



Southern Queensland Country Tourism



ANNUAL REPORT 2021-22



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Acknowledgement of Country

Southern Queensland Country Tourism acknowledges the Traditional Custodians of the lands and waterways that run through these regions. We pay our respects to Aboriginal and Torres Strait Islander Elders past, present and emerging.



CEO'S REPORT 2022



Responsible tourism is at the forefront and seeks to minimise adverse economic, environmental, and social impacts.

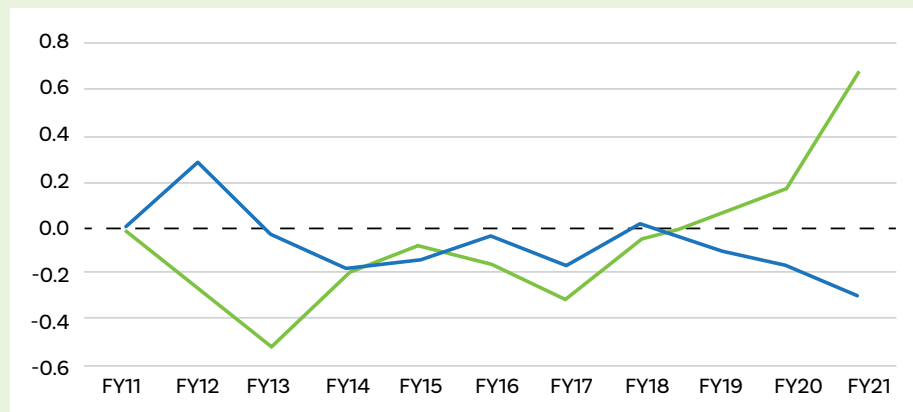
2021-22 proved to be a challenging year yet one of opportunity. With the evolving nature of COVID-19, many chose to 'Holiday Here This Year' supporting our local tourism operators and enjoying the experiences that are unique to our beautiful region.

It was exciting to see that the Southern Queensland Country (SQC) region set new records at a state level in results that were released for year ended June 2022 with an increase in domestic visitation and spend. See the Chair's report for details.

EarthCheck released their annual 'Aspire Report' which is Queensland's Destination Management Organisations (DMO) benchmark and health check report. The report provides three high-level objective measures of a DMO's performance, relative to the performance of other DMOs averaged over 10-12 years of financial, economic and visitation data.

Southern Queensland Country Tourism achieved some stellar results.

DMO Marketing effectiveness strategic view - rate of change



DMO Avg — SQC

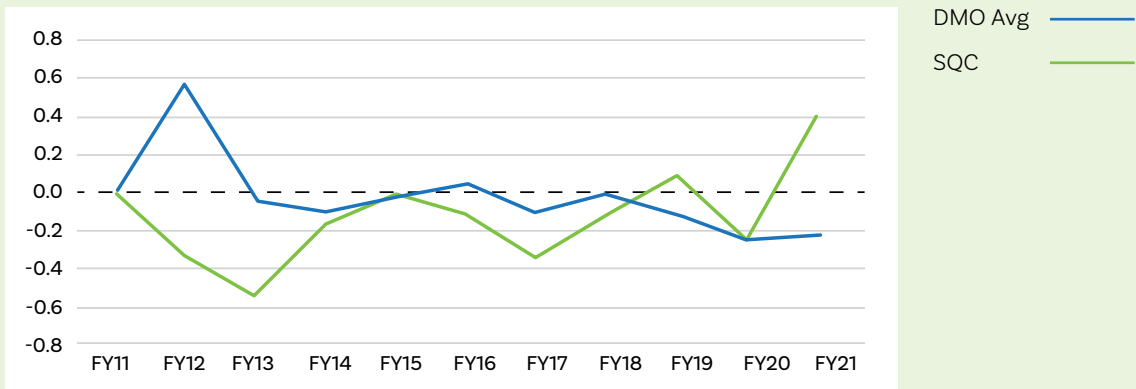
Market Effectiveness measures the impact of the total annual DMO marketing expense against the total overnight holiday visitor expenditure in the region, through a strategic lense. It then averages the same measure across all DMOs and compares the rate of change over time.

The average DMO result highlights the challenge to increase marketing effectiveness and influence holiday visitor expenditure. The SQC result shows a similar pattern that more recently has improved above the DMO average and into positive territory.





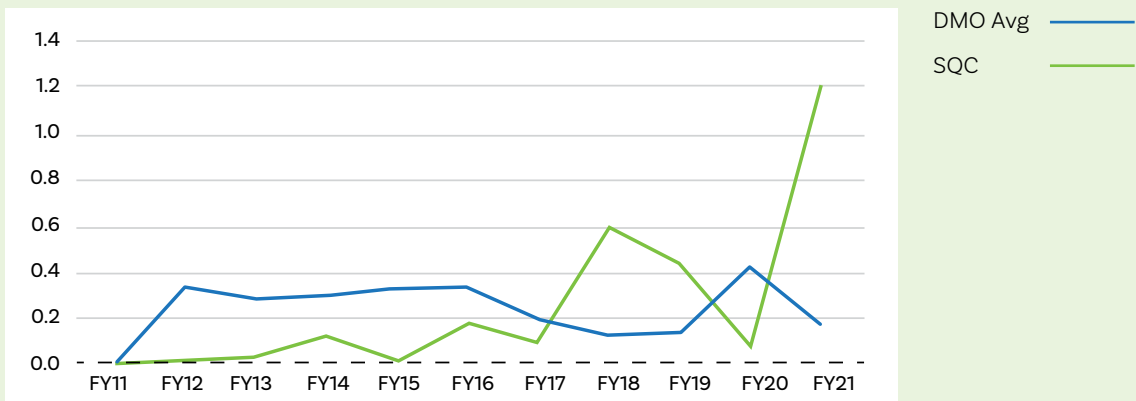
DMO operating efficiency strategic view (holiday) - rate of change



Operational Efficiency measures changes in the strategic view of the value-for-money proposition, through the annual cost of running the DMO, relative to the total overnight holiday visitor expenditure in the region. It then averages the same measure across all DMOs and compares the rate of changes over time.

