ANNUAL REPORT

2021-22

API Leisure & Lifestyle

The Australian Post-Tel Institute
Queensland Limited

Contents

For presentation and adoption at the 99th Annual General Meeting to be held on 30th November 2022. The financial report was authorised for issue by the Directors on the 06th October 2022. The company has the power to amend and reissue the financial report.

Australian Post-Tel Institute Qld Ltd
Associated Companies wholly owned by API Queensland Ltd.
ABN 57 064 558 210

API Promotions Pty Ltd - Second Floor, 160 Wharf Street, Brisbane.
ABN 11 010 096 821

President's Report

2022 has felt like a year of recovery on so many levels, with all of us learning to live and operate with COVID-19. Like many organisations recovery has been slow and some of our businesses have continued to be impacted as a result of this slow recovery as outlined on page 7. However, this time of uncertainty provides an opportunity for our organisation to review and sharpen our vision and strategy and look to strengthen our areas of growth and minimize areas of risks to better place API Qld into the future.

At last year's AGM, we signaled that we would be announcing some exciting initiatives this financial year as part of our Strategic Direction Review. Going through this process allowed us to connect back to the original purpose of API QLD when it was found 100 years ago.

API has always been about community, whether it be your work community, your social community or your family and local area where you live. API QLD is committed to a future where we will focus our energies on creating thriving, child centered neighbourhood hubs, offering facilities and services to bring young families, elderly volunteers and local service providers together in more connected, healthier, happier communities.

For many years Members Services have been largely subsided from profits in our Childcare Operations and we know we have a strength in providing those services to families. Leveraging our core competency in Early Childhood Education, we have taken our first steps to acquire a site and build an Intergenerational Care Facility in the growing corridor of western Brisbane, at Ipswich. This will be our first of many locations we will look to add over the coming years around Queensland. This site is currently going through town planning right now and will combine Childcare and Community spaces in close proximity to an Aged Care Home and a Hospice Care facility.

COVID-19 has taught us a lot about how much we crave human connection, but sadly the rate of loneliness in our community is the highest it has ever been. Imagine the opportunity for the community to connect locally, see children playing and have an organisation giving back to the local community through a range of ways (not limited to) community exercise classes, curated seniors' programs, and hosting programs for disadvantaged youth.

Our goal is to be ***In the community and, For the community***, attracting a different type of member to our organisation moving forward. Our existing membership support and services will remain in place for now and we will continue to review these into the future for their value to our members, as we have done over so many years.

Another one of our strategic decisions has been to transition out of an owned Travel Business and hand this over to one of our longest serving API QLD Staff Members, Carmen Patterson to run as her own business. Carmen is still operating the business as you would have seen in the past, but from the comfort of her own home and still providing fantastic travel discounts and benefits to our members. We will continue to have a strong partnership with Carmen and wish her great success with the travel industry recovering strongly post COVID-19.

Over the last year, members have continued to use our holiday homes, which offer great value for money in much sought after locations of Caloundra and Hervey Bay. In the last year we announced the exciting redevelopment of our Burleigh Heads apartment complex, and we just recently finalised the sale of the apartments at Clifton Beach Cairns. Whilst it is regrettable for some of our members who have enjoyed staying in these locations over the years, we will continue to assess our holiday home offerings for our members.

So, in summary, 2022 has been the year of reassessing and taking stock of API Qld's strengths and values to ensure that we can continue to connect and support the community. We are aware that for many years our traditional business streams and membership have been declining despite valiant efforts by many to arrest this decline. The reality is that times have and are changing, and COVID-19 has fast-tracked some

President's Report

Continued

changes more than ever. Membership organisations like ours are slowly closing down and so we have had the foresight and capacity to seek ways to arrest this decline and grow our organization to continue serving the community simply through a more strategic model which is less reliant on membership services. API QLD is proud to have continued to be able to provide fantastic discounts and services to our members through such challenging times.

