financial year ended 30 June 2018.

### Directors

The name of the directors in office at any time during, or since the end of the year are:

Mr Shane Charles  
Ms Lisa France  
Mr Rohan Gosstray  
Mr Robert Hart  
Mr Dallas Hunter (Ceased 12/10/2017)  
Mr Andrew Kibble  
Ms Kathryn McKeefry (Appointed 09/05/2018)  
Mr John Moncrieff  
Mr Stewart Morland  
Mr Matthew Ostwald (Ceased 10/08/2017)  
Mr Joseph Wagner

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

### Review of Operations and Financial Results

The profit/loss of the company for the financial year amounted to \$443,751 (2017: \$4,107).

A review of the operations of the company during the financial year and the results of those operations show during the year, the company continued to engage in its principal activity, the result of which are disclosed in the attached financial statements.

### Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

### Principal Activities

The principal activities of the company during the financial year were local business growth and development. No significant change in the nature of these activities occurred during the year.

### Events Subsequent to the End of the Reporting Period

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

### Likely Developments & Expected Results of Operations

Likely developments in the operation of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

### Environmental Regulations

The company's operations are not regulated by a significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### Dividends

Dividends paid or declared since the start of the financial year are as follows:

- No dividends have been paid or declared since the start of the financial year.

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**

**ABN: 85 155 004 523**

**DIRECTOR'S REPORT**

**Options**

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

**Indemnities given and insurance premiums paid to auditors and officers**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

**Proceedings on Behalf of the Company**

No person has applied for leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

The company was not part of any such proceedings during the year.

**Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3 and forms part of this director's report.

Signed in accordance with a resolution of the board of directors:

**Director:**



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Mr Shane Charles

**Dated this 10th day of October 2018**

## AUDITOR'S INDEPENDENCE DECLARATION

To the Directors' of Toowoomba and Surat Basin Enterprise Pty Ltd

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

### *Independence Declaration*

As lead auditor for the audit of Toowoomba and Surat Basin Enterprise Pty Ltd for the financial year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

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



John Welsh  
as delegate of the Auditor-General

10 October 2018

Queensland Audit Office  
Brisbane

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
**ABN: 85 155 004 523**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
		<u>          </u>	<u>          </u>
Revenue from continuing operations	2	3,096,579	3,465,110
Other Income		30,895	11,086
Expenses from continuing operations			
Accountancy expenses		(10,515)	(12,490)
Advertising expenses		(26,520)	(35,371)
Auditor's remuneration	3 (c)	(6,750)	(7,700)
Bad and doubtful debt expenses		(37,441)	(6,018)
Depreciation and amortisation expenses		(17,870)	(17,294)
Employee benefits expenses	3 (a)	(1,195,873)	(1,172,656)
Other significant expenses	3 (b)	(1,366,379)	(2,203,664)
Gain/(loss) on disposal of assets		(5,706)	(1,965)
Other expenses		(16,669)	(14,931)
Total comprehensive income for the period		<u>443,751</u>	<u>4,107</u>
<b>Profit attributable to Members of the parent entity</b>		<u>443,751</u>	<u>4,107</u>

The accompanying notes form part of these financial statements.

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
**ABN: 85 155 004 523**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2018**

		2018	2017
	Note	\$	\$
<hr/>			
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	573,380	585,207
Trade and other receivables	5	694,018	469,844
Other current assets	6	-	78,279
<b>TOTAL CURRENT ASSETS</b>		<u>1,267,398</u>	<u>1,133,330</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	<u>80,656</u>	<u>62,832</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>80,656</u>	<u>62,832</u>
<b>TOTAL ASSETS</b>		<u>1,348,054</u>	<u>1,196,162</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	282,103	412,879
Other liabilities	9	<u>364,858</u>	<u>525,941</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>646,961</u>	<u>938,820</u>
<b>TOTAL LIABILITIES</b>		<u>646,961</u>	<u>938,820</u>
<b>NET ASSETS</b>		<u>701,093</u>	<u>257,342</u>
<b>EQUITY</b>			
Ordinary shares		2	2
Retained earnings	10	<u>701,091</u>	<u>257,340</u>
<b>TOTAL EQUITY</b>		<u>701,093</u>	<u>257,342</u>

The accompanying notes form part of these financial statements.

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
**ABN: 85 155 004 523**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	Issued Capital (Ordinary Shares)	Retained earnings	Total
			\$	\$
<b>Balance at 30 June 2016</b>		2	253,233	253,235
Profit for the year		-	4,107	4,107
<b>Total comprehensive income for the year</b>		-	4,107	257,342
<b>Balance at 30 June 2017</b>		2	257,340	257,342
Profit for the year		-	443,751	443,751
<b>Total comprehensive income for the year</b>		-	443,751	443,751
<b>Balance at 30 June 2018</b>		2	701,091	701,093

The accompanying notes form part of these financial statements.