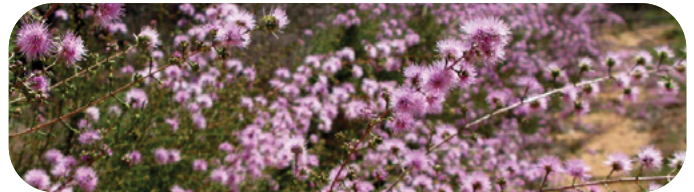
The DMO average here highlights the ongoing difficulty in maintaining cost control. In recent years however, SQC has exceeded this average and has recently increased its operational efficiency to its highest level in ten years.

DMO Resource efficiency strategic view (holiday) - rate of change



Resource Efficiency measures the total annual DMO staffing cost against the total overnight holiday visitor expenditure in the region, as a strategic view. It then averages the same measure across all DMOs and compares the rate of change over time.

The DMO average shows improvement in staff cost efficiencies over the last 10 years. SQC has also shown resource efficiency improvement, with the most recent sharp gain a secondary negative impact of the pandemic.



2021 was the Year of Indigenous Tourism which saw ongoing collaboration with the Bunya Peoples Aboriginal Corporation (BPAC) in developing the Bunya Songlines product. This will produce a set of Indigenous tourism experiences unique to the SQC region.

Songlines use ancient stories, mythology, astronomy and geographical elements to help guide and direct pathways through the landscape. The Bunya Songlines were created over thousands of years, cross multiple state and local authority borders and have the potential to connect a number of towns, walking trails and road corridors.

Once completed, this has the potential and opportunity to be one of the most recognised and culturally immersive Indigenous experiences in Australia.

Industry networking events and workshops were reinstated throughout the region which saw increased engagement with our stakeholders including councils and local tourism operators. It was great to meet with and hear from locals in their own backyards. These events also provided local tourism operators an opportunity to meet the Southern Queensland Country Tourism (SQCT) Board and staff face-to-face.

SQCT staff attended hero events throughout the region to support, promote, assist, and build relationships with event organisers and other key stakeholders. Two cohorts of the Transformational Experiences Mentoring Program (TEMP) were completed. The program was an initiative of Tourism and Events Queensland (TEQ) in conjunction with Regional Tourism Organisations / DMOs to mentor and encourage operators in becoming champions of transformational experiences, evolving their experiences, and enhancing their competitive advantage amidst a shifting consumer landscape.

The year saw numerous meetings with executives from the Department of Tourism, Innovation and Sport (DTIS), TEQ, Queensland Tourism Industry Council (QTIC) and other stakeholders, actively advocating for industry and to the state government to facilitate better outcomes for tourism planning laws and increased infrastructure funding and other tourism interests.

The organisation led an exciting state-wide data project using Roy Morgan Research. This included using Helix Personas to deliver better visitation insights for our members. Helix Personas uses deep psychographic insights to segment consumers into targetable groups. The tool incorporates values, beliefs and attitudes which are the best predictors of consumer behaviour, providing the ability to reach customers most effectively with messages that resonate. Data is collected through 'People Movement Data' and 'Near Device Data' which is location based, mobile app data.

We continue to develop and upgrade the resources available to our members and key stakeholders on the SQCT industry portal, ensuring access to the latest data, insights and tools to support businesses. The member tool kit includes a wide variety of valuable information including marketing opportunities, latest news and upcoming events, business development workshops and seminars, latest visitor statistics, marketing templates, and other resources.

Early 2022 saw the launch of 'Savour Southern Queensland Country'. This exciting, new campaign invites the visitor to take their tastebuds on a journey through a series of tasting trails from country pubs to cellar doors, bespoke breweries, distilleries and more. The six tasting trails seek to inspire a country drive, a stay, a holiday in SQC.

Our strategic plan aims to drive destination marketing and grow visitation to our region. Responsible tourism is at the forefront and seeks to minimise adverse economic, environmental, and social impacts. SQCT is focused on our regional carbon footprint and is involved in several strategic projects designed to achieve responsible tourism including the de-carbonisation project.

We want to educate travellers about protecting the land they are visiting and ensure they come prepared for the culture, weather and terrain of our region.

While there are undoubtedly challenges ahead, we are optimistic about the future and the growth potential of SQC.

We thank the SQCT Board Directors for their insight, guidance, unwavering support for our organisation and industry, our partners and key stakeholders for their continued support. We acknowledge our local tourism operators and businesses and thank them for their tenacity, hard work and passion. We have heard the stories time and time again of operators doing everything from managing bookings, cleaning, doing the books to cooking for guests! We value you and know that you and your country hospitality is what makes our region so memorable.

