

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

FINANCIAL REPORT

FOR THE PERIOD ENDED 30 June 2012

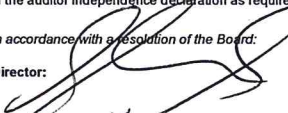

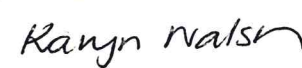
Common Ground Queensland Ltd
 ABN 16 134 647 331
 ACN 134 647 331
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 June 2012

DIRECTORS' REPORT

- 1 Your directors submit the Financial Accounts of the company for the period ended .
- 2 The names of the directors in office at the date of this report are:
 Karyn Joan Walsh, Director
 Phillip Joseph Heraghty, Director
 Penelope Britt Tarrant, Director
 Judith Cameron Abernethy, Director
 Kevin Francis Hayes, Director
 Neill McIntosh Baxter, Director
 Shane Graham, Director
 Susan Maree Burke, Director
 Margaret Mary Ridley, Director & Company Secretary
 Damian Roy Winterburn, Director
 Paul James Bellas (resigned), Director (& Treasurer)
- 3 The company carried on the activities of:
 - * a Public Benevolent Institution and Deductible Gift Recipient
 - * to assist the poor, those in need, and low income earners by providing affordable housing to those who have the need
 - * meeting the criteria specified by the company
 - * to provide case workers and other specialist staff to support the tenants of the subsidised housing

No significant change in the nature of these activities occurred during the period.

No matters have arisen since the end of the financial period which significantly affected, or may significantly affect the operations of the company, the results of these operations, or the state of affairs of the company in subsequent financial periods.
- 4 The Surplus (Deficit) after providing for income tax and extraordinary items amounted to \$202,209.58 . No income tax was provided for as the income of the company is exempt from tax under the provision of the Income Tax Assessment Act.
- 5 No dividends/distributions were paid during the period as the company is a company limited by guarantee.
- 6 As a company limited by guarantee, there is no issue of shares or options.
- 7 No director has received or become entitled to receive, during or since the financial period, a benefit other than by a contract or agreement made by the company or related body corporate with a director, a firm of which a director is a member or in which a director has a substantial financial interest.
- 8 The company has not, during or since the financial period, in respect of any person who is or has been an officer or auditor of the company or a related body corporate:
 - indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.
- 9 The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a State or Territory.
- 10 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 for all or any part of those proceedings.
 The company was not a party to any such proceedings during the year.
- 11 **Directors' Particulars:**

Karyn Joan Walsh	No. meetings eligible to attend: 10 No. meetings attended: 9
Phillip Joseph Heraghty	No. meetings eligible to attend: 10 No. meetings attended: 9
Penelope Britt Tarrant	No. meetings eligible to attend: 10 No. meetings attended: 9
Judith Cameron Abernethy	No. meetings eligible to attend: 10 No. meetings attended: 9
Kevin Francis Hayes	No. meetings eligible to attend: 10 No. meetings attended: 6
Neill McIntosh Baxter	No. meetings eligible to attend: 10 No. meetings attended: 5
Shane Graham	No. meetings eligible to attend: 9 No. meetings attended: 5
Susan Maree Burke	No. meetings eligible to attend: 10 No. meetings attended: 5
Margaret Mary Ridley	No. meetings eligible to attend: 10 No. meetings attended: 8
Damian Roy Winterburn	No. meetings eligible to attend: 3 No. meetings attended: 3
Paul James Bellas (resigned)	No. meetings eligible to attend: 7 No. meetings attended: 5
- 12 **Auditor Independence Declaration**
 A copy of the auditor independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.
 Signed in accordance with a resolution of the Board:
 Director:  Penny Tarrant
 Director:  Karyn Walsh  Karyn Walsh
 Dated: 10/10/12

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

**FINANCIAL STATEMENTS
FOR THE PERIOD ENDED****STATEMENT BY THE BOARD*****In the opinion of the Board of Common Ground Queensland Ltd:***

- 1 (a) The Company's Income Statement (or Profit and Loss Account) gives a true and fair view of the Company's surplus or deficit for the financial period; and
- (b) The Company's Balance Sheet gives a true and fair view of the Company's state of affairs as at the end of that financial period.
- 2 At the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.
- 3 The Company's accounts have been prepared in accordance with applicable Accounting Standards.
- 4 The accounts have been properly prepared by a competent person.
- 5 (a) The Company has kept such accounting records that correctly record and explain the transactions and financial position of the Company.
- (b) The Company has kept its accounting records in such a manner as would enable true and fair accounts to be prepared from time to time.
- (c) The Company has kept its accounting records in such a manner as would enable the accounts of the Company to be conveniently and properly audited in accordance with the Corporations Law and its constitution.

