



# **Common Ground Queensland Ltd**

## **Financial Report**

**for the Year Ended 30 June 2022**

## FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### DIRECTORS REPORT

Your directors present this report on the company for the financial year ended 30 June 2022.

### 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
Peter Pearce	10/08/2015	-	7	8
Justin Hogg	21/07/2021	-	8	8
Mark Lightfoot	27/11/2013	-	6	8
Joanna Spanjaard	07/10/2015	-	6	8
Michael Ryall	27/02/2017	-	8	8
Christine Grose	17/05/2017	-	8	8
Candice Sgroi	12/06/2019	13/12/2021	4	4
Kate Jones	02/02/2021	-	4	8
Mark Neave	26/05/2021	-	8	8
Bretine Curtis	26/05/2021	07/12/2021	1	4
Joell Ogilvie	26/05/2021	-	6	8

## **PRINCIPAL ACTIVITIES**

The principal activity of the company during the financial year was to provide supportive housing property and tenancy management services to individuals and families who have experienced or at risk of 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 that 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 sustainable 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 our supportive housing approach in benefitting people who are formerly homeless or at risk of homelessness.

Operate a financially viable property and tenancy management service at Brisbane Common Ground and in our other supportive housing offerings and develop mechanisms to ensure future sustainability for the organisation.

Communicate with stakeholders and broader community regarding the success of Common Ground and single site supportive housing models 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 YEAR ENDED 30 JUNE 2022

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

	Actual	Benchmark	Achieved Yes/No
<b>Financial Sustainability</b>			
<b>Common Ground Queensland Revenue and Expenditure</b>			
Rent Revenue	-0.13% on budget	=/> budget	No
Commercial Revenue	-11.81% on budget	=/> budget	No
Investment Revenue	60.37% on budget	=/> budget	Yes
Expenses	-8.30% on budget	=/< budget	Yes
<b>Brisbane Common Ground – Tenancy Management</b>			
Uncollected Rent	0.23%	<4% of rent	Yes
Bad Debts	0.016%	<1.5% of rent	Yes
Rent Foregone	0.99%	<4% of rent	Yes
Tenancy Mix – Between Formerly Homeless and Affordable Housing Tenants	51%/49%	50/50 with < 5% variance	Yes
Tenancy Mix – Gender	51% male/49% female	50/50 with < 10% variance	Yes
Evictions into Homelessness	0	0	Yes
Eviction Rate	5.76%	<7%	Yes
Vacancy Rate	0.60%	</=0.83%	Yes

In response to COVID19, CGQ has prioritised vacancies at Brisbane Common Ground to people who are experiencing homelessness. This has reduced the income received compared to the budget that was set on a different tenant ratio. Commercial income was negatively impacted by COVID19 with reduced use of our function rooms at Brisbane Common Ground.

## Information on Directors

<b>Michael Ryall</b>	<b>Co-Chairperson</b>
<b>Qualifications</b>	Masters of Professional Accounting, post graduate qualifications in Applied Finance, Graduate of the Australian Institute of Company Directors. He also holds qualifications in Strata Management and Hotel Management.
<b>Experience</b>	Director since February 2017. Over 20 years' experience in hospitality and property organisations in Australia, UK and the Middle East. Expertise in community and property management, financial management and reporting, governance, business management and project management.
<b>Special Responsibilities</b>	
<b>Kate Jones</b>	<b>Co-Chairperson</b>
<b>Qualifications</b>	Masters in Environmental Law and a Bachelor of Arts, Journalism Major.
<b>Experience</b>	Director since February 2021. Kate has more than 20 years experience in senior government and leadership positions. Kate served as a Minister in the Queensland Government for more than eight years in a range of portfolios including State Development, Education, Tourism and Major Events and Innovation and Climate Change. Kate was also the Minister for the Gold Coast Commonwealth Games.
<b>Special Responsibilities</b>	Member of Supporter Engagement and Advocacy Committee.
<b>Peter Pearce</b>	<b>Director</b>
<b>Qualifications</b>	Master of Public Sector Management, Graduate Diploma in Social Science, Associate Diploma in Business, Master of Ethics and Legal Studies.
<b>Experience</b>	Director since August 2015. Peter has over 40 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 aero-medical retrieval, aged care, health, energy, 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. He is also a Fellow of the Governance Institute of Australia.
<b>Special Responsibilities</b>	Member of Audit and Risk Committee, Member of Supporter Engagement and Advocacy Committee.
<b>Mark Lightfoot</b>	<b>Director</b>
<b>Qualifications</b>	Bachelor of Commerce (Banking and Finance), Bachelor of Laws, Solicitor of the Supreme Court of Queensland.
<b>Experience</b>	Director since 2013. 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.
<b>Special Responsibilities</b>	Chair Supporter Engagement and Advocacy Committee, Member of Growth and Innovation Committee.
<b>Joanna Spanjaard</b>	<b>Director</b>
<b>Qualifications</b>	Bachelor of Engineering, Masters of Science in Engineering, Graduate of the Australian Institute of Company Directors.
<b>Experience</b>	Director since October 2015. Over 20 years' experience in risk management developing, implementing and providing assurance over all aspects of risk management including risk frameworks, risk appetite, risk maturity diagnostics, risk governance, culture, and operating models. Joanna also has deep experience in many industry sectors including not-for-profits, health, public safety, energy, mining and water and regularly facilitates emerging, strategic and operational risk workshops with Boards and senior executives.
<b>Special Responsibilities</b>	Member Audit and Risk Committee.