Peter Homan
Chief Executive Officer



CHAIR'S REPORT 2022



Tourism provides substantial economic benefit to the SQC region.

As with many industries, the COVID-19 pandemic caused many challenges, but it also presented many opportunities. The nature of these challenges meant that the organisation had to be flexible and adjust to constantly changing circumstances to support our industry.

As international travel ceased, domestic tourism increased, consumer awareness heightened around safety and behaviour changed, prompting many to travel to and explore local and regional tourist destinations. This created opportunities for SQC.

When it comes to tourism in SQC, we are unified in our goal of growing visitation numbers and visitor expenditure, offering, and showcasing unforgettable and unique experiences that keep people coming back.

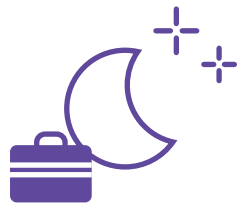
As a region rich in open spaces, big skies, clean air and nature, the region experienced a significant increase in domestic visitation in comparison to some other Queensland regions.

This, combined with the efforts of SQCT in promoting tourism, resulted in the SQC region achieving record visitation and visitor expenditure at a state level as shown in the National Visitor Survey (NVS) statistics released for the year ended 30 June 2022.

See highlights below.

NVS TOURISM IN NUMBERS - YEAR ENDED 30 JUNE 2022

As a region rich in open spaces, big skies, clean air and nature, the region experienced a significant increase in domestic visitation in comparison to some other Queensland regions.



Overnight visitors increased **10.69%** to **2,229,000**

Overnight visitor nights increased **0.55%** to **6,210,000**

Overnight visitor regional expenditure increased **15.19%** to **\$895M** (\$777M year ended 30 June 2021)

Day visitor regional expenditure increased **22.87%** to **\$505M** (\$411M year ended 30 June 2021)



SQC is ranked #4 out of the **13 Regional Tourism Organisations** in Queensland for domestic visitation and expenditure

SQC is ranked #16 out of the **top 50 regions** in Australia for visitation





SQCT INSIGHTS



SQCT generated **32,609 business leads** to operators during the financial year through marketing campaigns, website, social media and e-newsletters.



4 tourism 'Trade Ready' training workshops were held to upskill the region's tourism operators with the fundamental knowledge and resources to work effectively in domestic and international trade markets.

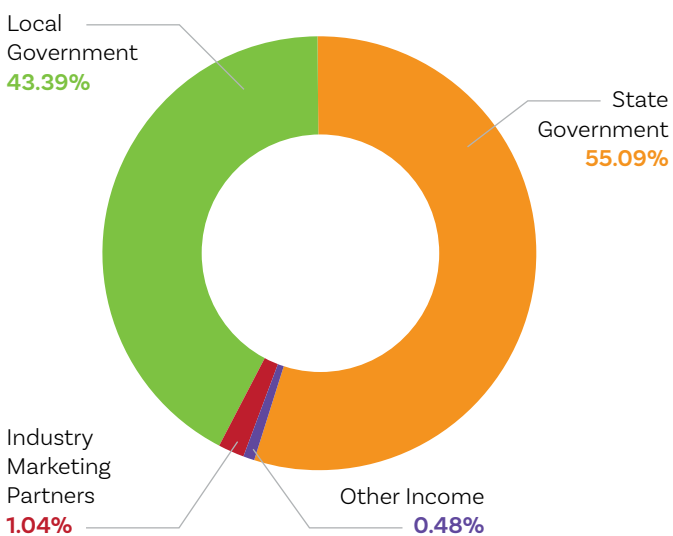


A **positive growth of 23.5%** was achieved growing the region's **Best of Queensland Experience (BOQE) operators from 134 to 175 resulting in SQCT representing 8% of the state total.** Developed by TEQ, the innovative BOQE Program guides the state's tourism industry to deliver transformational experiences to attract and increase visitation and expenditure.

SQCT continued to develop the **innovative tourism industry portal** which delivered highly tailored and targeted data-led insights to local government members and tourism operators, including council-specific dashboards, monthly industry reports, visitor market profiles, accommodation and mobility, location data, Helix Personas and sentiment index and benchmarking reports.



Funding Sources FY2021-22



As we move through a post-COVID-19 tourism landscape, we look forward to continuing and growing our partnerships with our existing stakeholders and partners. It is an exciting time as the organisation looks toward the 2032 Olympic and Paralympic Games.

The Games offer a transformational, once-in-a-lifetime opportunity for our region. The potential is great, however the planning of infrastructure and construction, tourism, transport, manufacturing, and sustainability initiatives must start now. Whilst the initial focus of the 2032 Olympic and Paralympic Games is on the planning and the years leading up to Olympics, another important aspect is the Games' legacy which will be realised years after the event.

During the year, SQCT held several workshops in region and it was fantastic to chat to and engage with council representatives and industry operators.

I want to acknowledge the work of SQCT's three board committees: Finance, Risk and Remuneration Committee, Industry Portal and Commercial Development Committee, and the Stakeholder Engagement Committee. These committees have been a valuable asset to the board, management, and operational team at SQCT. They have been instrumental in the strategic direction and performance management of the organisation, ensuring exceptional governance, engaging with stakeholders from state and local governments to industry, developing initiatives to support and assist tourism operators, and investing in the future whether it be opportunities, financial or sustainability initiatives.