This statement is made in accordance with the resolution of the Board of Directors and is signed for and on behalf of the Board by:

Director: _____

Director: _____

Kaun Walsen

Dated:

10/10/12

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

Balance Sheet

as at 30 June 2012

	Note	2012	2011
Assets			
Current Assets			
Cash at Bank & on Hand	4	147,702.24	23,518.75
Receivables & Prepayments	5	96,239.15	2,749.44
Total Current Assets		\$ 243,941.39	\$ 26,268.19
Property Plant & Equipment			
Property & Improvements	6	-	-
Plant Equipment & Chattels	6	-	-
Total Property Plant & Equipment		\$ -	\$ -
Total Assets		\$ 243,941.39	\$ 26,268.19
Liabilities			
Current Liabilities			
Creditors & Accruals	7	(0.00)	7,096.98
Provisions	8	22,636.17	3,396.58
Total Current Liabilities		\$ 22,636.17	\$ 10,493.56
Non-Current Liabilities			
Creditors & Accruals	7	-	-
Provisions	8	3,925.47	604.46
Total Non-Current Liabilities		\$ 3,925.47	\$ 604.46
Total Liabilities		\$ 26,561.64	\$ 11,098.02
Net Assets		\$ 217,379.75	\$ 15,170.17
Accumulated Funds			
<i>Accumulated Funds - General</i>			
Retained Earnings		15,170.17	2,922.80
Net Surplus / (Deficit)		202,209.58	12,247.37
Total Accumulated Funds - General		\$ 217,379.75	\$ 15,170.17
Reserves			
Capital Reserve		-	-
Asset Revaluation Reserve		-	-
Total Reserves		\$ -	\$ -
Total Accumulated Funds		\$ 217,379.75	\$ 15,170.17

The accompanying Notes form part of these financial statements

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

Income Statement

FOR THE PERIOD ENDED 30 June 2012

	Note	2012	2011
Operating Income			
Ticket Sales		92,130.00	-
less Direct Costs / Cost of Sales	(34,200.00)	-
Gross Profit from Trading		57,930.00	-
Donations Received		48,721.00	28,525.00
Grants Received		1,277,380.48	43,000.00
Rental Revenue		5,000.00	-
Revenue from investments		22,328.40	673.92
Other revenue		24,797.33	2,013.36
Gross Income		\$ 1,436,157.21	\$ 74,212.28
Operating Expenses			
Accounting & Audit Fees		2,505.00	1,843.75
Bank Charges		1,522.08	13.49
Cleaning		3,315.29	-
Computer Expenses		2,995.94	3,959.23
Contractor Fees		55,741.30	3,000.00
Depreciation		816,569.45	-
Employment Expenses		277,517.69	45,241.40
Expensed Equipment		2,059.00	-
Fees & Permits		3,003.90	482.26
Fines & Penalties		-	1,240.00
Hire of Equipment		8,228.71	-
Insurance		7,728.55	3,199.08
Interest Paid		522.54	-
Light & Power		1,327.28	-
Meeting Expenses		1,906.42	1,608.00
Postage & Freight		21.82	77.73
Printing & Stationery		3,425.45	-
Relocation Costs		6,807.27	-
Rent & Storage		24,011.59	-
Repairs & Maintenance		7,173.27	-
Telephone		2,384.54	-
Travel & Accommodation		-	1,142.84
Other Expenses		5,180.54	157.13
Total Operating Expenses		\$ 1,233,947.63	\$ 61,964.91
Net Ordinary Surplus (Deficit)		\$ 202,209.58	\$ 12,247.37
Other Income/Expense			
Other Income			
Total Other Income		\$ -	\$ -
Other Expenses			
Total Other Expenses		\$ -	\$ -
Net Other Income		\$ -	\$ -
Net Surplus (Deficit)		\$ 202,209.58	\$ 12,247.37
Asset Revaluation		-	-
Net Surplus (Deficit) attributable to members		202,209.58	12,247.37
Transfers from (to) Reserves		-	-
Net Surplus (Deficit) for period		\$ 202,209.58	\$ 12,247.37

