

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

FINANCIAL REPORT

FOR THE PERIOD ENDED 30 June 2013

Common Ground Queensland Ltd
ABN 16 134 647 331
ACN 134 647 331
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 June 2013

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 & Company Secretary
 Phillip Joseph Heraghty, Director
 Penelope Britt Tarrant, Director
 Neill McIntosh Baxter, Director
 Shane Graham, Director
 Susan Maree Burke, Director
 Damian Roy Winterburn, Director
 Jan Archer, Director
 Nick Harwood, Director
 Judith Cameron Abernethy, Director (RESIGNED)
 Kevin Francis Hayes, Director (RESIGNED)
 Margaret Mary Ridley, Director & Company Secretary (RESIGNED)

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 \$66,084.01 . 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.

Common Ground Queensland Ltd
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FINANCIAL STATEMENTS
 FOR THE PERIOD ENDED 30 June 2013

DIRECTORS' REPORT11 **Directors' Particulars:**

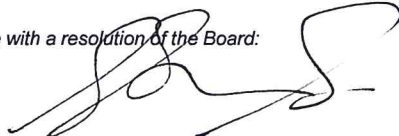
Karyn Joan Walsh, Company Secretary - appointed as Company Secretary on 11 October 2012	No. meetings eligible to attend: 14 No. meetings attended: 14
Phillip Joseph Heraghty	No. meetings eligible to attend: 14 No. meetings attended: 11
Penelope Britt Tarrant, Chairperson	No. meetings eligible to attend: 14 No. meetings attended: 13
Neill McIntosh Baxter	No. meetings eligible to attend: 14 No. meetings attended: 12
Shane Graham	No. meetings eligible to attend: 14 No. meetings attended: 5
Susan Maree Burke	No. meetings eligible to attend: 14 No. meetings attended: 11
Damian Roy Winterburn	No. meetings eligible to attend: 14 No. meetings attended: 7
Jan Archer - appointed 6 February 2013	No. meetings eligible to attend: 11 No. meetings attended: 6
Nick Harwood - appointed 4 October 2012	No. meetings eligible to attend: 11 No. meetings attended: 10
Judith Cameron Abernethy - resigned during year	No. meetings eligible to attend: 3 No. meetings attended: 0
Kevin Francis Hayes - resigned during year	No. meetings eligible to attend: 3 No. meetings attended: 1
Margaret Mary Ridley - resigned during year	No. meetings eligible to attend: 3 No. meetings attended: 3

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 14.

Signed in accordance with a resolution of the Board:

Director:



Director:



Dated:

18.11.13

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

**FINANCIAL STATEMENTS
FOR THE PERIOD ENDED****DIRECTORS' DECLARATION***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:  _____

Dated:

18.11.13.

Common Ground Queensland Ltd

ABN 16 134 647 331

ACN 134 647 331

Balance Sheet

as at 30 June 2013

	Note	2013	2012
Assets			
Current Assets			
Cash at Bank & on Hand	4	1,509,137.53	147,702.24
Receivables & Prepayments	5	36,995.52	96,239.15
Total Current Assets		\$ 1,546,133.05	\$ 243,941.39
Property Plant & Equipment			
Plant Equipment & Chattels	6	25,761.47	-
Total Property Plant & Equipment		\$ 25,761.47	\$ -
Total Assets		\$ 1,571,894.52	\$ 243,941.39
Liabilities			
Current Liabilities			
Creditors & Accruals	7	1,186,683.01	83,982.00
Provisions	8	39,790.95	22,636.17
Total Current Liabilities		\$ 1,226,473.96	\$ 106,618.17
Non-Current Liabilities			
Creditors & Accruals	7	-	-
Provisions	8	145,938.80	3,925.47
Total Non-Current Liabilities		\$ 145,938.80	\$ 3,925.47
Total Liabilities		\$ 1,372,412.76	\$ 110,543.64
Net Assets		\$ 199,481.76	\$ 133,397.75
Accumulated Funds			
<i>Accumulated Funds - General</i>			
Retained Earnings	9	133,397.75	15,170.17
Net Surplus (Deficit) for period		66,084.01	118,227.58
Total Accumulated Funds - General		\$ 199,481.76	\$ 133,397.75
Reserves			
Capital Reserve		-	-
Asset Revaluation Reserve		-	-
Total Reserves		\$ -	\$ -
Total Accumulated Funds		\$ 199,481.76	\$ 133,397.75