## Information on Directors

<b>Mark Neave</b>	<b>Director</b>
<b>Qualifications</b>	Masters of Business Communication Studies, Graduate Diploma in Communication, and Bachelor of Social Work, Double Certificates in Social Welfare.
<b>Experience</b>	Director since May 2021. Over 40 years' experience working within the Health and Welfare sectors as a frontline worker ranging from direct clinical work as a social worker in mental health, child safety and acute care and in Executive positions within Government and Non-Government organisations.
<b>Special Responsibilities</b>	Member Growth and Innovation Committee.
<b>Christine Grose</b>	<b>Director</b>
<b>Qualifications</b>	Bachelor of Business Communications (Public Relations).
<b>Experience</b>	Director since May 2017. Over 3 decades of direct service delivery and management experience in the community sector – in particular in the areas of homelessness and youth at risk.
<b>Special Responsibilities</b>	Chair Growth and Innovation Committee, Member Supporter Engagement and Advocacy Committee.
<b>Candice Sgroi</b>	<b>Director</b>
<b>Qualifications</b>	Bachelor of Arts (Journalism), Graduate Diploma in Applied Corporate Governance.
<b>Experience</b>	Director since June 2019. Over 20 years experience as a journalist and corporate communications professional obtained in Australia, the United Kingdom and Middle East.
<b>Special Responsibilities</b>	
<b>Bretine Curtis</b>	<b>Director</b>
<b>Qualifications</b>	Bachelor of Social work.
<b>Experience</b>	Director since May 2021. Background in social work and over 25 years experience in mental health, alcohol and other drugs and suicide prevention. Her experience is underscored by her passion for systems and service improvement to create accessible, person centred services for the most vulnerable in our community.
<b>Special Responsibilities</b>	
<b>Joell Ogilvie</b>	<b>Director</b>
<b>Experience</b>	Director since May 2021. Joell is the Executive General Manager for the Flight Centre Travel Group (FCTG) and has over 30 years' experience working for Flight Centre. Joell is responsible for a diverse group of businesses within the FCTG. Joell has extensive experience in all aspects of running these businesses with a strong focus on delivering growth and development programs for her team.
<b>Special Responsibilities</b>	Member Supporter Engagement and Advocacy Committee.
<b>Justin Hogg</b>	<b>Director</b>
<b>Qualifications</b>	Bachelor of Commerce, Graduate Diploma of Applied Corporate Governance.
<b>Experience</b>	Director since July 2021. Justin Hogg has worked as an accountant in a number of industries including overseeing teams responsible for billion-dollar business ventures through to working with charities to further their goals. Justin is passionate about the not-for-profit space and helping those who help others. Justin serves in Director and Company Secretary positions for several not-for-profits currently as well as running his own business that supports not-for-profits. Justin Hogg is a Member of CPA Australia and a Fellow Member of the Governance Institute of Australia.
<b>Special Responsibilities</b>	Chair of Audit and Risk Committee.