On behalf of the board, I express our sincere thanks to you, our members for your continued support and patronage of our program and services. We are committed to ensuring API Qld continues to hold strong and evolve into a much more profitable for purpose organisation giving back to our members and the community in many new ways over the coming years.
I want to extend a special thank you to our CEO, Management and Operational teams, who have worked tirelessly during the year with a lot of change and uncertainty to ensure API Qld can continue supporting our members into the future. Without our CEO Peta, we could not have embarked on some of the most significant strategic changes in API QLD's history. I would also like to extend my thanks and appreciation to my fellow Board Members who give their time and expertise to our organisation and support me in the role of President in charting this new direction.

Claire Johnston
Chairman
API Qld Ltd

Aerial view - API Holiday Home Urangan, Hervey Bay

Chief Executive Officer's Report

Much like the last couple of years, this year has challenged us again, with the ongoing impacts of COVID seeing our early years education operations well below the occupancy rates we are used to having. As a key component to our operations, this has had far reaching impacts, that we are working toward resolving. Our hopes are, that with the last of the COVID restrictions lifting, workers will return to city-based offices and the business impacts of the pandemic will be finally behind us.

I'd like to acknowledge the incredible work from our entire team over the reporting period: from holiday homes to member services and early years centres, each and every one of the team have pulled together to ensure our members and clients are well looked after and supported. This thanks also extends to our amazing volunteer Board of Directors, who this year have worked tirelessly to set a positive and strong direction for API Queensland strategic future.

In late 2021, we transitioned our travel business, API Travel, to Carmen Patterson, our longstanding and committed travel manager. Carmen continues to operate API Travel and is supporting our members as though she were still working within the API team. We wish her all the best as a standalone operator and highly recommend her services to anyone considering travelling during these challenging times. I've recently returned from a trip organised by Carmen and continue to be impressed with her professionalism and thorough handling of our adventure.

As already indicated, our early years education operations, continue to feel the impacts of COVID. With two city fringe centres, our operating model has left API exposed to location impacts of work from home, without the buffer a more geographically diverse business would offer. The board and I have considered this deeply over the recent months and see the continued benefit we can deliver to members, through a diversification of our education portfolio. We will be actively pursuing additional locations for early years centres so we can continue to support our membership, but also so we can expand on the traditional offerings of API, through community supports for education, social connection, and workplace support. This is an exciting time for API Queensland, as we work toward securing our next 100 years, through the lens and reflection of our (soon to be)100-year-old traditions. The first of these plans, will include a community focussed, early childhood education hub in the Ipswich region, with design for the site well underway.

Our planning continues for the redevelopment of the Burleigh Heads holiday home site and expect in coming months, to be able to share in more detail the future plans and timelines for the project. Rest assured, the approach we are taking is member driven and is aimed again at securing our future and ensuring the option of sustainable choice for membership

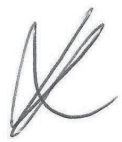
API Maryborough Branch

Chief Executive Officer's Report
Continued

offerings. We currently have holiday home availabilities for Kings Beach (Caloundra) and Hervey Bay for the coming year and encourage you to visit our new website and take advantage of the easy online booking system to secure your preferred holiday dates (www.apiqld.com.au).

It is pleasing to see some branch activity recommencing and we are working with our Branches in an effort to ensure sustainable and engaging activities for members. Unfortunately, this year has seen some branches fall by the wayside, a sign of the times, aging members and a clear indication that the younger population engage in different social undertakings to our traditional member base.

Whilst our financial performance this year was challenged, a significant portion of the reported loss results from a change in accounting standards directly related to leasehold properties. Whilst the standard is here to stay, future annual impacts will not be so great. The financial position though, highlights the need for change to include a mix of our traditional member offering, but also strong commercially viable business operations to support member services. Strategically, this is in hand, and we look forward, as mentioned earlier, to a reinvigorated offering in early years education with a strong compassionate lens on community support, reflective of the traditions of API.



Peta Pitcher
Chief Executive Officer
API Qld Ltd

API Childcare Centres - Milton

Finance and Risk Management Committee Report

In a year impacted by the lingering effects of the pandemic in addition to substantial adjustments due to the adoption of the accounting standard for leases right of use, API reported a consolidated loss before tax of $518,703 in FY22 (compared to a profit before tax of $492,055 in FY21).

