

**SIXTH**

**ANNUAL  
REPORT**

**2017**



**Queensland Lifestyle  
Cooperative Limited**

**QC 0318**

**Established 2011**

**REGISTERED OFFICE**

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LOGANHOLME QLD 4219  
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## 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 2017 and the Audit Report thereon.

#### DIRECTORS:

The names of the Directors holding office from 1 July 2017 until the date of this report are:

KEVIN DOODNEY	Real Estate Agent
TERRY EDWARD STONE	Finance Consultant
ROBERT PAUL EADIE	Administration Manager (Construction)
DAVID MICHAEL MITCHELL	Managing Director (Development)
LEONARD TIMOTHY O'MARA	Finance Consultant

#### ATTENDANCE AT DIRECTORS' MEETINGS:

	<u>ELIGIBLE</u>	<u>ATTENDED</u>
KEVIN DOODNEY	4	4
TERRY EDWARD STONE	4	4
ROBERT PAUL EADIE	4	4
DAVID MICHAEL MITCHELL	4	4
LEONARD TIMOTHY O'MARA	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 2017	30 June 2016
\$	\$
<u>\$4,600</u>	<u>1,343</u>

**QUEENSLAND LIFESTYLE COOPERATIVE LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**REVIEW OF OPERATIONS:**

During the year the Cooperative continued to seek opportunities to develop residential housing in Australia..

**DIVIDEND:**

No dividend was recommended by the Directors nor provided for as at 30 June 2017 (2016 – Nil).

**STATE OF AFFAIRS/EVENTS SUBSEQUENT TO BALANCE DATE:**

There are no events have arisen during the financial year or 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;

The Cooperative has been able to pay its debts.

**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.

**DIRECTORS' AND AUDITOR'S INDEMNIFICATION:**

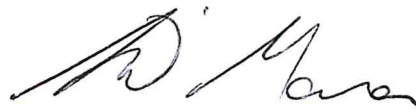
The Cooperative has not, during the financial year, in respect of any person who is or has been an officer or an auditor of the Cooperative or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against liability, including costs and expenses in successfully defending legal proceedings that by law would otherwise attach to the officer or auditor for negligence, default, breach of duty or breach of trust of which the officer or auditor may be guilty in relation to the Cooperative: or
  
- paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Signed at Brisbane, in accordance with a resolution of Directors on 8 February 2018.



DAVID MICHAEL MITCHELL  
(Director)



LEONARD TIMOTHY O'MARA  
(Director)



**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 2017, the Statement of Financial Performance for the year then ended, a statement of cash flows, 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 2017 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 2017, 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:**

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**QUEENSLAND LIFESTYLE COOPERATIVE LIMITED**

**DIRECTORS' DECLARATION**

In the opinion of the directors of Queensland Lifestyle Cooperative Limited

(a) The financial statements and notes, as set out on pages 6 to 11, are in accordance with the Cooperatives Act 1997, including:

(i) giving a true and fair view of the financial position of the Cooperative (and the consolidated entity) as at 30 June 2017 and of their performance, for the year ended on that date, and

(ii) complying with Accounting Standards

(b) there are reasonable grounds to believe that the Cooperative will be able to pay its debts as when they become due and payable.

Signed at Brisbane, in accordance with a resolution of Directors on 8 February 2018.



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DAVID MICHAEL MITCHELL  
(Director)



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LEONARD TIMOTHY O'MARA  
(Director)







**QUEENSLAND LIFESTYLE COOPERATIVE LIMITED QC0318**

**STATEMENT OF CONSOLIDATED FINANCIAL POSITION**

**FOR THE YEAR ENDED 30 JUNE 2017**

<b>SUBSIDIARY</b>			<b>COOPERATIVE</b>	
2017	2016		2017	2016
\$	\$		\$	\$
1	1			
<u>1</u>	<u>1</u>			
		NOTE		
		5		
		CASH AT BANK & ON HAND	6,291	2,517
		ACCOUNTS RECEIVABLE	34,851	30,552
		<b>TOTAL CURRENT ASSETS</b>	<u>41,142</u>	<u>33,070</u>
		<b>NON CURRENT ASSETS:</b>		
		NON CURRENT RECEIVABLES		
		PROPERTY, PLANT & EQUIPMENT		
		INTANGIBLES	765	765
		<b>TOTAL NON CURRENT ASSETS:</b>	<u>765</u>	<u>765</u>
<u>0</u>	<u>0</u>			
<u>1</u>	<u>1</u>	<b>TOTAL ASSETS:</b>	<u>41,907</u>	<u>33,835</u>
		<b>CURRENT LIABILITIES:</b>		
		BANK OVERDRAFT		0
		CREDITORS	605	550
		ACCOUNTS PAYABLE	10,686	9,686
		PROVISION FOR DIVIDEND		0
		PROVISION FOR GST		0
		PROVISION FOR INTEREST		0
		PROVISION FOR REBATES		0
		PROVISION FOR INCOME TAX	3,334	1,542
		PROVISION FOR DOUBTFUL DEBT		0
		<b>TOTAL CURRENT LIABILITIES:</b>	<u>14,625</u>	<u>11,778</u>
<u>0</u>	<u>0</u>			
		<b>NON CURRENT LIABILITIES:</b>		
<u>0</u>	<u>0</u>	<b>TOTAL NON CURRENT LIABILITIES:</b>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<b>TOTAL LIABILITIES:</b>	<u>14,625</u>	<u>11,778</u>
<u>1</u>	<u>1</u>	<b>NET ASSETS:</b>	<u>27,282</u>	<u>22,057</u>
		<b>SHAREHOLDERS' EQUITY:</b>		
		CONTRIBUTED EQUITY	18,905	18,410
		RETAINED EARNINGS/(LOSSES)	8,377	3,647
		TAX PAID		0
		RESERVES		0
		<b>TOTAL SHAREHOLDERS' EQUITY:</b>	<u>27,282</u>	<u>22,057</u>
<u>1</u>	<u>1</u>			