## Member Guarantee

In accordance with the Company's constitution each member is liable to contribute \$10 in the event that the company is wound up. The total amount members would contribute is \$220.

## Auditor's Independence

The Auditor's declaration of independence appears on page 8 and forms part of the Directors report for the year ended 30 June 2022.

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



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**Michael Ryall (Co-Chairperson)**

Dated this 9 day of September 2022.

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Common Ground Queensland Ltd  
ABN 16 134 647 331

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF *COMMON GROUND QUEENSLAND LTD* UNDER SECTION 60-40  
OF THE *Australian Charities and Not-for-profits Commission Act 2012*

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* 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

8 September, 2022



**STATEMENT OF FINANCIAL POSITION**  
as at 30 June 2022

	Note	2022	2021
<b><u>Assets</u></b>			
Current Assets			
Cash at Bank & on Hand	4	2,470,030	1,730,966
Receivables & Prepayments	5	333,168	284,873
<b>Total Current Assets</b>		<b>2,803,198</b>	<b>2,015,839</b>
<b><u>Property Plant &amp; Equipment</u></b>			
Plant Equipment & Chattels	6	222,107	193,079
<b>Total Property Plant &amp; Equipment</b>		<b>222,107</b>	<b>193,079</b>
<b>Total Assets</b>		<b>3,025,305</b>	<b>2,208,918</b>
<b><u>Liabilities</u></b>			
<b><u>Current Liabilities</u></b>			
Creditors & Accruals	7	761,143	377,270
Provisions	8	126,076	106,880
<b>Total Current Liabilities</b>		<b>887,219</b>	<b>484,150</b>
<b><u>Non-Current Liabilities</u></b>			
Grants received in advance	7	237,013	228,647
Provisions	8	65,868	85,702
<b>Total Non-Current Liabilities</b>		<b>302,881</b>	<b>314,349</b>
<b>Total Liabilities</b>		<b>1,190,100</b>	<b>798,499</b>
<b>Net Assets</b>		<b>1,835,205</b>	<b>1,410,419</b>
<b><u>Accumulated Funds</u></b>			
<i>Accumulated Funds –</i>			
Retained Earnings		746,499	762,141
Maintenance Reserve		1,088,706	648,278
<b>Total Accumulated Funds</b>		<b>1,835,205</b>	<b>1,410,419</b>

The accompanying Notes form part of these financial statements.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
for the year ended 30 June 2022

	Note	2022	2021
<b><u>Operating Income</u></b>			
Commission Income		1,559	1,399
Donations Received		194,807	91,175
Grants Utilised – Recurrent	9 & 10	1,797,480	1,335,309
Rental Revenue		1,949,291	1,820,643
Revenue from investments		2,708	3,236
Volunteer Contribution Income		75,000	110,000
JobKeeper Income		-	189,000
Cash Flow Boost Income		-	50,000
Other Revenue		3,154	6,009
<b>Gross Income</b>		<b>4,023,999</b>	<b>3,606,771</b>
<b><u>Operating Expenses</u></b>			
Advertising & Promotion Costs		8,903	22,400
Fees paid to Independent Auditor		6,000	6,000
Bad Debts		9,355	4,984
Bank Charges		4,325	4,304
Building Services Contract Costs		79,478	70,307
Computer & Software Expenses		51,062	37,175
Consultancy, Planning & Compliance Costs		44,629	28,208
Community Support Housing Expenses		249,087	66,186
Depreciation		72,765	60,021
Electricity		106,273	76,735
Employment Expenses/HR Resources Costs		1,720,215	1,603,863
Fees, Permits, Subscriptions		10,820	8,543
Function & Meeting Expenses		5,535	4,419
Fundraising Expenses		1,996	-
Insurance		102,804	93,972
Office Supplies, Printing, Postage		13,028	9,862
Property Costs – Planned		249,008	196,717
Property Costs – Responsive		133,100	141,806
Rates		25,707	6,503
Telephone		19,334	18,659
Travel & Accommodation		3,206	2,207
Water Rates & Sewerage		134,340	61,424
Supportive Families Expenses		448,394	394,574
Tenant Support		5,013	5,007
Volunteer Contribution Expense		75,136	110,200
Other Expenses		19,700	21,108
<b>Total Operating Expenses</b>		<b>3,599,213</b>	<b>3,055,184</b>
<b>Net Ordinary Surplus (Deficit)</b>		<b>424,786</b>	<b>551,587</b>

The accompanying Notes form part of these financial statements.