$338,744 of the current year loss is an once off adjustment attributable to the adoption of the Right of Use Assets accounting standard whereby previously recognised annual lease payments were reversed and the value of the leases over the term of those leases was capitalised and amortised. This adjustment related to the leases of our childcare centres.

Before adjusting for the impact of the lease accounting changes, the FY22 loss before tax was $179,959. $70,018 of which related to the Travel business which was sold in the first half of FY22.

Our holiday homes and commercial property performed well in FY22 and contributed $123,401 to before tax profit.

With job keeper payments ceasing in FY21, the continuing impact of the pandemic on the childcare centres was significant, with occupancies down 5.6% compared to FY21. Work from home city-based workers continued working from home with the resultant negative impact on occupancy. In prior years, profits from our childcare centres have more than offset losses in other areas of the business. These profits have allowed us to keep membership fees stable, despite costs continually rising. The impact of the pandemic has highlighted the need to diversify the childcare business to areas outside the city catchment. Childcare contributed a loss of $267,881 in FY22. Adjusting for the impact of the right of use asset standard, the FY22 childcare profit before tax was $70,863, compared to a profit of $572,703 in FY21 ($246,300 of which were COVID 19 support payments and $99k job keeper payments).

FY22 cash was impacted by the purchase of land at Eastern Heights for the purpose of diversifying and expanding the childcare offering. The purchase price was $1,749,460 which was approximately 50% funded internally and 50% using an overdraft facility. Part of the overdraft was repaid in FY22, with the remainder repaid in the first quarter of FY23 once settlement of the Cairns sale occurred.

API Place - 160 Wharf Street Brisbane

Director's Report

DIRECTOR'S REPORT

The directors present their report on the Company and its controlled entities ("the Group") for the financial year ended 30 June 2022.

API QLD LTD BOARD

The Board is the governing body of API Qld Ltd

CLAIRE JOHNSTON

BBUS(INTERNATBUS), MBA, GAICD

Claire is the President of API and is currently the Telstra Contact Centres Executive responsible for the Australian Call centres. Claire has had many roles over her 20+ year career at Telstra, across front line operations, business and customer service improvement and leading major organisational change and cost reduction programs. Claire has completed university studies in International Business and an MBA specialising in strategy, entrepreneurship and project management. Claire has been awarded the qualification of GAICD by the Australia Institute of Company Directors and also been involved in volunteering for various charities and sporting clubs over many years.

DENIS DADDS

JP (C.DEC), B. COMM

Denis was elected Vice President in 2021 after serving as Chair of API Promotions and API Travel from 2018/19. He is also a member of the Property, and HR & Governance Committees since their inception in 2020/21.

Denis has considerable experience in management responsibilities in large telecommunications and recruitment organisations. He served for six years as a Director of the RCSA, where he held the position of Finance Director for several years, as well as Board responsibilities for Risk Management. He was an active member of the RCSA Council (Qld/NT) including a considerable term as Chair. Denis holds a Bachelor of Commerce Degree, majoring in Finance and Accounting, and Human Resource Management.

With a strong interest in Management Systems Denis has developed, and achieved accreditation for OHSMS under AS/NZS4801, and has been involved in certification audits OH&S, Quality, and Environmental Management systems. Denis is a trained Lead Auditor for both Quality (ISO9001) and Health and Safety (AS/NZS:4801) Management Systems. In addition to his experience in human resource management, over the past 30 years Denis has predominantly focused on risk management with particular emphasis on health and safety and worker's compensation management. As Chair of the Safety and Risk Committee of the RCSA Denis represented the interests of members in discussions with safety and worker's compensation regulatory authorities in several states.

Director's Report

Continued

CHRISTINE KELLY

BCOMM, GRAD CERT MGT

Christine has extensive experience in senior financial roles in the telecommunications and retail sectors and immediately prior to her retirement in 2011, she was the Chief Financial Officer and Joint Company Secretary for Vita Group Limited. She has served as a director and chair of the St Rita's College Board. She holds a Bachelor of Commerce (UQ) and a Graduate Certificate of Management (SCU). Christine has served on the API Queensland Board since 1997, including two years as Chief Financial Officer and seven years as President. She has represented Queensland on the National Board of API as Vice- President and President. Christine now serves on the Boards of API Qld Ltd where she chairs the Finance & Risk Committee and API Promotions Pty Ltd. Christine is a director of API LTD (NSW, Victoria, Tasmania and South Australia) where she is also a member of the Property subcommittee.