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 2013

	Note	2013	2012
Operating Income			
Trading & Fundraising Revenue		86,731.81	92,130.00
less Direct Costs / Cost of Sales		(42,627.53)	(34,200.00)
Gross Profit from Trading		44,104.28	57,930.00
Donations Received		8,459.15	48,721.00
Grants Received - Recurrent		386,265.94	-
Grants Received - Non Recurrent		72,000.00	1,193,398.48
Rental Revenue		1,045,700.09	5,000.00
Membership Revenue		11.00	-
Revenue from investments		30,839.60	22,328.40
Other revenue		581.10	24,797.33
Gross Income		\$ 1,587,961.16	\$ 1,352,175.21
Operating Expenses			
Accounting & Audit Fees		8,050.00	2,505.00
Advertising & Promotion Costs		4,978.07	-
Bad Debts		1,252.31	-
Bank Charges		2,476.18	1,522.08
Computer & Software Expenses		15,252.03	2,995.94
Consultancy, Planning & Compliance Costs		63,515.44	-
Depreciation		1,845.00	816,569.45
Employment Expenses/HR Resources Costs		851,899.52	333,258.99
Expensed Equipment		47,409.20	2,059.00
Fees, Permits, Subscriptions		3,383.82	3,003.90
Function & Meeting Expenses		8,858.84	1,906.42
Insurance		51,199.14	7,728.55
Interest Paid		2,663.02	522.54
Leasing & Hiring Charges		11,483.32	8,228.71
Light & Power - Office		3,594.52	1,327.28
Office Supplies, Printing & Stationery		7,578.39	3,425.45
Postage & Freight		366.75	21.82
Property Costs - Planned		42,383.45	10,488.56
Property Costs - Responsive		32,960.25	-
Rent & Storage		-	24,011.59
Telephone		23,802.21	2,384.54
Travel & Accommodation		721.82	-
Water Rates & Sewerage		86,599.87	-
Other Expenses		111,798.10	11,987.81
Total Operating Expenses		\$ 1,384,071.25	\$ 1,233,947.63
Net Ordinary Surplus (Deficit)		\$ 203,889.91	\$ 118,227.58

The accompanying Notes form part of these financial statements

Common Ground Queensland Ltd

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Income Statement

FOR THE PERIOD ENDED 30 June 2013

	Note	2013	2012
<u>Other Income/Expense</u>			
<u>Other Income</u>			
Grants Received - Prior Years		-	-
Other Income		-	-
<u>Total Other Income</u>		<u>\$ -</u>	<u>\$ -</u>
<u>Other Expenses</u>			
Sundry Expenditure - Contingent Costs & Expenses		72,447.90	-
Other Expenses - Future Replacement		65,358.00	-
<u>Total Other Expenses</u>		<u>\$ 137,805.90</u>	<u>\$ -</u>
<u>Net Other Income</u>		<u>(\$ 137,805.90)</u>	<u>\$ -</u>
<u>Net Surplus (Deficit)</u>		<u>\$ 66,084.01</u>	<u>\$ 118,227.58</u>
Asset Revaluation		-	-
Net Surplus (Deficit) attributable to members		66,084.01	118,227.58
Transfers from (to) Reserves		-	-
<u>Net Surplus (Deficit) for period</u>		<u>\$ 66,084.01</u>	<u>\$ 118,227.58</u>

The accompanying Notes form part of these financial statements

Common Ground Queensland Ltd

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Statement of Cash Flows

FOR THE PERIOD ENDED 30 June 2013

	2013	2012
Cash Flows From Operating Activities		
Receipts from trading, fund raising and donations	2,625,351.28	1,534,893.81
Payments to suppliers and employees including GST input credits paid	(1,126,264.58)	(575,779.02)
Interest received	30,839.60	22,328.40
Interest paid	(14,146.34)	(8,751.25)
(Payment to) refund from ATO (net GST payable or receivable)	(79,329.00)	(29,880.00)
Net cash provided by (used in) operating activities	\$ 1,436,450.96	\$ 942,811.94
Cash Flows From Investing Activities		
Proceeds from sale of property, plant and equipment	-	-
Purchase of property, plant and equipment, including expensed equipment	(75,015.67)	(818,628.45)
Net cash provided by (used in) investing activities	(\$ 75,015.67)	(\$ 818,628.45)
Cash Flows from Financing Activities		
Proceeds from borrowings / capital	-	-
Repayment of borrowings	-	-
Net cash provided by (used in) financing activities	\$ -	\$ -
<i>Net increase (decrease) in cash held</i>	<i>\$ 1,361,435.29</i>	<i>\$ 124,183.49</i>
Cash as at 1 July	\$ 147,702.24	\$ 23,518.75
Cash as at 30 June	\$ 1,509,137.53	\$ 147,702.24