The accompanying Notes form part of these financial statements

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

Statement of Cash Flows**FOR THE PERIOD ENDED 30 June 2012**

	2012	2011
<u>Cash Flows From Operating Activities</u>		
Receipts from trading, fund raising and donations	1,534,893.81	30,778.73
Payments to suppliers and employees including GST input credits paid	(584,007.73)	(53,366.17)
Interest received	22,328.40	673.92
Interest paid	(522.54)	-
(Payment to) refund from ATO (net GST payable or receivable)	(29,880.00)	1,360.00
Net cash provided by (used in) operating activities	\$ 942,811.94	(\$ 20,553.52)
<u>Cash Flows From Investing Activities</u>		
Proceeds from sale of property, plant and equipment	-	-
Proceeds from sale / redemption of investments / Loan Repayments	-	-
Purchase of property, plant and equipment	(818,628.45)	-
Purchase of investments / Loans advanced	-	-
Purchase of other non-current assets	-	-
Net cash provided by (used in) investing activities	(\$ 818,628.45)	\$ -
<u>Cash Flows from Financing Activities</u>		
Proceeds from borrowings / capital	-	-
Repayment of borrowings	-	-
Net cash provided by (used in) financing activities	\$ -	\$ -
Net increase (decrease) in cash held	\$ 124,183.49	(\$ 20,553.52)
Cash as at 17 June	\$ 23,518.75	\$ 44,072.27
Cash as at 30 June	\$ 147,702.24	\$ 23,518.75

The accompanying Notes form part of these financial statements

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 June 2012**

	Note	Retained Earnings \$	Reserves \$	TOTAL \$
Balance at 1 June 2010		2,922.80	-	2,922.80
add				
Surplus (Deficit) attributable to members		12,247.37	-	12,247.37
Transfers from Reserves		-	-	-
Sub-total		15,170.17	-	15,170.17
less				
Transfers to Reserves		-	-	-
Balance at 16 June 2011		15,170.17	-	15,170.17
add				
Surplus (Deficit) attributable to members		202,209.58	-	202,209.58
Asset Revaluation		-	-	-
Transfers from Reserves		-	-	-
Sub-total		217,379.75	-	217,379.75
less				
Transfers to Reserves		-	-	-
Balance at 30 June 2012		<u>\$ 217,379.75</u>	<u>-</u>	<u>\$ 217,379.75</u>

Common Ground Queensland Ltd
 ABN 16 134 647 331
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Notes to and forming Part of the Accounts
 as at 30 June 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the accounts preparation requirements of the Corporations Law. The Directors have determined that the company is not a reporting entity as referred to in Statements of Accounting Concept 1: Definition of a Reporting Entity, and there is no requirement to apply accounting standards in the preparation and presentation of these statements.

The statements have been prepared in accordance with the following accounting standards:

AASB 101	Presentation of Financial Statements
AASB 102	Inventories
AASB 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events occurring after Reporting Date
AASB 1031	Materiality
AASB 1048	Interpretation and Application of Standards

No other Accounting Standards, Urgent Issues Group Interpretation or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conventions

The report has been prepared on an accruals basis and is based on historic costs and financial assets and financial liabilities on which the fair value basis accounting has been applied.

The following material policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

(a) **INCOME TAX**

As a not for profit entity, the Common Ground Queensland Ltd is entitled to an exemption from the Australian Taxation Office from the payment of Income Tax on income derived by it and from the lodgement of income tax returns.

(b) **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

(c) **INVENTORIES**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first in first out basis.

(d) **REVENUE**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable.

All revenue is stated net of the amount of GST.

(e) **GST**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Taxation Office. In these cases, GST is recognised as part of the cost of acquisition of the asset or 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.

NOTE 2: Profit from Ordinary Activities

Profit from ordinary activities has been determined after

	This Period	Last Period
(a) Expenses – Remuneration of Auditor	\$ 2,505.00	\$ 1,843.75
(b) Expenses - Depreciation & Amortisation	\$ 816,569.45	\$ -
(c) Expenses - Loss (profit) on sale of assets	\$ -	\$ -
(d) Expenses - Bad & Doubtful Debts	\$ -	\$ -

NOTE 3: Legal Status

The company is a company limited by guarantee and subject to the administration of the Australian Securities & Investments Commission.

At 30 June, 2012 the number of members was 10 (2011: 11).

