

EIGHTH

**ANNUAL
REPORT**

2019



**Queensland Lifestyle
Cooperative Limited**

QC 0318

Established 2011

REGISTERED OFFICE

ADDRESS: UNIT 21, 17 CAIRNS STREET
LOGANHOLME QLD 4219
POSTAL ADDRESS: PO BOX 1628, OXFENFORD QLD 4210

TELEPHONE: (07) 3077 7070 FAX: (07) 3077 7080
EMAIL: secretary@qldlifestyle.com.au

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- QLCL Member Development Fund Manager Pty Ltd

QUEENSLAND LIFESTYLE COOPERATIVE LIMITED

DIRECTORS' REPORT

Your Directors submit their report together with the financial report of Queensland Lifestyle Cooperative Limited and the consolidated financial report of the consolidated entity, being the Cooperative and its controlled entities, for the year ended 30 June 2019 and the Audit Report thereon.

Directors

The names of the Directors holding office during or since the end of the year are:

David Michael Mitchell	Managing Director (Development)
Leonard Timothy O'Mara	Management Consultant
Kevin Doodney	Real Estate Agent
Robert Paul Eadie	Administration Manager (Construction)

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

Attendance at Directors' Meetings

	<u>Eligible</u>	<u>Attended</u>
David Michael Mitchell	4	4
Leonard Timothy O'Mara	4	4
Kevin Doodney	4	4
Robert Paul Eadie	4	4

Principal Activities

The Principal activity of the Cooperative during the year was the development of residential housing in Australia. There has been no significant change in the nature of this activity during the year.

Operational Results

The Cooperative's net profit for the financial year after provision for income tax was:

Year Ended	Year Ended
30 June 2018	30 June 2017
<u>\$1,407.36</u>	<u>\$2,239.58</u>

Dividends

No dividend was recommended by the Directors nor provided for as at 30 June 2019 (2018 – Nil).

Significant Changes in the State Of Affairs

No significant changes in the cooperative's affairs occurred during the financial year.

After Balance Day Events

No matters or circumstances have arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the Cooperative, the result of those operations and/or the state of affairs of the Cooperative in future financial years.

QUEENSLAND LIFESTYLE COOPERATIVE LIMITED

DIRECTORS' REPORT (CONTINUED)

Future Developments

The Cooperative expects to maintain the present status and level of operations and hence there are no likely developments in the operation in future years.

Environmental Issues

The Cooperative operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.

Share Options

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

Directors' Interests

No Director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the Cooperative with a Director, a firm which a Director is a member or an entity in which a Director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements.

Indemnifying Officer or Auditor

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

Proceedings on Behalf of Company

No person has applied for leave of 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 any part of those proceedings. The company was not a party to any such proceedings during the year.

Signed at Brisbane, in accordance with a resolution of Directors on 12 February 2020.



DAVID MICHAEL MITCHELL
(Director)



LEONARD TIMOTHY O'MARA
(Director)

Queensland Lifestyle Cooperative Limited QC0318

Financial Statements

For the year ended 30 June 2019



Prudent Partners

Accountants and Advisors in Taxation, Business Structuring, Profit Growth and Business Strategies

Suite 22, 115 Wickham Street

FORTITUDE VALLEY QLD 4006

Phone: (07) 3252 4655 Fax: (07) 3252 0535

Email: accountant@prudentgroup.com.au

Queensland Lifestyle Cooperative Limited QC0318

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Queensland Lifestyle Cooperative Limited QC0318
Detailed Profit and Loss Statement
For the year ended 30 June 2019

	2019 \$	2018 \$
Income		
Annual Subscriptions	15,900.00	23,700.00
General Recovery Fees	15,000.00	10,000.00
Interest received		63.35
Cost of Fee Income		(9,564.09)
Total income	30,900.00	24,199.26
Expenses		
Audit fees	1,000.00	1,000.00
Bank Charges		54.48
Directors' Expenses & Costs	1,000.00	1,000.00
Insurance	23,910.70	16,616.60
Printing Postage & Stationery	920.94	745.60
Professional fees	2,200.00	2,200.00
Statutory Fees	461.00	343.00
Total expenses	29,492.64	21,959.68
Profit from Ordinary Activities before income tax	1,407.36	2,239.58

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Queensland Lifestyle Cooperative Limited QC0318
Detailed Balance Sheet as at 30 June 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash Assets			
Cash at Bank - Bankwest Transaction A/C		26,868.70	11,167.21
Cash on hand		199.00	199.00
		<u>27,067.70</u>	<u>11,366.21</u>
Receivables			
Accounts Receivables		25,000.00	
Loan - MKD		2,074.16	2,028.56
Loan - QLCL MDF #8 - Atlantic Dr			8,000.00
Loan - QLCL MDF #16 - Evergreen			14,000.00
Loan - QLCL MDF - Fund Manager PL		500.00	
		<u>27,574.16</u>	<u>24,028.56</u>
Current Tax Assets			
Taxation		370.93	(3,998.12)
		<u>370.93</u>	<u>(3,998.12)</u>
Total Current Assets		<u>55,012.79</u>	<u>31,396.65</u>
Non-Current Assets			
Intangible Assets			
Intangibles		765.00	765.00
		<u>765.00</u>	<u>765.00</u>
Total Non-Current Assets		<u>765.00</u>	<u>765.00</u>
Total Assets		<u>55,777.79</u>	<u>32,161.65</u>

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's
 Compilation Report and Notes which form part of these financial statements.