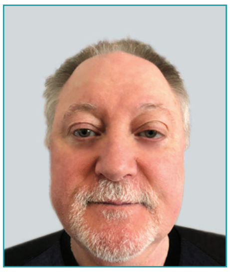
GAVIN DEEPROSE

GRAD DIP LAW (QUT), LLB (UQ).

Gavin was appointed to the Board of Directors of the Australian Post-Tel institute (Qld) on the 2nd December 2019 bringing over a decade of experience advising on major programs, risk management, policy and strategy to the board.
He currently works for consulting firm GWI advising clients across a broad range of industry sectors including banking and finance, retail, higher education, gaming and telecommunications.
Prior to his career in consulting, Gavin served as a key advisor to a former Lord Mayor of Brisbane and Queensland ICT Minister. He also worked in the Office of General Counsel at the former Crime and Misconduct Commission.
Gavin holds a Bachelor of Laws from the University of Queensland, with a Graduate Diploma in Legal Practice from Queensland University of Technology and has been admitted to practice as a solicitor in the Supreme Court of Queensland. He is a member of the Golden Key Honours Society and is a qualified Agile/Prince2 Practitioner, and OGC Gateway Team Review Member.

Director's Report

Continued



EDWARD (SEAN) INGRAM

DIP T (PRIMARY), BA (ACCTG), GRAD DIP(ACCTG), FCPA, MAICD, JP

Sean holds a Diploma in Teaching, a Degree in Accounting, and a Graduate Diploma in Accountancy and was admitted as a Fellow of the CPA Australia in 2000. He is also a Member of the Australian Institute of Company Directors and a Justice of the Peace (South Australia).

Sean has been a member of API for over 40 years and was the Vice Chairman of the former association API (SA&NT) and its subsidiaries. Sean is also a Director of API Ltd since 2009 and is the current chair of the Finance & Audit Risk sub-Committee on that Board.

Sean worked for Australia Post for over 30 years and was Manager, Taxation for Australia Post SA, NT & WA Divisions until his departure in 2011. He is currently working for Nut Producers Australia Pty Ltd were he holds the position of Management Accountant.

GAVIN DOUGLAS

GAICD

Gavin has over 30 years' experience in the IT and digital sectors. Starting his career in the UK working in sales and marketing roles with various companies including Apple and Adobe, he moved from London to Sydney in 1998. After meeting his wife and taking a year out to travel around Australia, they settled in Brisbane in 2001. Gavin has subsequently held senior sales, channel and program management roles with Microsoft, SAP & Amazon Web Services (AWS). He was recruited to lead the APAC Partner team for wiz.io in June 2022. Recently recognised as the fastest growing software company in history, Wiz is a leading cyber security startup, helping organisations to stay secure as they migrate to the cloud. Outside of work, Gavin has two teenage daughters (both API Little Cribb alumni), is an active member and volunteer with various sporting clubs and has served on IT industry groups including AIIA and Queensland.NET. He is also an Advisory Board Member with Women In Digital, a global community dedicated to connecting, educating and empowering women in digital.

Director's Report

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ENVIRONMEMTAL ISSUES

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the year.

PRINCIPAL ACTIVITIES

The principal activity of the consolidated Group during the financial year was membership services, leisure & lifestyle benefits to members & non-members, such as childcare, holiday homes, discounted buying program, social events, commercial & residential property.

No significant changes in the nature of the Group's activity occurred during the financial year.

FUTURE DEVELOPMENTS AND RESULTS

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

RESULTS

The net loss before Income Tax of the consolidated Group for the financial year was $518,703 (2021 Profit: $ 492,055).

DIVIDENDS

The Australian Post-Tel Institute Queensland Ltd is a Company Limited by Guarantee and is prohibited by the Corporations Act 2001 from making distributions to members.

