



Common Ground Queensland Ltd

Financial Report

For the Year Ended 30 June 2015

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

DIRECTORS REPORT

Your directors present this report on the company for the financial year ended 30 June 2015.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

	Date Appointed	Date of Cessation	Meetings Attended	Eligible Meetings
Linda Apelt (Interim Chair)	16/1/2014	-	6	7
Neill Baxter (Previous Chair)	22/04/2010	19/5/2015	4	5
Nicholas Harwood	04/10/2012	17/3/2015	1	3
Karyn Walsh	16/12/2008	14/09/2015	7	7
Penelope Tarrant <i>Penelope Tarrant Leave of absence 3/09/2015 – 4/01/2016</i>	18/06/2009	-	2	7
Susan Burke <i>Susan Burke Leave of absence 20/3/2014 - 16/10/2014</i>	21/01/2010	16/10/2014	0	0
Phillip Heraghty <i>Phillip Heraghty – Alternate Director for Susan Burke</i>	15/5/2014	16/10/2014	2	2
Damian Winterburn	14/06/2012	16/10/2014	1	2
Natasha Doherty	27/11/2013	16/09/2015	4	7
Mark Lightfoot	27/11/2013	-	5	7
Mark Fenton	10/08/2015	-	0	0
Peter Pearce	10/08/2015	-	0	0

PRINCIPAL ACTIVITIES

The principal activity of the company during the financial year was to provide supportive housing property and tenancy management services to people who have experienced chronic homelessness and people on low incomes.

SHORT AND LONG-TERM OBJECTIVES

The company's short and long term objectives are to:

- End homelessness in the communities in which we operate.
- Create supportive housing solutions through effective public, private, and community partnerships.
- Provide affordable supportive housing to those that have the need
- Provide specialist staff who support tenants to maintain housing and establish stable and secure lifestyles.
- Promote and seek to provide quality living environments that are sustainable, cost effective, and well located.
- To become and remain financially self-sufficient and managed prudently in accordance with good commercial practice.
- Be accountable to government and community for property assets and funds provided to the company.

STRATEGIES

To achieve the stated objectives the company has adopted the following strategies:

Develop strategic partnerships, alliances, and relationships with government, corporate, and community stakeholders to deliver measurable benefits and value to our tenants and people in the community.

Participate in independent research to determine tenant outcomes and evidence of the efficacy of the Common Ground model in benefitting people who were formerly homeless.

Operate a financially viable property and tenancy management service at Brisbane Common Ground and develop mechanisms to ensure future sustainability and profitability for the organisation.

Communicate with stakeholders and broader community regarding the success of Common Ground supportive housing model as a solution to chronic homelessness.

Create systems that deliver timely and accurate data, information and knowledge to assist in the provision of integrated services to tenants.

Ensure our Board, management, staff, and volunteers have the skills, resources, and expertise within structures aligned to our strategies that will deliver successful tenant outcomes.

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2015

The company measures performance through the establishment and monitoring of benchmarks:

		Actual	Benchmark
Financial Sustainability			
	Rent Revenue	+1.07% on budget	=/> budget
	Commercial Revenue	+3.55% on budget	=/> budget
	Investment Revenue	+417% on budget	=/> budget
	Expenses	-4.47 % on budget	=/< budget
	Uncollected Rent	0.3%	<5% of rent
	Bad Debts	0.12%	<1.5% of rent
	Rent Foregone	0.24%	<4% of rent
Tenancy Management			
	Tenancy Mix – Between Formerly Homeless and Affordable Housing Tenants	51%/49%	50/50 with < 5% variance
	Tenancy Mix – Gender	51% male / 49% female	50/50 with < 10% variance
	Evictions into Homelessness	0	0
	Eviction Rate	2.8%	<7%
	Vacancy Rate	0.07%	<5%

Information on Directors

Linda Apelt
Qualifications
Interim Chair (from April 2015 to Current)
Bachelor of Education, Graduate Diploma in Counselling, Master of Education Studies, Diploma Company Directorship.