**STATEMENT OF CASH FLOWS**  
for the year ended 30 June 2022

	Note	2022	2021
<b>Cash Flows From Operating Activities</b>			
Receipts from trading, fund raising and donations		4,069,209	3,199,242
Payments to suppliers and employees including GST input credits paid		(3,231,060)	(3,182,461)
Interest received		2,708	3,236
<b>Net cash provided by operating activities</b>	4	<b>840,857</b>	<b>20,017</b>
<b>Cash Flows From Investing Activities</b>			
Purchase of property, plant and equipment, including expensed equipment		(101,793)	(32,361)
<b>Net cash provided by (used in) investing activities</b>		<b>(101,793)</b>	<b>(32,361)</b>
Net increase (decrease) in cash held		739,064	(12,344)
Cash as at 1 July		1,730,966	1,743,310
<b>Cash as at 30 June</b>		<b>2,470,030</b>	<b>1,730,966</b>

The accompanying Notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY**  
for the year ended 30 June 2022

	Note	Retained Earnings	Reserves	TOTAL
Balance at 1 July 2020		546,520	312,312	858,832
Add				
Surplus attributable to members		551,587	-	551,587
Transfer to Reserves		(335,966)	335,966	-
<b>Balance at 30 June 2021</b>		<b>762,141</b>	<b>648,278</b>	<b>1,410,419</b>
Add				
Surplus attributable to members		424,786	-	424,786
Transfer to Reserves		(440,428)	440,428	-
<b>Balance at 30 June 2022</b>		<b>746,499</b>	<b>1,088,706</b>	<b>1,835,205</b>

The accompanying Notes form part of the financial statements.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The Company is a not-for-profit, private 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 – Simplified Disclosures for For-Profit and Not-For Profit tier 2 entities adopted by the Australian Accounting Standards Board (AASB) and the Corporation Act 2001 and the *Australian Charities and Not-for-Profits Commission Act 2012*.

## 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) REVENUE

If conditions are attached to a grant which must be satisfied before the company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied. Revenue is recognised as services are performed and at year end until the service is delivered. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied. The Department of Housing and Public Works has advised that part of the annual surplus can be retained by the company and used for future maintenance. This has been transferred to a reserve for the 2019, 2020 and 2021 financial years.

Interest revenue is recognised upon receipt. All revenue is stated net of the amount of GST.

Contracts with tenants are REIQ leases for residential tenancies. Revenue is recognised monthly.

The nature and terms of the building lease includes:

- (i) Lease payments - \$1 per annum
- (ii) Lease term – 7.5 years commencing from 5 February 2016
- (iii) Description of the underlying asset – building with 146 units
- (iv) CGQ is required to use the building to provide accommodation to residents who meet the eligibility requirements set out by the Department of Housing and Public Works and any other lawful use of the premises including the non-residential space to meet the objectives of the Program that is also specified by the Department of Housing and Public Works.

### 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.

### (c) 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 reviewed annually 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 \$1,000.

The recoverable amount is expected to be materially the same as fair value under AASB13.

### (d) DEPRECIATION

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

Class of Fixed Asset	Depreciation Rate
Units Contents	20%
Common Area Furniture and Equipment	5% to 20%
Office Furniture and Equipment	15% to 35%
Operational Plant and Equipment	10% to 20%

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 statement of profit or loss.

(e) 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.

(f) 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.

(g) 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.

Significant estimates have been the rate of depreciation for furniture and whitegoods assets, the recognition of Grant Revenue and electricity rebates.

(h) VOLUNTEER SERVICES

The company has recognised volunteer services received as the fair value of those services can be measured reliably. The entity's financial statements have recognised material volunteer services from HWL Ebsworth and other legal advisors.

(i) GRANTS RECEIVED IN ADVANCE

The liability for grants received in advance is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided, or the conditions usually fulfilled within twelve months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds twelve months after the reporting date or the conditions will only be satisfied more than twelve months after the reporting date, the liability is presented as long term.