The accompanying Notes form part of these financial statements

Common Ground Queensland Ltd

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STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 June 2013

	Note	Retained Earnings \$	Reserves \$	TOTAL \$
Balance at 1 July 2011		15,170.17	-	15,170.17
add				
Surplus (Deficit) attributable to members		118,227.58	-	118,227.58
Transfers from Reserves		-	-	-
Sub-total		<u>133,397.75</u>	<u>-</u>	<u>133,397.75</u>
less				
Transfers to Reserves		-	-	-
Balance at 30 June 2012	9.1	<u>133,397.75</u>	<u>-</u>	<u>133,397.75</u>
add				
Surplus (Deficit) attributable to members		66,084.01	-	66,084.01
Asset Revaluation		-	-	-
Transfers from Reserves		-	-	-
Sub-total		<u>199,481.76</u>	<u>-</u>	<u>199,481.76</u>
less				
Transfers to Reserves		-	-	-
Balance at 30 June 2013		<u>\$ 199,481.76</u>	<u>-</u>	<u>\$ 199,481.76</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 2013

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 as the company is not a reporting entity as referred to in Statements of Accounting Concept 1: Definition of a Reporting Entity, reduced disclosure requirements (AASB 1053) apply 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 107	Cash Flow Statements
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110	Events occurring after Reporting Date
AASB 116	Recognition of Physical Non-current Assets
AASB 120	Accounting for Government Grants and Disclosure of Government Assistance
AASB 1021	Depreciation of Non-current Assets
AASB 1025	Application of the reporting entity concept and other amendments
AASB 1031	Materiality
AASB 1048	Interpretation and Application of Standards
AASB 1053	Application of Tiers of Australian Accounting Standards

The company has adopted AASB 1053 from 1 July 2012. The standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements.

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 company 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) REVENUE

Grant revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured and the company will comply with all attached conditions. Revenue is measured at the fair value of the consideration received or receivable.

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.

(d) 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.

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Notes to and forming Part of the Accounts
as at 30 June 2013

(e) **PROPERTY, PLANT and EQUIPMENT**

Property, plant and equipment are brought to account at cost or at independent or Directors' valuation, less, where applicable, any accumulated depreciation or amortisation.

The carrying amount of property, plant and equipment is being reviewed by the Directors to ensure it is not in excess of the recoverable amount from those assets. The Directors have determined an Asset Recognition Threshold of \$5,000.

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amount.

(f) **DEPRECIATION**

Depreciation is charged to the accounts using general rates for each category of plant, equipment and chattels.

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	7.5% to 37.5%
Furniture & Fittings - Rental Use*	100%
Leased Plant & Equipment	7.5% to 37.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's 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 or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(g) **EMPLOYEE ENTITLEMENTS**

Provision is made for the company's liability for employee entitlements arising from services rendered by employees to balance date.

Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

(h) **CASH**

For the purposes of the statement of cash flows, cash includes 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.

NOTE 2: Profit from Ordinary Activities	2013	2012
Profit from ordinary activities has been determined after		
(a) Expenses – Remuneration of Auditor	\$ 4,500.00	\$ 2,505.00
(b) Expenses - Depreciation & Amortisation	\$ 1,845.00	\$ 816,569.45
(c) Expenses - Loss (profit) on sale of assets	\$ -	\$ -
(d) Expenses - Bad & Doubtful Debts	\$ 1,252.31	\$ -

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, 2013 the number of members was 13 (2012: 10).

