

**TWELFTH**

**ANNUAL  
REPORT**

**2023**

**QC 0318**



**Queensland Lifestyle  
Cooperative Limited**

**Established 2011**

**REGISTERED OFFICE**

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LOGANHOLME QLD 4219  
POSTAL ADDRESS: PO BOX 1628, OXFENFORD QLD 4210

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Directors' Report

Financial Statements and Audit Report for the year ended 30 June 2023

Director's Declaration

## QUEENSLAND LIFESTYLE COOPERATIVE LIMITED

### DIRECTORS' REPORT

Your Directors submit their report together with the financial report of Queensland Lifestyle Cooperative Limited for the year ended 30 June 2023 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
Kenneth Mitchell	Director of Cooperative Management company

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	5	5
Leonard Timothy O'Mara	5	5
Kenneth Mitchell	5	5

#### **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.

#### **Operating Results**

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

<b>Year Ended</b>	<b>Year Ended</b>
<b>30 June 2023</b>	<b>30 June 2022</b>
(\$3,726.25)	\$7,207.73

#### **Dividends paid or recommended**

No dividend was recommended by the Directors nor provided for as at 30 June 2023 (2022 – Nil).

#### **Significant Changes in the State Of Affairs**

The Directors are of the opinion that the number of active members of the Cooperative has decreased to a level where it is not economically viable to support the Cooperative's cost structure in the short to medium term given cash available. The environment for the development of residential housing has been difficult with land becoming very expensive and challenging to obtain under reasonable terms.

Therefore, the Directors are putting an Item in the Special Business of the 2023 AGM to confirm whether the members agree to the voluntary deregistration of the Cooperative.

#### **After Balance Day Events**

The Directors have decided to remove the Fund Manager to the QLCL Member Development Fund being the Cooperative's wholly owned subsidiary QLCL Member Development Fund Manager Pty Ltd ACN 606 338 888 and replace it as Fund Manager with its wholly owned subsidiary QLCL Fund Manager Pty Ltd ACN 673 840830 and is in the process of instigating the liquidation of QLCL Member Development Fund Manager Pty Ltd.

#### **Future Developments**

The on-going future of the Cooperative is dependent on the 2023 AGM Special Business Item on whether the members agree to the voluntary deregistration of the Cooperative.

## QUEENSLAND LIFESTYLE COOPERATIVE LIMITED

### DIRECTORS' REPORT (CONTINUED)

#### **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.

#### **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 and remuneration**

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.

A resolution was approved at the 2012 AGM that "each Director could be allocated 100 fully paid shares in the Cooperative free of charge for each board meeting attended in the past or the future assignable at the discretion of the Director, such incentive to be increased by the Board to 200 shares per meeting any time after 12 months from the date of this Annual General Meeting for meetings after this period if the Board considers it financially responsible and also that the Annual Subscription fee of the Cooperative be waived for any Director acting when the fee is due in lieu of any payment for the director's services". The Board's view is that it is reasonable to continue with the 100 shares as per previous years.

#### **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.

#### **Going Concern**

As there is no decision at this time on the continuation of the Cooperative and it is able to pay its liabilities as and when they are due and payable, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis, meaning that assets are expected to be realised at the values stated, and liabilities will be met as and when they fall due.

Signed at Brisbane, in accordance with a resolution of Directors on 8 February 2024.



DAVID MICHAEL MITCHELL  
(Director)



LEONARD TIMOTHY O'MARA  
(Director)



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS  
ACT 2001 TO THE DIRECTORS OF QUEENSLAND LIFESTYLE COOPERATIVE LIMITED**

As auditor of Queensland Lifestyle Cooperative Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Section 307C 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.

A handwritten signature in black ink, appearing to read 'Peter Sheville', is located below the list of declarations.