“

When reviewing the financial statements within this report please note, adjustments were required in relation to how the timing of revenue is recognised by the Company to comply with accounting standards. Funding revenue is now recognised on receipt rather than as funding is expended. The impact of the adjustment to the treatment of revenue for the 2022 financial year was a reduction in revenue (and therefore an increase in deficit) of \$79,795.

The impact on previous years is disclosed in Note 4.

”



Finance, Risk and Remuneration

Chair: Louise Sturgess

Role: The Finance, Risk and Remuneration Committee was established to provide advice and support to management and the board in relation to all aspects of SQCT’s financial management including internal controls, annual audits and risk management. The committee seeks to assist SQCT’s CEO in making recommendations.

Industry Portal and Commercial Development

Chair: Chris Parsons

Role: The Industry Portal and Commercial Development Committee seeks to regularly review and develop the benefits and insights SQCT provides based on industry and stakeholder feedback, needs and gaps. The committee provided guidance in developing the SQCT Tourism Industry Portal; a one-stop-shop for members to share advice, information, resources, learnings, and successes with industry peers. The Portal also provides access to relevant marketing and tourism professionals, resources, webinars, education platforms and useful, real time data analytics and industry support.



Stakeholder Engagement

Chair: David James

Role: The Stakeholder Engagement Committee is committed to advocating on behalf of industry to key stakeholders including state and local government such as DTIS and TEQ. The committee seeks to engage with key stakeholders and gain their feedback particularly in matters that affect SQC. The committee has met with principal project managers in the DTIS including the Director General and the General Manager, Tourism Policy, Partnerships and Events to advocate on behalf of industry.



Thank you to our board who take time out of their busy corporate lives to volunteer their time. Each director imparts a wealth of knowledge and experience and is passionate about seeing our organisation, the industry and our region grow. On behalf of the board, staff, and our industry we thank Andrew Young for his service to the SQCT board. Andrew will be stepping down at the 2022 Annual General Meeting and we wish him well in his future endeavours.

Thank you to Peter and the team at SQCT. 2021-22 has been an exceptional year for the SQC region and I am confident that the future will hold many more successes. SQCT is dedicated to raising the profile and awareness of SQC across domestic and international markets. Our organisation will continue to be insight led and industry focussed. I thank you for being part of our team and look optimistically towards the future.

Cr Geoff McDonald
Chair

FINANCIALS 2021-22

Southern Queensland Country Tourism Ltd. ABN 56 160 194 516

DIRECTORS' REPORT

The directors present the following report of Southern Queensland Country Tourism Ltd (the company) for the financial year ended 30 June 2022.

DIRECTORS

The names of the directors who have held office during the year or to the date of this report are:

Cr Geoff McDonald 1/11/2012 to current (Chair & Local Government Representative)

Mr Chris Parsons 16/11/2017 to current

Mr David James 24/5/2019 to current (Vice Chair)

Mr Phil Stonestreet 19/11/15 to 25/11/2021 (company secretary)

Andrew Young 30/11/2020 to current

Louise Sturgess 30/11/2020 to current (company secretary 25/11/2021 to current)

Martin Cooper 30/11/2020 to current

Steven Becker 27/1/2022 to current

PRINCIPAL ACTIVITIES

The principal activities of the company, Southern Queensland Country Tourism Ltd (SQCT) during the financial year related to promoting tourism within the Regional Tourism Organisation (RTO) region of Southern Queensland Country.

There were no significant changes in the nature of the company's activities during the financial year.

OBJECTIVES

The company is established as a non-profit entity with the objective to:

- establish the region as a preferred tourism destination;
- advertise, promote and market tourism in the region;
- provide advocacy and support to the tourism industry in the region;
- encourage support for investment into tourism related development and tourism product;
- encourage the upgrade of infrastructure to support tourism growth;
- disseminate data and information to support tourism stakeholders.

The company aims to create demand for visitation by connecting people culturally and emotionally to our region, fostering economic and social benefits, services and opportunities for members, local community, and regional partners through delivering compelling and sustainable visitor experiences.

STRATEGY TO ACHIEVE OBJECTIVES

The key strategies include:

- Delivering and growing business leads and opportunities for the region's tourism operators;
- Supporting development of trade-ready tourism packages across the region;
- Supplying innovative, data-led insights;
- Growing the region's Best of Queensland Experience operators;
- Strong financial management incorporating funding the organisation's activities from diverse sources and partners.

Results of the strategic objectives are outlined in the below review of operations.

OPERATING RESULTS

The deficit of the company for the financial year amounted to \$56,035 (2021: surplus of \$44,816).

REVIEW OF OPERATIONS AND PERFORMANCE MEASURES

The company measures its performance in terms of both tourist visitation and visitor spend to Southern Queensland Country and the volume and quality of the marketing activities it undertakes.

The company utilises National Visitor Survey statistics released by Tourism Research Australia and Roy Morgan Research data to assist with the assessment of performance in visitation and expenditure.

Southern Queensland Country Tourism Ltd (SQCT) consistently provides councils and industry members with insightful data. This data can be used to increase visitation, discern where tourists are coming from, and how best to market to a specific audience.

The company is focused on growing its membership database and introducing several membership tiers to suit a variety of organisations. Additionally, SQCT has reinstated multiple workshops, trade-ready packages, and mentoring programs with industry professionals to assist operators and improve the experiences they offer. These programs were subsidised for industry members.

The company developed a new, intuitive consumer focused website which increased leads and opportunities for the region's tourism operators.