STATE OF AFFAIRS

API Travel Pty Ltd was sold on 17 December 2021. There were no significant changes in the state of affairs of the Group during the year.

MEETING ATTENDANCES

During the financial year, 11 meetings of Directors were held. Attendances by each Director during the year were as follows:

Director	Board Meetings	
	Attended	Eligible
Claire Johnston	10	11
Christine Kelly	11	11
Denis Dadds	10	11
Edward Ingram	11	11
Gavin Deeprose	11	11
Gavin Douglas	11	11

Director's Report

Continued

EVENT SUBSEQUENT TO BALANCE DATE

The Richards Court redevelopment negotiations are ongoing with our development partners. There is potential for the purchase of a neighbouring site by the project entity, resulting in an amalgamated site development and increased returns for the Group. Final structures are yet to be settled upon. All costs and sales revenues will be transacted by the project entity, with the Group receiving a priority payment after secure debtors are cleared and a profit share arrangement between the Group and its development partners thereafter.

A sales contract for Cairns property was signed on 20 August 2021 and will be settled in August 2022. These sales will significantly improve cash position of the business.

DIRECTORS' INDEMNIFICATION

During the year the association paid a combined premium for Management Liability Insurance which includes cover to insure directors, officers, and employees of the company in respect of costs and expenses which may be incurred by a director, officer or employee in relation to any wrongful acts that may be committed in their capacity as a director, officer or employee of the company.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2022 has been received and can be found on page 36 of the financial report.

Signed in accordance with a resolution of the directors:

Signed

Claire Johnston

Date 6/10/2022

Signed

Denis Dadds

Date 6/10/2022

Honorary Life Members

F.Robinson (decd)

F.Walker (decd)