**QUEENSLAND LIFESTYLE COOPERATIVE LIMITED QC0318**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2017**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements are a general purpose financial report which has been drawn up in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Cooperatives Act 1997.

**(a) Basis of Accounting**

The financial statements have been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets. The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these statements.

**(b) Income Tax**

The consolidated entity adopts the liability method of tax effect accounting whereby the income tax expense is calculated on the operating profit before tax, adjusted for permanent differences. Income tax in respect of 2017 is \$1,792 (2016 – \$1,146).

**(c) Principles of Consolidation**

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Queensland Lifestyle Cooperative Limited QC0318 ("COOPERATIVE") at the end of the reporting period. A controlled entity is any entity over which Queensland Lifestyle Cooperative Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities and QLCL Member Development Fund Manager Pty Ltd ACN 606 339 888 ("SUBSIDIARY") is its only controlled entity.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

	COOPERATIVE	
	2017	2016
	\$	\$
<b>2. DIRECTORS</b>		
<b>a. Directors' Remuneration</b>		
Directors' remuneration from the Cooperative;		
Annual Subscriptions	500	500
Cooperative Shares	500	500
<b>Total</b>	<b>1,000</b>	<b>1,000</b>
<b>b. Loans to Directors</b>	<b>Nil</b>	<b>Nil</b>
<b>c. Other transactions with Directors</b>	<b>Nil</b>	<b>Nil</b>
<b>d. At the date of this report Directors held shares with the Cooperative.</b>		
<b>DIRECTORS:</b>	<b>SHARES</b>	
Kevin Doodney	423	
Terry Edward Stone	600	
Robert Paul Eadie	600	
David Michael Mitchell	600	
Leonard Timothy O'Mara	600	
<b>3. AUDITOR'S REMUNERATION</b>		
Adjustment to Previous Years Fees		80
Current Years Fees:	1,000	550
Audit Services:	1,000	630
<b>4. OPERATING RESULTS</b>		
Net Profit for the year		
After charging: -		
Bank Charges	120	140
Statutory Fees	246	374
Audit Fee	1,000	550

**QUEENSLAND LIFESTYLE COOPERATIVE LIMITED QC0318**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
	\$	\$
<b>5. CASH AT BANK &amp; ON HAND</b>		
Cash at Bank	6,092	2,318
Cash on Hand	199	199
	<u>6,291</u>	<u>2,517</u>

**6. CONTRIBUTED EQUITY**

During the year members subscribed for and were repaid on shares held in the Cooperative and the net movements were:-

<b>Balance 1 July</b>	18,410	3,328
Shares Subscribed	500	15,086
Shares Cancelled	(5)	(4)
Shares Repaid		
<b>Balance 30 June</b>	<u>18,905</u>	<u>18,410</u>

Members participate in dividends and proceeds on winding up of the Cooperative in proportion to the number of shares held.

**7. PRIOR YEAR'S ADJUSTEMENTS**

In 2017 adjustments were made to audit expenses in 2016. In 2016 an adjustment of \$1,500 was made to reverse all Share Discounts on shares issued to Directors for the 2013, 2014 and 2015 years and expense them as Director's Fees and also expenses and income tax adjustments from 2013, 2014 and 2015.

(55)	(1,124)
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**8. NOTE TO THE STATEMENT OF CASH FLOWS**

**a. Reconciliation of Cash**

Cash as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows;

<b>Cash at Bank and On Hand</b>	<u>6,291</u>	<u>2,517</u>
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**b. Reconciliation of Cash Flows  
from operations with profit(loss)  
from ordinary activities after**

**Income Tax.**

Net profit(loss) from ordinary activities after income tax	4,780	1,830
Prior Year Adjustments	(55)	376
(Increase)Decrease in debtors	(4,298)	(25,552)
Increase(Decrease) in creditors	1,055	9,987
Increase(Decrease) in provision for dividend		
Increase(Decrease) in provision for taxation	1,792	283
<b>Net cash provided by (used in) operating activities</b>	<u>3,274</u>	<u>(13,076)</u>

**9. DIVIDEND**

No dividend was recommended by the Directors and provided for as at 30 June 2017 (2016: Nil).

**10. EMPLOYEES**

At the year end the Cooperative had no employees.

**11. CORPORATE DIRECTORY**

The Cooperative was incorporated in Queensland. The registered office and principal place of business is:

Unit 21, 17 Cairns Street, Loganholme, Qld

Telephone: (07) 3077 7070

Email: secretary@qldlifestyle.com.au

Facsimile: (07) 3077 7080