**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
**ABN: 85 155 004 523**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<hr/>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,979,565	3,426,386
Payments to suppliers and employees		(2,897,126)	(3,186,676)
Interest received		6,698	5,984
Taxes paid		(45,410)	9,661
Finance costs		(13,982)	(6,904)
<b>Net cash provided by (used in) operating activities</b>		<u>29,745</u>	<u>248,451</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(55,228)	(12,322)
Proceeds from sale of plant and equipment		14,156	-
Loans to related parties		(500)	-
<b>Net cash provided by (used in) financing activities</b>		<u>(41,572)</u>	<u>(12,322)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Dividends paid		-	-
<b>Net cash provided by (used in) financing activities</b>		<u>-</u>	<u>-</u>
Net increase in cash held		(11,827)	236,128
Cash and cash equivalents at beginning of financial year		<u>585,207</u>	<u>349,079</u>
<b>Cash and cash equivalents at end of financial year</b>		<u><u>573,380</u></u>	<u><u>585,207</u></u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**1 Summary of Significant Accounting Policies**

**(a) General Information & Statement of Compliance**

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations. With respect to compliance with Australian Accounting Standards and Interpretations, the company has applied those requirements applicable to not-for-profit entities, as the company is a not-for-profit public sector entity. Except where stated, the historical cost convention is used.

The financial statements were authorised for issue on 10th October 2018.

**(b) Basis of Preparation**

The financial statements include the value of all income, expenses, assets, liabilities and equity of the Company.

**(c) Revenue & Other Income**

*Grant and Other Contributions*

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the Company obtains control over them (control is generally obtained at the time of receipt). Where grants are received that are reciprocal in nature, revenue is progressively recognised as it is earned, according to the terms of the funding agreements.

Grant revenue of approximately \$581,500, which remains unexpended at balance date, has been recognised as revenue in accordance with AASB 1004 for the year ended 30 June 2018. It should be acknowledged that proposed standards (AASB 15 & 1058) with future effective dates may result in a change in timing of recognition of revenue in future years.

*User Charges, Fees and Other Revenue*

Revenue for the sale of goods or rendering of a service is recognised when the revenue is earned and can be measured reliably with a sufficient degree of certainty. Other revenue is recognised when the right to receive the revenue has been established. Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable. All revenue is stated net of the amount of goods and services tax (GST).

Membership revenue has been recognised over the membership period in accordance with Australian accounting standards and resulted in a portion of revenue being deferred to the next financial period. This revenue is not refundable to the member.

	<b>2018</b>	<b>2017</b>
<u>Year on Year Membership Renewals</u>	1,008,272	1,115,690
Add renewals deferred from last year	236,815	63,530
Less renewals deferred until next year	<u>(364,858)</u>	<u>(236,815)</u>
Reported Membership Income	880,229	942,405

**(d) Cash and Cash Equivalents**

Cash and cash equivalents include all cash and cash on hand receipted at 30 June as well as deposits held at call with financial institutions.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**(e) Receivables**

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery i.e. agreed purchase/contract price. Settlement of amounts are required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts were written-off at 30 June. Increases in the allowance for impairment are based on loss events that have occurred.

**(f) Acquisition of Assets**

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting assets ready for use, including architects' fees and engineering and design fees. However, any training costs are expenses as incurred.

**(g) Property, Plant and Equipment**

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

**Plant and Equipment**

Plant and equipment are measured on the cost basis.

The Company assesses annually whether there are any impairment indicators present and, where applicable, will immediately recognise an impairment expense in the statement of comprehensive income equivalent to the existing carrying value and its recoverable amount.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over the assets useful life to the company commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Method</u>	<u>Depreciation Rate</u>
Office Equipment	Diminishing Value	20-100%
Motor Vehicles	Diminishing Value	20-100%

The assets residual values and useful lives are revised, and adjusted if appropriate, at the end of each reporting period. An assets carrying amount is written down immediately to its recoverable amount if the assets 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 on losses are recognised immediately in the statement of comprehensive income.

**(h) Financial Instruments**

**Initial recognition and measurement**

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

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest methods, or cost as follows:

- Cash & Equivalent - Held at Fair Value
- Investments - Held at Fair Value
- Receivables - Held at Amortised Cost, Less any Impairment
- Payables - Held at Amortised Cost, Less any Impairment

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**(i) Employee Benefits**

Provision is made for the company'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 flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**(j) Related Entities**

If an entity has had related party transactions during the periods covered by the financial statements, it shall disclose the nature of the related party relationship as well as information about those transactions. Refer to note 14 for further details.

**(k) 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 Tax Office. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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.

**(l) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amount normally paid within 30 days of recognition of the liability.

**(m) 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 based on current trends and economic data, obtained both externally and within the company.