**NOTE 2: Profit from Ordinary Activities**

	2022	2021
<b>Profit from ordinary activities has been determined after</b>		
(a) Expenses - Remuneration of Auditor	6,000	6,000
(b) Expenses - Depreciation & Amortisation (refer note 6)	72,765	60,021
(c) Expenses - Bad & Doubtful Debts	9,355	4,984

**NOTE 3: Legal Status**

The company is a company limited by guarantee and subject to the regulation of the Australian Securities & Investments Commission and Australian Charities and Not-for-Profits Commission Act 2012.

At 30 June 2022 the number of members was 22 (2021:21).

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

**NOTE 4: CASH FLOW INFORMATION**

	2022	2021
(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	2,470,030	1,730,966
	<b>2,470,030</b>	<b>1,730,966</b>

(b) Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax

<b>Operating Profit/(Loss) after Income Tax</b>	<b>424,786</b>	<b>551,587</b>
<b>Non-cash flows in operating surplus</b>		
Depreciation & expensed equipment	72,765	60,021
Changes in assets and liabilities		
Decrease /(Increase) in trade and term debtors	(34,353)	(10,218)
Decrease / (increase) in prepayments	(13,942)	(67,484)
(Decrease) / increase in trade creditors and accruals	392,239	(530,105)
(Decrease) / increase in employee provisions	(638)	16,216
<b>Cash flows from operations</b>	<b>840,857</b>	<b>20,017</b>

**NOTE 5: RECEIVABLES & PREPAYMENTS**

	<b>2022</b>	<b>2021</b>
Trade & Other Debtors	174,350	139,997
Prepayments	158,818	144,876
<b>Total Receivables &amp; Prepayments</b>	<b>333,168</b>	<b>284,873</b>

**NOTE 6: FIXED ASSETS**

<b>At Cost 30 June 2022</b>	<b>Units Contents</b>	<b>Common Area</b>	<b>Office Furniture &amp; Equipment</b>	<b>Operational Plant &amp; Equipment</b>	<b>Total Plant &amp; Equipment</b>
Cost	745,527	177,254	201,320	74,494	1,198,595
Additions	-	12,522	47,734	26,327	86,583
Disposals	-	-	-	-	-
<b>Closing</b>	<b>745,527</b>	<b>189,776</b>	<b>249,054</b>	<b>100,821</b>	<b>1,285,178</b>
<b>Accumulated Depreciation</b>					
Opening	-716,927	-87,872	-150,387	-50,330	-1,005,516
Depreciation	-13,000	-7,486	-26,035	-11,034	-57,555
<b>Closing</b>	<b>-729,927</b>	<b>-95,358</b>	<b>-176,422</b>	<b>-61,364</b>	<b>-1,063,071</b>
<b>Written Down Value</b>	<b>15,600</b>	<b>94,418</b>	<b>72,632</b>	<b>39,457</b>	<b>222,107</b>
<b>At Cost 30 June 2021</b>					
Cost	745,527	168,308	177,905	74,494	1,166,234
Additions	-	8,946	23,415	-	32,361
Disposals	-	-	-	-	-
<b>Closing</b>	<b>745,527</b>	<b>177,254</b>	<b>201,320</b>	<b>74,494</b>	<b>1,198,595</b>
<b>Accumulated Depreciation</b>					
Opening	-703,927	-81,550	-133,182	-26,836	-945,495
Depreciation	-13,000	-6,322	-17,205	-23,494	-60,021
<b>Closing</b>	<b>-716,927</b>	<b>-87,872</b>	<b>-150,387</b>	<b>-50,330</b>	<b>-1,005,516</b>
<b>Written Down Value</b>	<b>28,600</b>	<b>89,382</b>	<b>50,933</b>	<b>24,164</b>	<b>193,079</b>

The company has little history of estimating its assets useful lives. Initially depreciation was calculated by reference to accommodation rates for similar businesses. As the company has now a history of seven years, estimated useful lives of assets have been reassessed based upon actual timing of replacements. The assets primarily comprise furniture and whitegoods used in each dwelling unit.