The principal place of business is 15 Hope Street South Brisbane Qld 4101

Common Ground Queensland Ltd
 ABN 16 134 647 331
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Notes to and forming Part of the Accounts
 as at 30 June 2012

NOTE 4: CASH FLOW INFORMATION

(a) Reconciliation of Cash	2012	2011
Cash at end of the financial period as shown in the Statements of Cash Flows is reconciled to the related items in the balance sheet as follows:		
Cash at bank	147,702.24	23,518.75
Bank Overdraft	-	-
Cash on hand	-	-
Term Deposits	-	-
	<u>\$ 147,702.24</u>	<u>\$ 23,518.75</u>
(b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax	This Period	Last Period
Operating Profit after Income Tax	202,209.58	12,247.37
Non-cash flows in operating surplus		
Amortisation	-	-
Depreciation & expensed equipment	818,628.45	-
Investments written off	-	-
(Profit) Loss on sale of property, plant and equipment	-	-
Changes in assets and liabilities		
Decrease / (Increase) in trade and term debtors	(40,698.00)	240.37
Decrease / (increase) in prepayments	(52,791.71)	(1,252.28)
Decrease / (increase) in other assets	-	-
Decrease / (increase) in inventories	-	-
Decrease / (increase) in intangibles	-	-
(Decrease) / increase in trade creditors and accruals	(7,096.98)	7,096.98
(Decrease) / increase in employee provisions	22,560.60	4,001.04
(Decrease) / increase in taxes payable	-	-
(Decrease) / increase in GST Payable	-	113.00
Cash flows from operations	<u>\$ 942,811.94</u>	<u>\$ 22,446.48</u>

NOTE 5: RECEIVABLES & PREPAYMENTS

	2012	2011
Trade Debtors	-	-
Other Debtors	40,978.00	280.00
Accrued GST Receivable	-	-
Prepayments	55,261.15	2,469.44
Unexpired Interest Charges	-	-
Total Receivables & Prepayments	<u>\$ 96,239.15</u>	<u>\$ 2,749.44</u>

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

Notes to and forming Part of the Accounts
as at 30 June 2012

NOTE 6: FIXED ASSETS

Property & Improvements

Buildings & Improvements - at cost

Accumulated Depreciation

Plant & Equipment

Plant Equipment & Chattels at cost / valuation

Accumulated Depreciation

Total Plant & Equipment

2012	2011
-	-
-	-
-	-
752,500.59	-
(752,500.59)	-
-	-
\$ -	\$ -

NOTE 7: CREDITORS, ACCRUALS & TAX LIABILITIES

Trade Creditors & Accruals

Trade Creditors

Accrued Expenses

Bank Overdraft

Loans Payable - within 12 months

Loans Payable - over 12 months

Monies received in advance

Monies held in trust

Total Creditors & Accruals

GST & Tax Liabilities

GST Collected

less GST Paid

less Amounts Receivable

Total GST & Tax Liabilities

Total Creditors, Accruals & Tax Liabilities

Current Component

Non-Current Component

2012	2011
- 0.00	7,096.98
-	-
-	-
-	-
-	-
-	-
- 0.00	7,096.98
-	-
-	-
-	-
(\$ 0.00)	\$ 7,096.98
(\$ 0.00)	\$ 7,096.98
\$ -	\$ -

NOTE 8: PROVISIONS

Annual Leave

Sick Leave

Long Service Leave

Sick Leave

Total Provisions

Current Component

Non-Current Component

This Period	Last Period
16,540.38	2,793.00
6,095.79	603.58
3,925.47	604.46
-	-
\$ 26,561.64	\$ 4,001.04
\$ 22,636.17	\$ 3,396.58
\$ 3,925.47	\$ 604.46

NOTE 9: MOVEMENTS IN EQUITY

RETAINED EARNINGS

Balance at start of period

Surplus (Deficit) for Period

Balance at end of period

2012	2011
15,170.17	2,922.80
202,209.58	12,247.37
\$ 217,379.75	\$ 15,170.17

Common Ground Queensland Ltd

ACN 134 647 331 ABN 16 134 647 331

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS
ACT 2001 TO THE DIRECTORS OF
COMMON GROUND QUEENSLAND LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012, there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit/review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit/review.

**Robert White***Registered Company Auditor***Romar Associates Pty Ltd**

ABN 80 010 323 083

Accountants Advisers Auditors

Date: 27 September 2012

Address: PO BOX 3080 SUNNYBANK SOUTH Qld 4109

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF

Common Ground Queensland Ltd

ACN 134 647 331 ABN 16 134 647 331

SCOPE

REPORT on the Financial Report

We have audited the attached financial report of **Common Ground Queensland Ltd**, being a Special Purpose Financial Report which comprises the Balance Sheet, Income Statement, Statement of Cash Flows and Notes to the Financial Statements for the financial year ended **30 June 2012** as set out on the accompanying pages.