During the financial year ended 30 June 2022, the Southern Queensland Country (SQC) region encompassed the local government regions of Toowoomba, Lockyer Valley, Southern Downs and Granite Belt, South Burnett, Cherbourg, Goondiwindi and Western Downs. All councils in the SQC region were financial contributors to SQCT with the exception of the South Burnett Regional Council and the Cherbourg Aboriginal Shire Council.

In September 2021, SQCT relocated its office to 10 Rens Street, Toowoomba.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the nature of the activities of the company during the year.

AFTER BALANCE DATE EVENTS

Since 30 June 2022 SQCT has continued to operate and deliver as per the Operational Plan and Key Performance Indicators (KPIs) within State and Local Government Partnership Agreements.

The State Tourism Organisation, Tourism and Events Queensland (TEQ) has proposed a realignment of the Regional Tourism Organisation (RTO) network commencing in July 2023. The objective of the realignment is to grow overall overnight visitor expenditure and market share for Queensland, through aligning consumer behaviour and experiences and optimising and developing destination partnerships.

The proposed realignment will result in a significant expansion of the geographical area encompassed within the Southern Queensland Country region, and is likely to include these additional local council geographic areas:

- Central Highlands Regional Council
- North Burnett Regional Council
- Somerset Shire Council
- Woorabinda Aboriginal Shire Council

A new funding model for the proposed realignment will be determined by TEQ. Financial impact cannot yet be determined. Prior to any realignment, the company will continue to operate within its current parameters.

ENVIRONMENTAL ISSUES

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

INFORMATION ON DIRECTORS AS AT 30 JUNE 2021

GEOFF MCDONALD

Director, Chairman
JP Qualified
Chair since 30.11.20
Director since 01.11.12
Deputy Mayor, Toowoomba Regional Council
President, Safer Toowoomba Regional Partnerships

DAVID JAMES

Director, Vice Chairman
Vice Chair since 30.11.20
Director since 24.5.19
Director, Tangalooma Resort

CHRIS PARSONS

Director
Director since 16.11.17
Channel Seven Presenter/Producer
Director, The Mind Tank

ANDREW YOUNG

Director
BBus
Director since 30.11.20
TTC Tour Brands Oceania
GM Sales, TTC Tour Brands Oceania
Trafalgar, Insight Vacations, Luxury Gold, Contiki & Costsaver brands

LOUISE STURGESS

Director, Company Secretary
BCom; LLB; GradDip Communication; MPRIA; GIA(Affiliate)
Company Secretary since 25.11.21
Director since 30.11.20
Senior Manager Communication and Media, Great Barrier Reef Foundation
Director / Communication Advisor, Powerhouse Advisory

MARTIN COOPER

Director
MIEAust CPEng (Ret)
Director since 30.11.20
President Granite Belt Wine Tourism
Owner, Ridgemill Estate Winery and Cabins in the Vineyard
Graded Mediator

STEVEN BECKER

Director
MBA, BCom, GradDip Investment and Financial Analysis
Fellow of Finsia
CA - Member of Institute of Chartered Accountants Australia and NZ
Director since 27.01.22
Director - Specialist Finance Director - Queensland Indigenous Family Violence Legal Service
CFO and Company Secretary, Qscan Group

PHIL STONESTREET

Director (ceased 25/11/2021)
Certificate of Transport Management
Director until 25.11.21
Director, Stonestreeets Coaches



MEETINGS OF DIRECTORS

Attendances by each director at meetings of the directors were as follows:

DIRECTORS' MEETINGS:	Number Eligible to Attend	Number Attended
Geoff McDonald	7	7
Phil Stonestreet	3	2
David James	7	6
Chris Parsons	7	4
Louise Sturgess	7	7
Andrew Young	7	6
Martin Cooper	7	6
Steven Becker	4	4

INDEMNIFYING OFFICERS OR AUDITOR

Since the end of the previous financial year the company has paid insurance premiums in respect of directors' and officers' liability and legal expenses' insurance contracts for current and former directors of the company as follows:

- The premium totalled \$2,404 excluding GST for the period 19/05/2022 to 19/05/2023.
- The insurance premium covers all directors, office bearers and employees against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of representative of the company, other than conduct involving a wilful breach of duty in relation to the company.

The company has not otherwise indemnified or agreed to indemnify an officer or auditor of the company against a liability incurred in the role as an officer or auditor.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 12 of the financial statements.

Signed in accordance with a resolution of the Board of Directors:

Geoff McDonald
DIRECTOR (CHAIR)

Dated this 24th day of October 2022

Louise Sturgess,
DIRECTOR & COMPANY SECRETARY

Dated this 24th day of October 2022

CONTRIBUTIONS ON WINDING UP

In the event of the company being wound up, members are required to contribute a maximum of \$10 each for payment of the company's debts and liabilities.

The total amount that members of the company are liable to contribute if the company is wound up is \$130, based on 13 current members.

PROCEEDINGS ON BEHALF OF THE ENTITY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.



AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF SOUTHERN QUEENSLAND COUNTRY TOURISM LTD

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 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.

McConachie Stedman Audit and Assurance Pty Ltd

A handwritten signature in black ink, appearing to be 'Benjamin Horner', written over a horizontal dotted line.