**NOTE 7: CREDITORS, ACCRUALS & TAX LIABILITIES**

	2022	2021
<b>Trade Creditors &amp; Accruals</b>		
<b>Current</b>		
Trade & Other Creditors	448,301	235,251
Accrued Expenses	52,720	46,038
Grant monies received in advance	260,122	95,981
<b>Total Current Creditors &amp; Accruals</b>	<b>761,143</b>	<b>377,270</b>
Non-Current Grants received in advance	237,013	228,647
<b>Total Non-Current Liabilities</b>	<b>237,013</b>	<b>228,647</b>

The Current Grant monies received in advance has been determined by the authorised use of \$260,122 (2021 \$95,981) of existing surplus funds.

**NOTE 8: PROVISIONS**

	2022	2021
Annual Leave	76,875	78,284
Sick Leave	28,545	28,421
Unpaid Employee Entitlements	822	175
Long Service Leave	85,702	85,702
<b>Total Provisions</b>	<b>191,944</b>	<b>192,582</b>
Current Component	126,076	106,880
Non-Current Component	65,868	85,702

**NOTE 9: GRANTS RECEIVED IN ADVANCE**

	2022	2021
Balance at beginning of year	324,628	718,671
<b>Received for 2022</b>	<b>1,969,987</b>	<b>941,266</b>
Total received	2,294,615	1,659,937
Taken to P&L	(1,797,480)	(1,335,309)
<b>Unexpended (Refer Note 7)</b>	<b>497,135</b>	<b>324,628</b>

A portion of the unexpended funds have been applied to fund 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: RELATED PARTIES**

	2022	2021
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**GRANT FUNDING**

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

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 with minimal consideration.

**TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL**

Board members are not remunerated.

Total Key Management Personnel Remuneration	402,145	397,549
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**NOTE 11: CONTINGENCIES AND CAPITAL COMMITMENTS**

There are no contingent liabilities that have been incurred by the company in relation to 2022 or 2021.

The company does not have any significant capital commitments at year end.

**NOTE 12: POST-REPORTING DATE EVENTS**

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

**NOTE 13: MEMBER'S GUARANTEE**

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2022, the total amount that members of the Company are liable to contribute if the Company wound up is \$220 (2021: \$210).

**NOTE 14: ECONOMIC DEPENDENCY**

Common Ground Queensland is dependent on the ongoing receipt of financial assistance from the Queensland State Government to continue delivering its charitable programs. The Directors have no reason to believe that the government will discontinue its support of Common Ground Queensland.



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INDEPENDENT AUDITOR'S REPORT

To the Members of Common Ground Queensland Ltd

Report on the Audit of the Financial Report

**Opinion**

I have audited the financial report of Common Ground Queensland Ltd, which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In my opinion the financial report of Common Ground Queensland Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

**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 Report section of my report. I am independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also 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.

**Other Information**

The directors of the company are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2022, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Responsibilities of Directors for the Financial Report**

The directors are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.



In preparing the financial report, the directors are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless the directors either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the registered entity's financial reporting process.

### **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 registered entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors' 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 registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity 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 the directors 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 my audit.



John Grounds, Chartered Accountant

9 September, 2022.

Registered Company Auditor #87656  
44 Ferguson Road, Wavell Heights, Queensland

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John Grounds, Chartered Accountant

9 September, 2022.

Registered Company Auditor #87656  
44 Ferguson Road, Wavell Heights, Queensland

## DIRECTORS DECLARATION

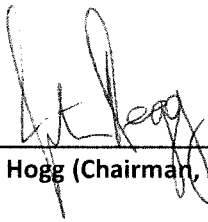
In accordance with resolution of the directors of Common Ground Queensland Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 - 16 are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* and:
  - a. Comply with Australian Accounting Standards – Simplified Disclosures for For-Profit and Not-For Profit tier 2 entities and the *Australian Charities and Not-for- Profits Commission Regulation 2013*; and
  - b. Give a true and fair view of the financial position of the company as at 30 June 2022 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.



\_\_\_\_\_  
**Michael Ryall (Co-Chairperson)**

Dated this 9 day of September 2022.



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**Justin Hogg (Chairman, Audit and Risk Committee)**

Dated this 9 day of September 2022.