1936 G.H. Gibson (decd)

1937 F.E. Tate (decd)

1943 J.M. Kelso (decd)

1944 R.L. Edwards (decd)

1947 E.M. Richards (decd)

1948 C.J. Teitzel (decd)

1952 V. Kettle (decd)

1955 J.H. Mallyon (decd)

1955 W.E. Dawes (decd)

1956 C.G. Brassington (decd)

1957 G.E.K. Dixon (decd)

1958 C.S. Walsh (decd)

1961 W.H.F. Durnford (decd)

1961 J.J. West (decd)

1963 C.H. Fuelling (decd)

1963 A.J.C. Phillips (decd)

1965 J.A. Maranta (decd)

1966 A.J.C. Harris (decd)

1967 B.A. Murphy (decd)

1968 E.M. Wood (decd)

1969 H.F. Flaskas (decd)

1971 C.E. Rudolph (decd)

1971 C.R. Brown (decd)

1971 F. Davison (decd)

1971 J.M. Devon (decd)

1974 B.C. Oehlman (decd)

1975 W.J. Bevan (decd)

1975 S.P.R. St. Johns Biggs (decd)

1975 M.W. Dearlove (decd)

1975 R.K. Funch (decd)

1975 P.R. McGuire (decd)

1975 K.F. O'Shaughnessy (decd)

1975 A.V. Scaroni (decd)

1976 L.G Camp (decd)

1976 A.C.A. Hansen (decd)

1976 G. Hawes (decd)

1976 E.A. McMillan (decd)

1976 R.K. Mellon (decd)

1976 R.A. Wightman

1976 D.G. Worthington

1978 P. Churchyard (decd)

1978 S.P. Mancktelow (decd)

1978 N.F. McCrystal (decd)

1978 R. Pacholke (decd)

1978 G.J. Poulter (decd)

1979 D.J. Fossey

1979 C.D. Gilbert (decd)

1979 H.J. Mourney (decd)

1979 D.N.P. Short (decd)

1981 R.A. Baxter (decd)

1981 J.H. McKain (decd)

1983 R.K. Warnock (decd)

1983 R.F. Finch

1984 W.D. Depper

1985 M.E. Nelson (Cox) (decd)

1986 W.L. Sleaford

1988 G.C. Webster

1988 H.J. Whitmore (decd)

1989 R.Bews

1989 G.F. Scrivener

1990 E. Hyland

1991 J. Hunter

1992 D.I. MacKenzie

1992 R.C. McCosker

1992 D.N. Harvey

1992 R.J. Clapham (decd)

1993 R.W. Aarons

1993 G.T. Kruger

1993 P. Dinwoodie (decd)

1995 L. Ison

1996 W. Fogarty

1998 J. McMonagle

1999 J. Cross (decd)

1999 R. Green

1999 H. Brodie

2000 R. Kable

2003 J. Lucas

2005 C. Shambrook (decd)

2010 D.K. Ham

2010 M.P. Landy

2011 P.J. Finch

2011 D.J. Copson

2015 S.R. Foster

2019 M. James

CONSOLIDATED STATEMENT OF LOSS AND OTHER COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Revenue	3	4,414,799	3,979,737
Employee benefits expense		(2,109,423)	(2,027,682)
Depreciation expense	6	(752,558)	(38,085)
Finance Costs	6	(77,604)	-
Administrative Expenses		(1,993,098)	(1,421,755)
Other expenses	6	(819)	(160)
(Loss)/Profit		(518,703)	492,055
Income Tax Expense	5	105,095	(108,006)
(Loss)/Profit After Income Tax		**(413,608)**	**384,049**
Other comprehensive income, net of tax			
Revaluation of assets at Fair Value		**488**	**2,639,350**
Total Comprehensive (loss)/profit		**(413,120)**	**3,023,399**

The above Consolidated Statement of Comprehensive Income is to be read in conjunction with the accompanying notes.

Financials

API Queensland Ltd

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022	2021
ASSETS		**$**	**$**
CURRENT ASSETS			
Cash assets	**7**	244,509	1,717,239
Trade and other receivables	**8**	384,140	184,819
Inventory	**9**	2,562	5,901
Other Assets	**10**	22,980	26,208
TOTAL CURRENT ASSETS		654,191	1,934,167
NON-CURRENT ASSETS			
Property, plant and equipment	**12**	20,480,739	18,731,907
Deferred tax assets	**4**	130,297	-
Right-of-use assets	**20**	1,076,509	2,022,111
Other Financial Assets	**11**	8,008	7,520
TOTAL NON-CURRENT ASSETS		21,695,553	20,761,538
TOTAL ASSETS		22,349,744	22,695,705
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	**13**	299,571	281,757
Financial Liabilities	**14**	685,411	-
Contract Liabilities	**15**	243,722	166,639
Lease Liabilities	**20**	412,246	384,572
Short-term provisions	**16**	196,039	198,195
Income Tax Liabilities	**4**	(52,686)	57,353
TOTAL CURRENT LIABILITIES		1,784,303	1,088,516
NON-CURRENT LIABILITIES			
Lease Liabilities	**20**	1,003,007	1,637,539
Long-term provisions	**16**	29,401	23,497
TOTAL NON-CURRENT LIABILITIES		1,032,408	1,661,036
TOTAL LIABILITIES		2,816,711	2,749,552
NET ASSET		**19,533,033**	**19,946,153**
EQUITY			
Reserves		2,369,838	2,369,350
Retained profits		17,163,195	17,576,803
TOTAL EQUITY		**19,533,033**	**19,946,153**

The above Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2022

	Revaluation Reserve $	Retained Earnings $	Total $
Balance at 1 July 2020	-	17,192,754	17,192,754
Profit for the year after tax	-	384,049	384,049
Movement in Asset Revaluation Reserve	2,369,350	-	2,369,350
Balance at 30 June 2021	2,369,350	17,576,803	19,946,153
Loss for the year after tax	-	(413,608)	(413,608)
Movement in Asset Revaluation Reserve	488	-	488
Balance at 30 June 2022	**2,369,838**	**17,163,195**	**19,533,033**