Experience
Member since 2014. 30 years' experience in Government including 14 years as Director General. Non-Executive Director roles include – QSuper Board of Trustees, Australian Institute of Health and Welfare, Australian Housing and Urban Research Institute. Linda is currently the CEO of Montrose Access.

Special Responsibilities
Chair Nominations and Remuneration Committee, Member Audit and Risk Committee, Member Joint CGQ and Micah Projects (Chairs and CEOs) Committee.

Neill Baxter
Qualifications
Previous Chair
Tertiary qualifications in Project Management and Building Studies, Qualified Quantity Surveyor and accredited mediator. Member of Institute of Builders, Master Builders Association, Australian Institute of Management.

Experience
Appointed Chair in 2013, Board member since 2010. Managed large scale construction throughout Australia, Asia, Middle East, UK.

Special Responsibilities
Chair Fundraising Committee.

Nicholas Harwood
Qualifications
Director
Association of Chartered Certified Accountants (UK), FINSIA, Member Insolvency Practitioners Association, member Institute of Chartered Accountants.

Experience
Member since 2012. Partner at Deloitte with 22 years' experience in Advisory and Restructuring Services in UK, Hong Kong, Australia.

Special Responsibilities
Treasurer, Chair Audit and Risk Committee.

Karyn Walsh
Qualifications
Director
Diploma of Community Management, Registered Nurse.

Experience
Member since 2008. 35 years' experience in the community sector developing organisations and implementing programs to effect social change.

Special Responsibilities
Member Future Projects Committee.

Penelope Tarrant
Qualifications
Director
Registered member of REIQ, Qualifications in Property Management.

Experience
Appointed Chair in 2009 until 2013. Member since 2009. Network Development Manager for LJ Hooker with extensive experience in private sector tenancy and property management.

Special Responsibilities
Nominations and Remuneration Committee, Member Future Projects Committee.

Susan Burke
Qualifications
Director
Bachelor of Law and Arts. Admitted to practise as a Barrister in 1983.

Experience
Member since 2010. Practised at the private Bar since 1986, specialising in building and construction law. Part time member of the Queensland Building Tribunal and the Commercial and Consumer Tribunal between 1993 and 2004. Sessional Member of Queensland Civil and Administrative Tribunal since 2011.

Special Responsibilities
Member Fundraising Committee, Member Future Projects Committee.

Information on Directors

Damian Winterburn	Director
<i>Qualifications</i>	Degree in Property Economics from Queensland University of Technology.
<i>Experience</i>	Member since 2012. Managing Director of Deloitte CapLand Real Estate Advisory with 13 years' experience in property development and management. Member and Board Member of a range of organisations including UDIA, Urban Land Institute, Licensed Real Estate Agent in QLD, Royal Institute of Chartered Surveyors, U.S. Green Building Council, National Association of Home Builders, National Investment Centre (Retirement), American Senior Housing Association, Property Council of Australia (PCA), Insolvency Practitioners Association of Australia (IPA) and Turnaround Management Association (TMA).
<i>Special Responsibilities</i>	Chair Future Projects Committee.
Natasha Doherty	Director
<i>Qualifications</i>	Bachelor of Economics, Master of Health Economics. Member of Australian Health Economics Society and Australian Evaluation Society.
<i>Experience</i>	Member since 2014. Director within the Health Economics and Social policy Team in Deloitte Access Economics. She has over 10 years' experience in Government industry development including health, and the social policy sector.
<i>Special Responsibilities</i>	Chair Future Projects Committee, Chair Know Our True Costs Committee Member Nominations and Remuneration Committee.
Mark Lightfoot	Director
<i>Qualifications</i>	Bachelor of Commerce (Banking and Finance), Bachelor of Laws, Solicitor of the Supreme Court of Queensland.
<i>Experience</i>	Member since 2014. Partner in the Banking and Financial Services Group of HWL Ebsworth. Experience includes documenting and advising on the structuring of debt finance transactions including property development and investment, construction and project financing.
<i>Special Responsibilities</i>	Chair Strategic Partnerships and Alliances Committee.
Mark Fenton	Director
<i>Qualifications</i>	Master of Business Administration, Bachelor of Business, CPA Program, Company Directors Course Diploma and Leadership Development Program.
<i>Experience</i>	Member since August 2015. Over 12 years of experience as a company director in arts and education related organisations and is a State Councillor for the Queensland Alliance for Mental Health Inc. Over 20 years' experience as a finance executive.
<i>Special Responsibilities</i>	Chair Audit and Risk Committee, Member Strategic Partnerships and Alliances Committee.
Peter Pearce	Director
<i>Qualifications</i>	Company Directors Diploma, Advanced Company Director's Diploma (Mastering the boardroom), Applied Corporate Law, Chartered Secretaries Australia, Master of Public Sector Management, Graduate Diploma in Social Science, Associate Diploma in Business, Diploma in Quality Systems Auditing, Master of Ethics and Legal Studies.
<i>Experience</i>	Member since August 2015. Over 30 years' experience in not-for-profit governance with organisations working in employment, homelessness, housing, child and family support, acute health care and child care. He has worked in senior roles in aged care, health, politics, public service, business development and general management. Peter is a fellow of the Australian Institute of Company Directors and has completed the advanced company director's diploma.
<i>Special Responsibilities</i>	Member Future Projects Committee, Member Strategic Partnerships and Alliances Committee.