**(n) Comparative Figures**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

**(o) 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*.

**(o) New accounting standards for application in future periods**

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these standards. The directors have not assessed the full impact of these mandatory standards.

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>2 Revenue</b>		
<b>(a) Revenue</b>		
Access China 2016	-	1,275,938
Access New Zealand 2018	241,811	-
Activate China	22,727	54,545
Boardroom Hire	82	665
Branch Income (Hot Desk)	21,229	-
Conference Income	128,909	172,586
Contract Income	-	36,557
Directory Advertising	15,809	8,805
Function Income	181,839	215,428
Grant Income - ARIP	177,500	-
Grant Income - EMDG	55,455	93,636
Grant Income - FTA	-	60,000
Grant Income - Toowoomba Regional Council	450,000	450,000
Grant Income - Other	900,364	154,545
Membership Income	880,229	942,405
Wages Reimbursed	20,625	-
	<b>3,096,579</b>	<b>3,465,110</b>
<b>3 Expenses</b>		
<b>(a) Employee Benefits Expenses</b>		
Annual Leave Provision	903	15,564
Staff Amenities	319	67
Superannuation	94,430	97,930
Wages	1,100,221	1,059,095
	<b>1,195,873</b>	<b>1,172,656</b>
<b>(b) Other Significant Expenses</b>		
Access China 2016	-	1,098,318
Access New Zealand 2018	357,120	-
Activate China Expenses	31,822	-
AG Conference Expenses	11,181	-
Bank and Interest Charges	16,900	26,857
Bookkeeping Expenses	22,883	-
Computer Expenses	8,253	15,863
Consultancy	134,797	198,001
Economic Project Expenses	10,588	-
Filing Fees	1,938	1,425
Fringe Benefits Tax	30,987	37,207

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
	<hr/>	<hr/>
<b>(b) Other Significant Expenses Cont'd</b>		
FTA Grant Expenses	17,214	83,409
Function Expenses	144,937	149,268
Grant Expenses - ARIP	31,529	-
Grant Expenses - Other	22,409	25,010
Legal Expenses	1,547	3,399
Membership Engagement	41,470	54,095
Memberships & Sponsorship	30,093	51,346
Motor Vehicles	13,438	11,393
Office Expenses	14,833	9,813
Publications	52,117	49,000
Printing & Stationery	11,713	7,987
Recruitment Expenses	20,710	3,081
Rent & Other Outgoings	109,939	104,929
Staff Training & Uniforms	7,146	2,287
Telephone	35,446	33,264
Travel, Seminars & Conferences	152,824	184,073
Website Expenses	32,545	53,639
	<hr/>	<hr/>
	<b>1,366,379</b>	<b>2,203,664</b>
	<hr/>	<hr/>
<b>(c) Audit Fee</b>		
Audit of Annual Financial Statements	6,750	7,700
	<hr/>	<hr/>
<b>4 Cash and Cash Equivalents</b>		
<b>Cash in Hand</b>		
Petty Cash	82	82
	<hr/>	<hr/>
	82	82
	<hr/>	<hr/>
<b>Cash at Bank</b>	573,298	585,125
	<hr/>	<hr/>
<b>Total Cash and Cash Equivalents</b>	<b>573,380</b>	<b>585,207</b>
	<hr/> <hr/>	<hr/> <hr/>

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<u>2018</u>	<u>2017</u>
	\$	\$
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Receivables	651,904	382,656
Receivable - TSBE Export & Development Ltd	500	-
Other Receivables	4,700	50,274
	<u>657,104</u>	<u>432,930</u>
<b>Other Receivables</b>		
Rental Bond	15,617	15,617
Security Deposit	21,297	21,297
	<u>36,914</u>	<u>36,914</u>
<b>Total Current Trade and Other Receivables</b>	<u>694,018</u>	<u>469,844</u>
<b>6 Other Current Assets</b>		
Prepaid Borrowing Costs	-	328
Prepayments: 2018 Events	-	77,090
Prepayments - Access HK	-	861
	<u>-</u>	<u>78,279</u>
<b>7 Property, Plant and Equipment</b>		
<b>Motor Vehicles</b>		
Motor Vehicles - at Cost	42,416	33,516
Less: Accumulated Depreciation	(1,222)	(8,809)
	<u>41,194</u>	<u>24,707</u>
<b>Office Equipment</b>		
Office Equipment - at Cost	114,002	104,912
Less: Accumulated Depreciation	(74,540)	(66,787)
	<u>39,462</u>	<u>38,125</u>
<b>Total Property, Plant and Equipment</b>	<u>80,656</u>	<u>62,832</u>
<b>8 Trade and Other Payables</b>		
<b>Current</b>		
Trade Payables	41,577	120,716
FBT Instalment Liability	9,089	17,742
Payroll Liabilities	88,643	142,773
Current GST Liability	99,214	88,971
Provision for Annual Leave	43,580	42,677
	<u>282,103</u>	<u>412,879</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>9 Other Liabilities</b>		
Unearned Revenue - Memberships	364,858	236,815
Equipment Finance - Skoda Finance	-	13,982
Prepayments - Access HK	-	228,440
Prepayments - 2018 Conference Income	-	46,704
<b>Total Other Liabilities</b>	<b>364,858</b>	<b>525,941</b>
<b>10 Retained Earnings</b>		
Retained earnings at the beginning of the financial year	257,340	253,233
Net profit attributable to the company	443,751	4,107
Retained earnings at the end of the financial year	701,091	257,340