Queensland Lifestyle Cooperative Limited QC0318
Detailed Balance Sheet as at 30 June 2019

	Note	2019 \$	2018 \$
Current Liabilities			
Payables			
Unsecured:			
Creditors		4,451.70	
Audit Fees Provision		1,000.00	1,000.00
Accounting Fees Provision		2,200.00	4,015.00
Insurance Provision		19,459.00	
Interest Provision		1,531.42	
Less: Unexpired Interest		(1,531.42)	
		<u>27,110.70</u>	<u>5,015.00</u>
Total Current Liabilities		<u>27,110.70</u>	<u>5,015.00</u>
Total Liabilities		<u>27,110.70</u>	<u>5,015.00</u>
Net Assets		<u>28,667.09</u>	<u>27,146.65</u>
 Equity			
Issued Capital			
Member's Equity		19,905.00	19,405.00
Retained profits / (accumulated losses)		8,762.09	7,741.65
Total Equity		<u>28,667.09</u>	<u>27,146.65</u>

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Queensland Lifestyle Cooperative Limited QC0318
Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, present fairly the company's financial position as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors are responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

This declaration is made in accordance with a resolution of the Board of Directors.



LEONARD O'MARA

Director



DAVID MICHAEL MITCHELL

Director

Dated: 12 FEBRUARY 2020

Queensland Lifestyle Cooperative Limited QC0318
Compilation Report to Queensland Lifestyle Cooperative Limited QC0318

We have compiled the accompanying special purpose financial statements of Queensland Lifestyle Cooperative Limited QC0318, which comprise the balance sheet as at 30 June 2019, the Statement of Profit and Loss for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The Responsibility of the Directors

The directors of Queensland Lifestyle Cooperative Limited QC0318 are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the significant accounting policies used are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies as described in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the significant accounting policies described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110: Code of Ethics for Professional Accountants.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. Accordingly, these special purpose financial statements may not be suitable for other purposes. We do not accept responsibility for the contents of the special purpose financial statements.



Prudent Partners
Suite 22, 115 Wickham Street
FORTITUDE VALLEY QLD

6 February, 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEENSLAND LIFESTYLE COOPERATIVE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Queensland Lifestyle Cooperative Limited (the Co-Operative), which comprises the Statement of Financial Position as at 30 June 2019, the Statement of Financial Performance for the year then ended, a Statement of Significant Accounting Policies, other Explanatory Notes and the Directors' Declaration.

In our opinion, except for the effects of the matter described in the Basis for Opinion section of our report, the accompanying financial report of the Co-Operative, is in accordance with the *Cooperatives Act 1997*, including:

- a) Presenting fairly, in all material respects, the Co-Operative's financial position as at 30 June 2019 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1; and
- b) Complying with *Australian Accounting Standards* and the regulations of the *Cooperatives Act 1997*.

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 Co-Operative in accordance with the auditor independence requirements of the *Cooperatives Act 1997* 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 confirm that the independence declaration required by the *Cooperatives Act 1997*, which has been given to the directors of the Co-Operative, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Co-Operative's annual report for the year ended 30 June 2019, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, 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.

Directors' Responsibility for the Financial Report

The Directors of the Co-Operative are responsible for the preparation and fair presentation of the Financial Report and have determined that the accounting policies described in Note 1 to the Financial Statements, which form part of the Financial Report, are appropriate to meet the requirements of the Cooperatives Act 1997 and are appropriate to meet the needs of the members. The Directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the Financial Report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial report, the Directors are responsible for assessing the Co-Operative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Report

Our responsibility is to express an opinion on the Financial Report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to Audit Engagements and plan and perform the audit to obtain reasonable assurance whether the Financial Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the *Cooperatives Act 1997*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Yours sincerely,



Brian Bower

B N B Audit Partners
Level 1/128 Kortum Dr, Burleigh Heads, QLD 4220

Date: 12/2/2020

AUDITORS INDEPENDENCE DECLARATION

TO THE DIRECTORS OF

QUEENSLAND LIFESTYLE COOPERATIVE LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Queensland Lifestyle Cooperative Limited.

As lead audit partner for the audit of the financial statements of Queensland Lifestyle Cooperative Limited for the financial year ended 30 June 2019,

I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



Brian Peter Bower RCA 3906

BNB Audit Partners

Date: 12/02/2020