**Peter Sheville, Director**  
Registered Company Auditor (16082)  
8 February 2024

# Queensland Lifestyle Cooperative Limited QC0318

## Financial Statements For the year ended 30 June 2023



### 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

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# Queensland Lifestyle Cooperative Limited QC0318

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**Queensland Lifestyle Cooperative Limited QC0318**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2023**

	Note	2023	2022
		\$	\$
Revenue		2,150.00	7,600.00
<b>Gross profit</b>		<b>2,150.00</b>	<b>7,600.00</b>
Other income		2.00	10,241.00
Administration expenses		(5,878.25)	(10,633.67)
<b>Profit (deficit) before income tax</b>		<b>(3,726.25)</b>	<b>7,207.33</b>
Income tax (credit) expense			
<b>Profit (deficit) for the year</b>		<b>(3,726.25)</b>	<b>7,207.33</b>
 <b>Other comprehensive income:</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met:</b>			
<b>Total other comprehensive income for the year, net of tax</b>			
<b>Total comprehensive income for the year</b>		<b>(3,726.25)</b>	<b>7,207.33</b>

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The accompanying notes form part of these financial statements.



**Queensland Lifestyle Cooperative Limited QC0318**  
**Statement of Financial Position as at 30 June 2023**

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash assets	<a href="#">2</a>	24,840.81	18,787.39
Receivables	<a href="#">3</a>		11,500.00
Current tax assets	<a href="#">4</a>	777.00	777.00
<b>Total Current Assets</b>		<b>25,617.81</b>	<b>31,064.39</b>
<b>Non-Current Assets</b>			
Intangible assets	<a href="#">5</a>	765.00	765.00
<b>Total Non-Current Assets</b>		<b>765.00</b>	<b>765.00</b>
<b>Total Assets</b>		<b>26,382.81</b>	<b>31,829.39</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Financial liabilities	<a href="#">6</a>	25.67	
Current tax liabilities			259.00
Provisions	<a href="#">7</a>	4,400.00	6,285.00
Other	<a href="#">8</a>	100.00	
<b>Total Current Liabilities</b>		<b>4,525.67</b>	<b>6,544.00</b>
<b>Total Liabilities</b>		<b>4,525.67</b>	<b>6,544.00</b>
<b>Net Assets</b>		<b>21,857.14</b>	<b>25,285.39</b>
<b>Equity</b>			
Issued capital	<a href="#">9</a>	10,847.00	10,549.00
Retained profits		11,010.14	14,736.39
<b>Total Equity</b>		<b>21,857.14</b>	<b>25,285.39</b>

The accompanying notes form part of these financial statements.

**Queensland Lifestyle Cooperative Limited QC0318**  
**Statement of Changes in Equity for the year ended 30/06/2023**

	Notes	Retained Earnings	Issued & Paid Up Capital	Total
<b>Balance at 01/07/2021</b>		7,529.06	20,490.00	28,019.06
<b>Comprehensive income</b>				
Profit attributable to the members		7,207.23		7,207.23
Shares bought back during the year			(9,941.00)	(9,941.00)
Other comprehensive income for the year				
<b>Total comprehensive income for the year attributable to members of the entity</b>		7,207.23	(9,941.00)	(2,733.77)
<b>Balance at 30/06/2022</b>		14,736.39	10,549.00	25,285.39
<b>Comprehensive income</b>				
Profit attributable to the members		(3,726.25)		(3,726.25)
Shares issued during the year			298.00	298.00
Other comprehensive income for the year				
<b>Total comprehensive income for the year attributable to members of the entity</b>		(3,726.25)	298.00	(3,428.25)
<b>Balance at 30/06/2023</b>		11,010.14	10,847.00	21,857.14

The accompanying notes form part of these financial statements.

**Queensland Lifestyle Cooperative Limited QC0318**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2023**

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## **Note 1: Summary of Significant Accounting Policies**

### **Basis of Preparation**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

#### **(a) Income Tax**

The income tax expense (income) for the year comprises current income tax expense (income). The company does not apply deferred tax.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

#### **(b) Loans and Receivables**

Trade receivables are recognised initially at cost and are subsequently measured at cost less any provision for impairment. Most sales are made on the basis of normal credit terms and are not subject to interest. Where credit is extended beyond normal credit terms and is more than 12 months, receivables are discounted to their present value. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Other receivables include loans granted by the company and are discounted to present values using the interest rate inherent in the loan.