**11 Economic Dependence**

The continuing operation of Toowoomba & Surat Basin Enterprise Pty Ltd is dependent on Toowoomba Regional Council Funding.

**12 Capital and Leasing Commitments**

**(a) 6 Ann Street Lease Commitment**

Payable - Minimum lease payments:

- Not later than 12 months	108,341	97,006
- Between 12 months and 5 years	97,523	194,012
	<b>205,864</b>	<b>291,018</b>

**(b) Office 1, Floor 1, 83 Heeney Street Lease Commitment**

Payable - Minimum lease payments:

- Not later than 12 months	7,800	-
- Between 12 months and 5 years	14,040	-
	<b>21,840</b>	<b>-</b>

**13 Controlled Entities that have not been Consolidated**

TSBE has a controlled entity, TSBE Export and Investment Development Limited, that is not consolidated because of its size and nature means that it's not material to TSBE's operations. The financial statements for that controlled entity is subject to a separate audit certification by Queensland Auditor-General or their delegate.

A summary of that controlled entity, their net assets and result for the year ended 30 June are:

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Revenue	39	1
Expenses	-	(36,680)
Net Profit (Loss)	39	(36,679)
Assets	1,104	604
Liabilities	500	39
Net assets	604	565



**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**14 Related Parties**

Transactions with parent entity

The entity is wholly owned by the Toowoomba Regional Council.

During the year, Toowoomba Regional Council contributed \$450,000 (2017: \$450,000) to the company as a Community Service Obligation of the Council.

Transactions with key management personnel (KMP)

KMP includes the Directors of the entity and the executive management team. The executive management includes the Chief Executive Officer, Chief Operating Officer and General Managers.

The compensation paid to Key Management Personnel comprises:	<b>2018</b>	<b>2017</b>
Short-Term Employee Benefits	548,143	502,592
Post-Employment Benefits	48,365	37,388
Termination benefits	50,000	-
Total	<u>646,508</u>	<u>539,980</u>

During the year, no remuneration was paid to the board members in their capacity as board members.

There are no balances outstanding outside of normal terms and conditions as at 30 June 2018 in relation to transactions with related parties. It is noted that a key management personnel purchased a motor vehicle from the entity for the amount of \$15,500 (incl. GST) in the 2018 financial year. This amount was based on an independent valuation report.

Transactions with other related parties

Company transferred \$500 as a loan to TSBE Export and Investment Development Limited which remained outstanding as at 30 June 2018.

TSBE Export and Investment Development Limited is a company Limited by Guarantee which has been set up by the Board of directors of Toowoomba Surat Basin Enterprise Pty Ltd. Both entities share the same Board of directors. TSBE Export and Investment Development Limited have the ability to receive grant funding and forward the funds to Toowoomba and Surat Basin Enterprise Pty Ltd.

**15 Company Details**

The principal place of business & the registered office for the company is:

Toowoomba & Surat Basin Enterprise Pty Ltd  
6 Ann Street  
Toowoomba, QLD 4350

**TOOWOOMBA AND SURAT BASIN ENTERPRISE PTY LTD**  
**ABN: 85 155 004 523**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

In the opinion of the Directors of Toowoomba & Surat Basin Enterprise Pty Ltd:

- 1 The financial statements and notes of the company are in accordance with the Corporations Act 2001, including:
  - a. Giving a true and fair view of its financial position as at 30 June 2018 and of its performance for the financial year ended that date; and
  - b. Complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- 2 There are reasonable grounds to believe that Toowoomba & Surat Basin Enterprise Pty Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

**Director:**



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Mr Shane Charles

**Dated this 10th day of October 2018**

## INDEPENDENT AUDITOR'S REPORT

To the Members of Toowoomba and Surat Basin Enterprise Pty Ltd

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Toowoomba and Surat Basin Enterprise Pty Ltd.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2018, and its financial performance and cash flows for the year then ended
- b) complies with Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

#### Basis for opinion

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

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

#### Responsibilities of the company for the financial report

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

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

## **Auditor's responsibilities for the audit of the financial report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



John Welsh  
as delegate of the Auditor-General

15 October 2018

Queensland Audit Office  
Brisbane