Member Guarantee

In accordance with the companies constitution each member is liable to contribute \$10 in the event that the company is wound up. The total amount members would contribute is \$160.

Auditors Independence

The auditors declaration of independence appears on page 7 and forms part of the Directors report for the year ended 30 June 2015.

This director's report is signed in accordance with a resolution of the Board of Directors.



Linda Apelt (Chair)

Dated this 17 day of September 2015.

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 2015, 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; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



John Grounds, Chartered Accountant
Registered Company Auditor # 87656
Brisbane

4 September, 2015



STATEMENT OF FINANCIAL POSITION
as at 30 June 2015

	Note	2015	2014
<u>Assets</u>			
Current Assets			
Cash at Bank & on Hand	4	1,320,426	1,276,407
Receivables & Prepayments	5	138,763	56,319
Total Current Assets		1,459,189	1,332,726
<u>Property Plant & Equipment</u>			
Plant Equipment & Chattels	6	330,938	488,330
Total Property Plant & Equipment		330,938	488,330
Total Assets		1,790,127	1,821,056
<u>Liabilities</u>			
Current Liabilities			
Creditors & Accruals	7	633,699	314,568
Provisions	8	62,603	57,084
Total Current Liabilities		696,302	371,652
<u>Non-Current Liabilities</u>			
Grants received in advance and Deferred Income	7	931,935	1,247,752
Total Non-Current Liabilities		931,935	1,247,752
Total Liabilities		1,628,237	1,619,404
Net Assets		161,890	201,652
<u>Accumulated Funds</u>			
<i>Accumulated Funds – General</i>			
Retained Earnings		201,652	199,482
Net Surplus (Deficit) for period		(39,762)	2,170
Total Accumulated Funds		161,890	201,652

The accompanying Notes form part of these financial statements.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
for the Period ended 30 June 2015