The above Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest Received		3,481	10,393
Receipts from customers		4,642,704	4,576,459
Interest paid		(1,497)	-
Payments to suppliers and employees		(4,428,015)	(4,281,488)
Income taxes paid		(135,241)	-
NET CASH PROVIDED BY/ (USED IN) OPERATING CTIVITIES	**19(b)**	81,432	305,364
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(1,785,564)	(38,308)
NET CASH PROVIDED BY/ (USED IN) INVESTING ACTIVITIES		(1,785,564)	(38,308)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		685,411	1,298
Repayment of Lease Liability		(454,009)	-
NET CASH PROVIDED BY/ (USED IN) FINANCING ACTIVITIES		231,402	1,298
Net increase/(decrease) in cash held		(1,472,730)	268,354
Cash at the beginning of the financial year		1,717,239	1,448,885
Cash at the end of the financial year	**19(a)**	**244,509**	**1,717,239**

The above Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements and notes represents those of API Queensland Ltd and its Controlled Entity (the Group) and a seperate note for API Queensland Ltd as an individual parent entity. API Queensland Ltd Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of the Group is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards Simplified Disclosures and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable informations about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non current assets, financial assets and financial liabilities. The amount presented in the financial statements have been rounded to the nearest dollar.

(a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity. The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

All acquisition related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities.

(c) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Childcare Revenue

Revenue from the rendering of childcare services is recognised over time as performance obligations are satisfied, which is upon delivery of the service, primarily on a daily or monthly basis.

Rental income from holiday homes

Rental income corresponds to all the revenues received from guests/tenants of the holiday homes. The services rendered are distinct performance obligations, for which prices invoiced to the guests/tenants are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room/unit rentals, that is over the stay within the holiday homes, and at a point in time for other services, when they have been delivered or rendered.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Commercial lease

Lease income is recognised on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.

Interest revenue is recognised on an accrual basis. Other income is recognised on an accruals basis when the Company is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Freehold land and buildings

Freehold land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight line basis for buildings and diminishing value basis for remaining assets over the assets useful life to the Company, commencing when the asset is installed ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed asset class	**Depreciation rate**
Plant and equipment	10-33%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Intangibles

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimate useful life of between one and five years. It is assessed annually for impairment.

Mortgages on Title

Mortgages are registered on properties – 160 Wharf Street, Brisbane QLD 4000 & 264 The Esplanade, Miami QLD 4220 due to the bank overdraft accounts and property development agreement.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification
On initial recognition, the Company classifies its financial assets into the following categories, those

- amortised cost
- fair value through other comprehensive income – equity instrument (FVOCI – equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost
Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity instruments

The Group has a number of strategic investments in listed and unlisted entities over which are they do not have significant influence nor control. The Group has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial leasures are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade and other payables, bank and other loans and finance lease liabilities, which are measured at amortised cost using the effective interest rate method.

(g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Inventories

Inventories are measured at the lower of cost and current replacement cost. Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

(j) Leases

At inception of a contract, the Company assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the Company recognises a right of use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right of use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right of use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right of use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low value assets. The Company recognises the payments associated with these leases as an expense on a straight line basis over the lease term.

(k) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the amounts expected to be paid with probability of estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(l) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period.

Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - provisions for expenses

As described in the accounting policies, provisions are measured at management’s best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - provision for receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An provision for doubtful debts is included for any receivable where the entire balance is not considered collectible. The provision for doubtful debts is based on the best information at the reporting date.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

Key judgments - taxes

Deferred tax assets

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

NOTE 2: FINANCIAL RISK MANAGEMENT

The Board of Directors is responsible for monitoring and managing the company's compliance with its risk management strategy. The Board of Directors overall risk management strategy is to assist the company in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by Board of Directors on a regular basis. These include credit risk policies and future cash flow requirements.

Special Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Group. the Group has no significant concentration of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. the Group has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

(b) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash. The Group continually monitors the cash position.