Mr Benjamin Horner
Chartered Accountant; Registered Company Auditor Director

McConachie Stedman Audit and Assurance Pty Ltd
619 Ruthven Street
Toowoomba Qld 4350

24 October 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR YEAR ENDED 30 JUNE 2022

	NOTES	2022 \$	2021 \$
Revenue	5	1,192,689	1,159,794
Other income	6	7,703	115,210
Interest revenue calculated using the effective interest method		379	682
Expenses			
Other expenses	7	(583,293)	(852,755)
Employee benefits expense		(626,995)	(360,903)
Depreciation and amortisation expense	10, 13	(44,515)	(17,212)
Finance costs		(2,003)	-
Surplus/(deficit) before income tax expense		(56,035)	44,816
Income tax expense		-	-
Surplus/(deficit) after income tax expense for the year attributable to the members of Southern Queensland Country Tourism Ltd		(56,035)	44,816
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Southern Queensland Country Tourism Ltd		(56,035)	44,816

Refer to note 4 for detailed information on Restatement of comparatives.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION

FOR YEAR ENDED 30 JUNE 2022

	NOTES	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	8	490,256	578,949
Trade and other receivables	9	23,291	3,606
Financial assets	11	45,582	45,318
Other	12	12,697	1,972
Total current assets		571,826	629,845
Non-current assets			
Property, plant and equipment	13	57,706	51,944
Right-of-use assets	10	35,002	-
Total non-current assets		92,708	51,944
Total assets		664,534	681,789
LIABILITIES			
Current liabilities			
Trade and other payables	14	151,338	89,055
Lease liabilities	15	30,484	-
Employee benefits	16	31,612	19,460
Other	17	-	71,366
Total current liabilities		213,434	179,881
Non-current liabilities			
Lease liabilities	15	5,227	-
Total non-current liabilities		5,227	-
Total liabilities		218,661	179,881
Net assets		445,873	501,908
EQUITY			
Retained surpluses		445,873	501,908
Total equity		445,873	501,908

Refer to note 4 for detailed information on Restatement of comparatives.

The above statement of financial position should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDED 30 JUNE 2022

	RETAINED SURPLUS \$	TOTAL EQUITY \$
Balance at 1 July 2020	343,092	343,092
Adjustment for correction of error (note 4)	114,000	114,000
Balance at 1 July 2020 - restated	457,092	457,092
Surplus after income tax expense for the year	44,816	44,816
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	44,816	44,816
Balance at 30 June 2021	501,908	501,908
Refer to note 4 for detailed information on Restatement of comparatives.		
Balance at 1 July 2021	501,908	501,908
Deficit after income tax expense for the year	(56,035)	(56,035)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(56,035)	(56,035)
Balance at 30 June 2022	445,873	445,873

The above statement of changes in equity should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 30 JUNE 2022

	NOTES	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,214,132	1,340,383
Payments to suppliers and employees (inclusive of GST)		(1,258,602)	(1,294,444)
		(44,470)	45,939
Interest received		379	682
Other revenue		7,703	75,812
Interest and other finance costs paid		(3,159)	-
Net cash from/(used in) operating activities		(39,547)	122,433
Cash flows from investing activities			
Payments for financial assets		(264)	(45,318)
Payments for property, plant and equipment	13	(26,110)	(6,684)
Proceeds from disposal of property, plant and equipment		364	-
Net cash used in investing activities		(26,010)	(52,002)
Cash flows from financing activities			
Repayment of lease liabilities		(23,136)	-
Net cash used in financing activities		(23,136)	-
Net increase/(decrease) in cash and cash equivalents		(88,693)	70,431
Cash and cash equivalents at the beginning of the financial year		578,949	508,518
Cash and cash equivalents at the end of the financial year	8	490,256	578,949

The above statement of cash flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

NOTE 1.

General information

The financial statements cover Southern Queensland Country Tourism Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Southern Queensland Country Tourism Ltd's functional and presentation currency.

Southern Queensland Country Tourism Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Counted, 104 Margaret Street, East Toowoomba QLD 4350

Principal place of business

10 Rens Street, Toowoomba QLD 4350

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 October 2022.

NOTE 2.

Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities. The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management

to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Comparatives

Comparative information has been restated in relation to the classification of revenue as disclosed at note 4. Additionally, where the company has changed its classification of balances in the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Financial Position, comparatives have been reclassified for consistency of presentation. Any minor reclassifications have been assessed as being clearly insignificant to the financial statements and therefore not separately disclosed.

REVENUE RECOGNITION

The company recognises revenue as follows:

Operating Grants and Memberships

When the company receives operating grant and membership revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116, AASB 138 and AASB 1058);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

INCOME TAX

As the company is a tax exempt institution in terms of subsection 50-10 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

TRADE AND OTHER RECEIVABLES

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

INVESTMENTS AND OTHER FINANCIAL ASSETS

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

PROPERTY, PLANT AND EQUIPMENT

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Motor Vehicles	20%
Fixtures and fittings	40%
Office Equipment	40%
Plant and equipment	40%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

RIGHT-OF-USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

LEASE LIABILITIES

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

EMPLOYEE BENEFITS

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

NOTE 3.

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. Details of key judgements, estimates and assumptions made by management are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Economic dependence

Southern Queensland Country Tourism Ltd is dependent on Tourism & Events Queensland, the Queensland State Government and Local Councils for the majority of its income revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe that this support will not continue.

NOTE 4.