#### **(c) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reasonably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### **(d) 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 on the balance sheet.

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**Queensland Lifestyle Cooperative Limited QC0318**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2023**

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**(e) Revenue and Other Income**

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognised related 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).

**(f) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (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. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

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# Queensland Lifestyle Cooperative Limited QC0318

## Notes to the Financial Statements

For the year ended 30 June 2023

2023

2022

### Note 2: Cash assets

Bank accounts:

Cash at Bank - Bankwest Transaction A/C	24,641.81	18,588.39
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Other cash items:

Cash on hand	199.00	199.00
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**24,840.81**

**18,787.39**

### Note 3: Receivables

#### Current

Amounts receivable from:

- Related parties		11,500.00
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**11,500.00**

### Note 4: Tax Assets

#### Current

Taxation	777.00	777.00
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**777.00**

**777.00**

### Note 5: Intangible Assets

Other intangibles:

- At cost	765.00	765.00
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765.00

765.00

**765.00**

**765.00**

# Queensland Lifestyle Cooperative Limited QC0318

## Notes to the Financial Statements

For the year ended 30 June 2023

2023

2022

### Note 6: Financial Liabilities

#### Current

##### Unsecured:

- Loans to related bodies corporate

	25.67	
	<u>25.67</u>	
	<u>25.67</u>	

### Note 7: Provisions

#### Current

Sundry provisions

	4,400.00	6,285.00
	<u>4,400.00</u>	<u>6,285.00</u>

### Note 8: Other Liabilities

#### Current

Sundry

	100.00	
	<u>100.00</u>	

### Note 9: Contributed Capital

Ordinary shares at \$1.00 each fully paid

	<u>10,847.00</u>	<u>10,549.00</u>
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**Queensland Lifestyle Cooperative Limited QC0318**  
**Directors' Declaration**

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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 are in accordance with the Corporations Act 2001:
  - (a) comply with Accounting Standards described in Note 1 to the financial statements and the Corporations Regulations; and
  - (b) give a true and fair view of the company's financial position as at 30 June 2023 and of 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.

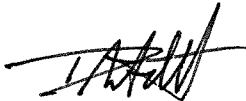
The directors are responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

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



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LEONARD O'MARA  
Director



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DAVID MICHAEL MITCHELL  
Director

Dated:

8/2/2024



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Queensland Lifestyle Cooperative Limited

### **Opinion**

I have audited the financial report of Queensland Lifestyle Cooperative Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the detailed profit and loss statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and Directors'

Declaration.

In my opinion, the financial report of Queensland Lifestyle Cooperative Limited has been prepared in accordance with the Co-operatives National Law Act 2020, Co-operatives National Law (Queensland), Co-Operatives Act 1997 including:

1. Giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
2. Complying with Australian Accounting Standards to the extent described in Note 1

### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Co-operatives National Law Act 2020, Co-operatives National Law (Queensland), Co-Operatives Act 1997 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia; and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Emphasis of Matter**

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the Co-operatives National Law Act 2020, Co-operatives National Law (Queensland), Co-Operatives Act 1997. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect to this matter.

### **Committee Members' Responsibilities**

The Committee of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Co-operatives National Law Act 2020, Co-operatives National Law (Queensland), Co-Operatives Act 1997 and is appropriate to meet the needs of the members. The Committee's responsibility also includes such internal control as the Committee determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



In preparing the financial report, the Committee is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the Company or cease operations, or have 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 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 the 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 the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Association 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 those charged with governance 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 the audit.



**Peter Sheville, Director**  
Registered Company Auditor (16082)  
8 February 2024