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

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 2013

NOTE 4: CASH FLOW INFORMATION	2013	2012
(a) Reconciliation of Cash		
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	1,509,137.53	147,702.24
Cash on hand	-	-
Term Deposits	-	-
	1,509,137.53	147,702.24
Bank Overdraft	-	-
	\$ 1,509,137.53	\$ 147,702.24
(b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax	2013	2012
Operating Profit after Income Tax	66,084.01	118,227.58
Non-cash flows in operating surplus		
Amortisation	-	-
Depreciation & expensed equipment	49,254.20	818,628.45
(Profit) Loss on sale of property, plant and equipment	-	-
Changes in assets and liabilities		
Decrease /(Increase) in trade and term debtors	37,735.49	(40,698.00)
Decrease / (increase) in prepayments	21,508.14	(52,791.71)
Decrease / (increase) in other assets	-	-
Decrease / (increase) in intangibles	-	-
(Decrease) / increase in trade creditors and accruals	1,102,701.01	(7,096.98)
(Decrease) / increase in employee provisions	159,168.11	22,560.60
(Decrease) / increase in GST Payable	-	-
Cash flows from operations	\$ 1,436,450.96	\$ 858,829.94
NOTE 5: RECEIVABLES & PREPAYMENTS	2013	2012
Trade & Other Debtors	3,242.51	40,978.00
Accrued GST Receivable	-	-
Prepayments	33,753.01	55,261.15
Total Receivables & Prepayments	\$ 36,995.52	\$ 96,239.15
NOTE 6: FIXED ASSETS	2013	2012
Plant & Equipment		
Plant Equipment & Chattels at cost / valuation	780,107.06	752,500.59
9.2 Accumulated Depreciation	(754,345.59)	(752,500.59)
	25,761.47	-
Total Plant & Equipment	\$ 25,761.47	\$ -

Common Ground Queensland Ltd
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Notes to and forming Part of the Accounts
as at 30 June 2013

NOTE 7: CREDITORS, ACCRUALS & TAX LIABILITIES

	2013	2012
Trade Creditors & Accruals		
Trade & Other Creditors	248,177.31	-
Accrued Expenses	-	-
Bank Overdraft	-	-
9.1 Monies received in advance	938,505.70	83,982.00
Total Creditors & Accruals	1,186,683.01	83,982.00
GST & Tax Liabilities		
GST Collected	-	-
less GST Paid	-	-
less Amounts Receivable	-	-
Total GST & Tax Liabilities	-	-
Total Creditors, Accruals & Tax Liabilities	\$ 1,186,683.01	\$ 83,982.00
Current Component	\$ 1,186,683.01	\$ 83,982.00
Non-Current Component	\$ -	\$ -

NOTE 8: PROVISIONS

	2013	2012
Annual Leave	24,210.74	16,540.38
Sick Leave	11,756.62	6,095.79
Unpaid Employee Entitlements	3,823.59	-
Long Service Leave - non-current	8,132.90	3,925.47
9.3 Contingent Liabilities & Costs	72,447.90	-
9.4 Other Provision - Furniture Replacement	65,358.00	-
Total Provisions	\$ 185,729.75	\$ 26,561.64
Current Component	\$ 39,790.95	\$ 22,636.17
Non-Current Component	\$ 145,938.80	\$ 3,925.47

NOTE 9: OTHER MATTERS

- 9.1 The comparative year (2012)'s amounts have been revised to account for unexpended grants (\$83,982) not taken into account as at 30 June 2012 (AASB 120). Accordingly, accumulated funds as at 30 June 2012 reduced by \$83,982 to \$133,397.75.
- 9.2 Fixed assets acquired through a non-recurrent grant in the 2012 year were fully depreciated as each asset was under the Asset Recognition Threshold and could revert to the funding authority if the requirements under the terms of the grant are not met.
- 9.3 Sundry expenditure - contingent costs and expenses were provided for in the provisions to set aside funds for various contingencies including disputed invoices from a supplier of computer software, and contingent redundancy and termination payments in the unlikely event of a termination of the company's contract for management of the facility at Hope Street.
- 9.4 Future replacement of furniture, related to the terms of the grant noted above, had provision of \$65,358.

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 2013, 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 Accountants

ABN 44 800 528 147

Accountants Advisers Auditors

Date: 25 October 2013

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 2013** 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.

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.



Robert White
 Registered Company and SMSF Auditor | Public Accountant

ROMAR ACCOUNTANTS

Accountants Advisers Auditors

ABN 44 800 528 147

PO BOX 3080 SUNNYBANK SOUTH Qld 4109

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Additional Notes

- Plant and chattels, with the exception of a telephone system, were fully depreciated/expensed 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 2013** 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 2013 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
Registered Company and SMSF Auditor | Public Accountant

Reg No.: Registered SMSF Auditor (# 100211005); Registered Company Auditor (# 5902) & MIPA (# 222132)

Dated: 25 October 2013