	Note	2015	2014
<u>Operating Income</u>			
Commission Income		1,328	310
Donations Received		4,394	3,429
Grants Received – Capital		150,500	150,500
Grants Received – Recurrent	9	162,978	98,822
Grants Received - Non Recurrent	9	93,729	-
Concierge Funding		249,470	-
Rental Revenue		1,403,632	1,354,182
Revenue from investments		36,834	39,198
Other revenue		605	237
Gross Income		2,103,470	1,646,678
<u>Operating Expenses</u>			
Accounting Fees		1,950	1,500
Advertising & Promotion Costs		11,748	6,036
Audit Fees		5,000	15,137
Bad Debts		3,647	501
Bank Charges		3,269	2,836
Building Services Contract Costs		80,615	67,651
Computer & Software Expenses		13,804	27,944
Concierge Costs		278,075	-
Consultancy, Planning & Compliance Costs		51,834	25,419
Contingent Expenses Provision		-	(31,093)
Depreciation		157,392	153,555
Electricity		153,914	143,567
Employment Expenses/HR Resources Costs		876,321	807,125
Expensed Equipment		5,524	6,465
Fees, Permits, Subscriptions		4,568	5,251
Function & Meeting Expenses		14,659	14,077
Insurance		44,035	35,080
Interest Paid		4	-
Leasing & Hiring Charges		12,862	9,734
Office Supplies , Printing & Stationery		6,124	5,312
Postage & Freight		299	388
Property Costs – Planned		73,914	55,851
Property Costs – Responsive		73,458	57,091
Rates		33,326	38,916
Telephone		18,595	22,762
Travel & Accommodation		3,999	4,001
Water Rates & Sewerage		151,905	133,376
Sundry Building Expenses		30,248	6,713
Other Expenses		32,143	29,313
Total Operating Expenses		2,143,232	1,644,508
Net Ordinary Surplus (Deficit)		(39,762)	2,170

The accompanying Notes form part of these financial statements.

STATEMENT OF CASH FLOWS
for the Period Ended 30 June 2015

	Note	2015	2014
Cash Flows From Operating Activities			
Receipts from trading, fund raising and donations		1,908,958	1,400,564
Payments to suppliers and employees including GST input credits paid		(1,901,769)	(1,658,370)
Interest received		36,834	39,198
Interest paid		(4)	-
Net cash provided by (used in) operating activities		44,019	(218,608)
Cash Flows From Investing Activities			
Purchase of property, plant and equipment, including expensed equipment		-	(14,123)
Net cash provided by (used in) investing activities		-	(14,123)
Net increase (decrease) in cash held		44,019	(232,731)
Cash as at 1 July		1,276,407	1,509,138
Cash as at 30 June		1,320,426	1,276,407

The accompanying Notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2015

	Note	Retained Earnings	Reserves	TOTAL
Balance at 1 July 2013		199,482	-	199,482
Add				
Surplus (Deficit) attributable to members		2,170	-	2,170
Balance at 30 June 2014		201,652	-	201,652
Add				
Surplus (Deficit) attributable to members		(39,762)	-	(39,762)
Balance at 30 June 2015		161,890	-	161,890

The accompanying Notes form part of the financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

The entity has adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements for the financial year beginning on 1 July 2014.

The Company is a not-for-profit, public sector entity which is not publicly accountable. The financial statements are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB – RDRs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporation Act 2001.

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 lodgment 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.

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

Property, plant and equipment are brought to account at cost, 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	20%
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. Sick leave provision has been capped at two weeks entitlement.

(h) PROVISIONS

Provisions are recognised when the entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(i) ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the entity's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The most significant estimate has been the rate of depreciation for furniture and whitegoods assets at 20% per annum.

NOTE 2: Profit from Ordinary Activities

	2015	2014
Profit from ordinary activities has been determined after		
(a) Expenses - Remuneration of Auditor	5,000	5,000
(b) Expenses - Depreciation & Amortisation	157,392	153,555
(c) Expenses - Bad & Doubtful Debts	3,647	501

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 2015 the number of members was 16 (2014:16).

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

NOTE 4: CASH FLOW INFORMATION

	2015	2014
(a) Reconciliation of Cash		
Cash at end of the financial period as showing in the Statements of Cash Flows is reconciled to the related items in the balance sheet as follows:		
Cash at bank	1,320,426	1,276,407
	1,320,426	1,276,407
(b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax		
Operating Profit/(Loss) after Income Tax	(39,762)	2,170
Non-cash flows in operating surplus		
Depreciation & expensed equipment	157,392	153,555
Changes in assets and liabilities	-	-
Decrease /(Increase) in trade and term debtors	(86,430)	(6,645)
Decrease / (increase) in prepayments	3,986	(12,678)
(Decrease) / increase in trade creditors and accruals	3,314	(314,420)
(Decrease) / increase in employee provisions	5,519	(40,590)
Cash flows from operations	44,019	(218,608)