Restatement of comparatives

Correction of error

An error was noted in relation to revenue recognition of government grant revenue recorded at 30 June 2021. An amount of \$148,000 was recognised as subsidies and grants received in advance at 30 June 2021 which, along with a corresponding opening balance at 1 July 2020 of \$114,000 reduced total revenue of Tourism and Events Queensland / State government in an equivalent net amount in the same period.

Adjustments totalling \$148,000 to reduce other liabilities were required to recognise the correct amount of subsidies and grants received in advance at 30 June 2021, being NIL in accordance with AASB 1058. The corresponding adjustment required was \$114,000 to opening retained surpluses at 1 July 2020 (being the opening balance of the liabilities at that date) and \$34,000 to increase revenue in the 2021 year. The directors have determined that these adjustments be made retrospectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

NOTE 4.

Statement of profit or loss and other comprehensive income

EXTRACT	2021 \$ REPORTED	\$ ADJUSTMENT	2021 \$ RESTATED
Revenue	1,125,794	34,000	1,159,794
Surplus before income tax expense	10,816	34,000	44,816
Income tax expense	-	-	-
Surplus after income tax expense for the year attributable to the members of Southern Queensland Country Tourism Ltd	10,816	34,000	44,816
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year attributable to the members of Southern Queensland Country Tourism Ltd	10,816	34,000	44,816

Statement of financial position at the end of the earliest comparative period

Liabilities

Current liabilities

Other	219,366	(148,000)	71,366
Total current liabilities	327,881	(148,000)	179,881

Total liabilities

327,881	(148,000)	179,881
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Net assets

353,908	148,000	501,908
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Equity

Retained surpluses	353,908	148,000	501,908
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Total equity

353,908	148,000	501,908
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NOTE 5. Revenue

	2022 \$	2021 \$
<i>Revenue recognised on receipt under AASB 1058 (not enforceable or no sufficiently specific performance obligations)</i>		
Council funding	517,531	464,522
Tourism and Events Queensland / State government	656,996	573,070
Marketing partners / membership	12,452	5,132
Operating revenue	5,710	117,070
Revenue	1,192,689	1,159,794

NOTE 6. Other income

	2022 \$	2021 \$
Government grants - COVID-19 cash flow boost	-	100,000
Subsidies and grants - wages	7,703	2,590
Insurance recoveries	-	12,620
Other income	7,703	115,210

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

NOTE 7. Other expenses

	2022 \$	2021 \$
Projects & Advertising	415,170	706,088
Insurance	3,400	3,500
Motor vehicle expenses	8,053	7,288
Operating expenses	121,181	91,093
Postage	292	501
Printing & Stationery	5,868	4,781
Telephone	12,295	8,543
Repairs & Maintenance	10,899	4,834
Short-term and low-value leases	4,041	21,558
Workcover	1,624	1,533
Other expenses	470	3,036
	583,293	852,755

NOTE 8. Cash and cash equivalents

	2022 \$	2021 \$
Current assets		
Cash on hand	-	149
Cash at bank	490,256	578,800
	490,256	578,949

NOTE 9. Trade and other receivables

	2022 \$	2021 \$
Current assets		
Trade receivables	23,291	3,606

NOTE 10. Right-of-use assets

	2022 \$	2021 \$
Non-current assets		
Non-current assets		
Land and buildings - right-of-use	60,003	-
Less: Accumulated depreciation	(25,001)	-
	35,002	-

The company leases land and buildings for its offices under a commercial tenancy agreement commencing 13 September 2021 and expiring 13 September 2023, with an option to extend for a further year. On renewal, the terms of the lease are renegotiated.

The company leases storage units and office equipment under agreements of less than 5 years. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

NOTE 10. Right-of-use assets

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	LAND AND BUILDINGS \$	TOTAL \$
Balance at 1 July 2021	-	-
Additions	60,003	60,003
Depreciation expense	(25,001)	(25,001)
Balance at 30 June 2022	35,002	35,002

NOTE 11. Financial assets

	2022 \$	2021 \$
Current assets		
Financial assets at amortised cost:		
- held-to-maturity investments: Term deposits	45,582	45,318
	45,582	45,318

NOTE 12. Other

	2022 \$	2021 \$
Current assets		
Prepayments	4,809	1,972
Other deposits	7,888	-
	12,697	1,972

NOTE 13. Property, plant and equipment

	2022 \$	2021 \$
Non-current assets		
Plant and equipment - at cost	2,870	-
Less: Accumulated depreciation	(548)	-
	2,322	-
Fixtures and fittings - at cost	15,925	3,106
Less: Accumulated depreciation	(6,351)	(2,418)
	9,574	688
Motor vehicles - at cost	57,236	57,236
Less: Accumulated depreciation	(23,657)	(15,263)
	33,579	41,973
Office equipment - at cost	28,159	22,984
Less: Accumulated depreciation	(15,928)	(13,701)
	12,231	9,283
	57,706	51,944

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

NOTE 13. Property, plant and equipment

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	PLANT AND EQUIPMENT \$	FIXTURES AND FITTINGS \$	MOTOR VEHICLES \$	OFFICE EQUIPMENT \$	TOTAL \$
Balance at 1 July 2021	-	688	41,973	9,283	51,944
Additions	2,870	13,177	-	10,063	26,110
Write off of assets	-	-	-	(834)	(834)
Depreciation expense	(548)	(4,291)	(8,394)	(6,281)	(19,514)
Balance at 30 June 2022	2,322	9,574	33,579	12,231	57,706

NOTE 14. Trade and other payables

	2022 \$	2021 \$
<i>Current liabilities</i>		
Trade payables	90,861	53,258
Superannuation	12,964	8,313
BAS payable	30,877	14,267
Other payables	16,636	13,217
	151,338	89,055

NOTE 15. Lease liabilities

	2022 \$	2021 \$
<i>Current liabilities</i>		
Lease liability	30,484	-
<i>Non-current liabilities</i>		
Lease liability	5,227	-
	35,711	-
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	31,553	-
One to five years	5,259	-
	36,812	-

The company leases land and buildings for its offices under a commercial tenancy agreement commencing 13 September 2021 and expiring 13 September 2023, with an option to extend for a further year. The lease amount is subject to a market review on expiry of the original lease term on 13 September 2023. On renewal, the terms of the lease are renegotiated.