DIRECTORS' Responsibility for the Financial Report

The company's directors are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial report and the accounting disclosures contained therein are appropriate to the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members and the Australian Securities & Investments Commission. The directors' responsibility also includes establishing and maintaining internal control(s) 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.

AUDITOR'S Responsibility

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 and the Australian Securities & Investments Commission. 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 of the entity and the Australian Securities & Investments Commission for the purpose of fulfilling the directors' financial reporting under the Corporations Act 2001. 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 and the Australian Securities & Investments Commission or for any purpose other than that for which it was prepared.



Robert White

Public Accountant, Registered Company Auditor

Romar Associates Pty Ltd

Accountants Advisers Auditors

ABN 80 010 323 083

PO BOX 3080 SUNNYBANK SOUTH Qld 4109

Ph (07) 3323 1704 Fax: (07) 3323 3339 e-mail: admin@romar.net.au | romarcpa@ozemail.com.au

Page 1 of 2

Limitation to Scope

As is common for organisations of this type, it is not practicable to cost effectively audit the system of internal control over cash receipts of donations, subscriptions or other fund raising activities.

Accordingly, our audit tests over receipts were limited to amounts already recorded in the books and records of the entity.

Additional Notes

- Grants received during the year included capital non-recurrent grants for the acquisition of plant and chattels.
- Plant and chattels were fully depreciated in the year of acquisition as the economic life is anticipated to be lower due to the nature of its use.
- The company is reliant on grants revenue which is reviewed on an annual basis with the Department of Housing and Public Works, Qld.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

AUDITOR'S OPINION

In our opinion, the financial report of **Common Ground Queensland Ltd** for the year ended **30 June 2012** is in accordance with the Corporations Act 2001, including

- i. giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- ii. present a view which is consistent with our understanding of the entity's financial position and the results of its operations; and
- iii. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations.



Robert White

Public Accountant, Registered Company Auditor

Reg No.: Registered Company Auditor (# 5902) & MIPA (# 222132)

Dated: 27 September 2012

Common Ground Queensland Ltd

ACN 134 647 331 ABN 16 134 647 331

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS
ACT 2001 TO THE DIRECTORS OF
COMMON GROUND QUEENSLAND LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012, there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit/review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit/review.



Robert White

Registered Company Auditor

Romar Associates Pty Ltd

ABN 80 010 323 083

Accountants Advisers Auditors

Date: 27 September 2012

Address: PO BOX 3080 SUNNYBANK SOUTH Qld 4109

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF

Common Ground Queensland Ltd

ACN 134 647 331 ABN 16 134 647 331

SCOPE

REPORT on the Financial Report

We have audited the attached financial report of **Common Ground Queensland Ltd**, being a Special Purpose Financial Report which comprises the Balance Sheet, Income Statement, Statement of Cash Flows and Notes to the Financial Statements for the financial year ended **30 June 2012** as set out on the accompanying pages.

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AUDITOR'S Responsibility

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 and the Australian Securities & Investments Commission. 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 of the entity and the Australian Securities & Investments Commission for the purpose of fulfilling the directors' financial reporting under the Corporations Act 2001. 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 and the Australian Securities & Investments Commission or for any purpose other than that for which it was prepared.



Robert White
Public Accountant, Registered Company Auditor
Romar Associates Pty Ltd
Accountants Advisers Auditors

ABN 80 010 323 083

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Page 1 of 2

Limitation to Scope

As is common for organisations of this type, it is not practicable to cost effectively audit the system of internal control over cash receipts of donations, subscriptions or other fund raising activities.

Accordingly, our audit tests over receipts were limited to amounts already recorded in the books and records of the entity.

Additional Notes

- Grants received during the year included capital non-recurrent grants for the acquisition of plant and chattels.
- Plant and chattels were fully depreciated in the year of acquisition as the economic life is anticipated to be lower due to the nature of its use.
- The company is reliant on grants revenue which is reviewed on an annual basis with the Department of Housing and Public Works, Qld.

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

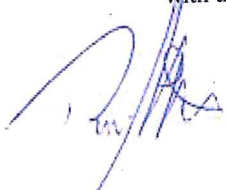
Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

AUDITOR'S OPINION

In our opinion, the financial report of **Common Ground Queensland Ltd** for the year ended **30 June 2012** is in accordance with the Corporations Act 2001, including

- giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
- present a view which is consistent with our understanding of the entity's financial position and the results of its operations; and
- complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations.



Robert White

Public Accountant, Registered Company Auditor

Reg No.: Registered Company Auditor (# 5902) & MIPA (# 222132)

Dated: 27 September 2012