NOTE 5: RECEIVABLES & PREPAYMENTS

	2015	2014
Trade & Other Debtors	96,545	10,115
Accrued GST Receivable	-	-
Prepayments	42,218	46,204
Total Receivables & Prepayments	138,763	56,319

NOTE 6: FIXED ASSETS

	2015	2014
Plant & Equipment		
Plant Equipment & Chattels at cost / valuation	794,230	794,230
Accumulated Depreciation	(463,292)	(305,900)
Total Plant & Equipment	330,938	488,330

NOTE 7: CREDITORS, ACCRUALS & TAX LIABILITIES

	2015	2014
Trade Creditors & Accruals		
Current		
Trade & Other Creditors	196,769	107,919
Accrued Expenses	172,156	125,951
Grant monies received in advance	264,774	80,698
Total Current Creditors & Accruals	633,699	314,568
Non-Current		
Non-Current Grants received in advance	630,935	796,251
Non-Current Deferred Income	301,000	451,501
Total Non-Current Liabilities	931,935	1,247,752

NOTE 8: PROVISIONS

	2015	2014
Annual Leave	44,879	36,482
Sick Leave	17,082	19,300
Unpaid Employee Entitlements	642	1,302
Total Provisions	62,603	57,084
Current Component	62,603	57,084

NOTE 9: GRANTS RECEIVED IN ADVANCE

	2015	2014
Balance at beginning of year	876,950	975,772
Received for 2015	275,466	-
Total received	1,152,416	975,772
Taken to P&L	(256,707)	(98,822)
Unexpended	895,709	876,950

A portion of the unexpended funds have been applied to fund 2015/16 operating costs, the balance of surplus funds are required to be utilised in accordance with Surplus Funding Guidelines provided by the Department of Housing and Public Works.

NOTE 10:

The company receives grant funding from Queensland Government through the Department of Housing and Public Works which provides operational funding under an agreement.

Operational grant funding amounts utilised under the agreement are being brought to revenue in the Statement of Profit and Loss and Other Comprehensive income; unexpended funds (in advance of requirements) are recorded as liabilities as shown at Note 9. Initial funding was also provided for the acquisition of furniture and whitegoods assets and these funds are brought to revenue in line with depreciation of the related assets. The Queensland Government has leased the Brisbane Common Ground Building to Common Ground Queensland without consideration.

Independent auditor's report

To the members of Common Ground Queensland Ltd

Report on the financial report

I have audited the accompanying financial report of Common Ground Queensland Ltd, which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards—Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable to the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 controls 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 controls. 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit I have complied with the independence requirements of the *Corporations Act 2001*. I have given to the directors of the Company a written auditor's independence declaration, a copy of which is included with the directors' report.

Auditor's opinion

In my opinion:

The financial report of Common Ground Queensland Ltd 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 2015 and of its performance for the year ended on that date
- (ii) Complying with Australian Accounting Standards—Reduced Disclosure Requirements and the *Corporations Regulations 2001*



John Grounds, Chartered Accountant
Registered Company Auditor - # 87656
Brisbane

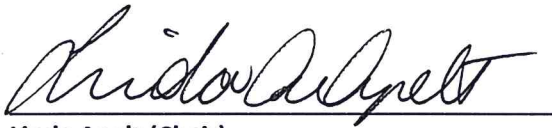
Date: 18 September, 2015



DIRECTORS DECLARATION

In accordance with resolution of the directors of Common Ground Queensland Ltd. The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 - 14 are in accordance with the Corporations Act 2001 and:
 - a. Comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. Give a true and fair view of the financial position of the company as at 30 June 2015 and its performance for the year ended on that date.
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.



Linda Apelt (Chair)

Dated this 17th day of September, 2015.



Mark Fenton (Chair, Audit and Risk Committee)

Dated this 17th day of September, 2015.