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

NOTE 16. Employee benefits

	2022 \$	2021 \$
<i>Current liabilities</i>		
Annual leave	31,612	19,460

NOTE 17. Other

	2022 \$	2021 \$
<i>Current liabilities</i>		
Revenue received in advance	-	71,366

NOTE 18. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2022 \$	2021 \$
Aggregate compensation	179,428	176,240

NOTE 19. Remuneration of auditors

Compensation

During the financial year the following fees were paid or payable for services provided by McConachie Stedman Audit and Assurance Pty Ltd (2021: Whitehouse Audit Pty Ltd), the auditor of the company:

	2022 \$	2021 \$
<i>Audit services - Whitehouse Audit Pty Ltd</i>		
Audit of the financial statements	-	6,900
<i>Audit services - McConachie Stedman Audit and Assurance Pty Ltd</i>		
Audit of the financial statements	6,750	-
	6,750	6,900

NOTE 20. Contingent liabilities

During the year the company received revenue from a grant funding agreement with Tourism and Events Queensland. Under the terms of that agreement, any grant monies that are unexpended for a relevant period may be repayable. During the year there was an amount of \$68,205 (2021: \$148,000) of grant monies received that was not expended during the year, however consistent with prior years and allowances granted by Tourism and Events Queensland, the company expects the unspent funds to be deferred and expended in future years under the terms of the agreement and not have any amount repayable.

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 30 JUNE 2022

NOTE 21. Commitments

The company had no commitments for expenditure as at 30 June 2022 and 30 June 2021.

NOTE 22. Related party transactions

All directors hold their position in an honorary capacity. Accordingly, no directors were paid remuneration. No retirement and superannuation benefits were paid to directors and senior executives on retirement from office.

Key management personnel

Disclosures relating to key management personnel are set out in note 18.

Transactions with related parties

The following transactions occurred with related parties:

	2022 \$	2021 \$
Payment for goods and services:		
Payment for services from key management personnel	10,000	15,250

During the 2022 financial year the company obtained business services provided by The Mind Tank, of which director Chris Parsons is the owner, with expenses totalling of \$10,000 (2021: \$15,250). These services were provided and charged on an arms length basis on commercial terms, with payments made within commercial credit terms provided.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 23. Events after the reporting period

Since 30 June 2022 Southern Queensland Country Tourism Ltd (SQCT) has continued to operate and deliver as per the Operational Plan and Key Performance Indicators (KPIs) within State and Local Government Partnership Agreements.

The State Tourism Organisation, Tourism and Events Queensland (TEQ) has proposed a realignment of the Regional Tourism Organisation (RTO) network commencing in July 2023. The objective of the realignment is to grow overall overnight visitor expenditure and market share for Queensland, through aligning consumer behaviour and experiences and optimising and developing destination partnerships.

The proposed realignment will result in a significant expansion of the geographical area encompassed within the Southern Queensland Country region, and is likely to include these additional local council geographic areas:

- Central Highlands Regional Council
- North Burnett Regional Council
- Somerset Shire Council
- Woorabinda Aboriginal Shire Council

A new funding model for the proposed realignment will be determined by TEQ. Financial impact cannot yet be determined. Prior to any realignment, the company will continue to operate within its current parameters.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

DIRECTORS' DECLARATION

30 JUNE 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Geoff McDonald
DIRECTOR (CHAIR)

Dated this 24th day of October 2022



Louise Sturgess,
DIRECTOR & COMPANY SECRETARY

Dated this 24th day of October 2022



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SOUTHERN QUEENSLAND COUNTRY TOURISM LTD

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

OPINION

We have audited the financial report of Southern Queensland Country Tourism Ltd (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, 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 our opinion, the accompanying financial report of Southern Queensland Country Tourism Ltd, is in accordance with the **Corporations Act 2001**, including:

- (a) giving a true and fair view of the Company'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 – Simplified Disclosures and the **Corporations Regulations 2001**.

BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

OTHER MATTER

The financial report of Southern Queensland Country Tourism Ltd, for the year ended 30 June 2021, was audited by another auditor who expressed an unmodified opinion on that report on 15 November 2021.

RESPONSIBILITIES OF THE DIRECTORS 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 – Simplified Disclosures and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- a) 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 our 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.
- b) 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 Company's internal control.

- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- d) 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) 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.

We 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 we identify during our audit.

McConachie Stedman Audit and Assurance Pty Ltd



Mr Benjamin Horner

Chartered Accountant; Registered Company Auditor Director

McConachie Stedman Audit and Assurance Pty Ltd
619 Ruthven Street, Toowoomba Qld 4350

27 October 2022



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