(c) Cash flow and fair value interest rate risk

(i) Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

(ii) Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

As the Group has significant interest-bearing assets, the Group's income and operating cash flows are dependent on changes in market interest rates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
	$	$
NOTE 3: REVENUE		
Revenue from contracts with customers	4,307,061	3,522,523
Interest received	3,481	10,393
Other Revenue	104,257	446,821
Total Revenue	4,414,799	3,979,737
NOTE 4: TAX		
(a) Current tax asset		
Income Tax receivable/(payable)	52,686	(57,353)
(b) Deferred tax asset		
Balance at the beginning	-	-
Movement for the year	130,297	-
Balance at 30 June 2022	130,297	-
NOTE 5: INCOME TAX EXPENSE		
(a) The major components of tax expense/(income) comprise:		
Current income tax	25,202	108,006
Deferred tax	(130,297)	-
Income tax expense	(105,095)	108,006
(b) Reconciliation of income tax to accounting profit:		
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2021: 26%)	(129,676)	148,903
Add:		
Tax effect of:		
- other non allowable items	154,878	(40,897)
Current income tax expense	25,202	108,006
NOTE 6: RESULT FOR THE YEAR		
The result for the year includes the following specific expenses:		
Depreciation property, plant and equipment	35,912	38,085
Depreciation right of use asset	716,646	-
	752,558	38,085
Interest expense on lease liability under AASB 16	76,107	-
Interest expense on overdraft	1,497	-
	77,604	-
Net loss on disposal of PPE	819	-
Provision for annual and long service leave	3,746	(34,046)
Bad Debt	-	129

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

	2022	2021
NOTE 7: CASH AND CASH EQUIVALENTS	**$**	**$**
Cash at bank	244,080	1,716,660
Petty Cash	429	579
	244,509	1,717,239
NOTE 8: TRADE AND OTHER RECEIVABLES		
Sundry debtors	10,061	8,167
Trade debtors	146,561	114,251
Deposit Paid	55,145	12,519
GST Asset	172,373	49,882
	384,140	184,819
NOTE 9: INVENTORY		
Stock on hand	2,562	5,901
NOTE 10: OTHER ASSETS		
CURRENT		
Prepayments	22,980	26,208
NOTE 11: OTHER FINANCIAL ASSETS		
Equity securities - at fair value through Other Comprehensive Income	8,008	7,520
NOTE 12: PROPERTY, PLANT & EQUIPMENT		
Freehold Land & Buildings - Holiday Homes - at Directors Valuation	13,800,000	13,800,000
Freehold Land & Buildings - Commercial - at Directors Valuation	6,549,461	4,800,000
Furniture & Fittings		
- at Cost	403,875	402,793
Accumulated Depreciation	(297,157)	(287,994)
	106,718	114,799
Plant & Equipment		
- at Cost	234,678	453,549
Accumulated Depreciation	(210,118)	(436,441)
	24,560	17,108
	20,480,739	18,731,907

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 12: PROPERTY, PLANT & EQUIPMENT (continued)

	Land & Buildings – Holiday Home 2022	Land & Buildings - Commercial 2022	Furniture & Fittings 2022	Plant & Equipment 2022	Total 2022
	$	$	$	$	$
Balance at the beginning of the year	13,800,000	4,800,000	114,799	17,108	18,731,907
Revaluation	-	-	-	-	-
Additions	-	1,749,461	18,586	17,515	1,785,562
Disposals	-	-	-	(819)	(819)
Depreciation expense	-	-	(26,667)	(9,244)	(35,911)
Carrying Amount at the end of the year	**13,800,000**	**6,549,461**	**106,718**	**24,560**	**20,480,739**

NOTE 13: PAYABLES

	2022	2021
	$	$
Trade Creditors	136,871	133,563
Sundry Creditors	162,700	145,333
GST Liability	-	2,861
	299,571	281,757

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The Carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

NOTE 14: FINANCIAL LIABILITIES

	2022	2021
CURRENT	$	$
Overdraft	685,411	-

NOTE 15: CONTRACT LIABILITIES

CURRENT		
Deposit Received	100,000	-
Deferred Income	143,722	166,639
	243,722	166,639

NOTE 16: PROVISIONS

Short-Term Provisions		
Provision for Annual Leave	133,590	136,932
Provision for Long Service Leave	62,449	61,263
	196,039	198,195

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 16: PROVISIONS (continued)

	2022	2021
Long-Term Provisions	**$**	**$**
Provision for Long Service Leave	29,401	23,497
Movements in Provision of Annual Leave:		
Balance at the beginning of the year	136,932	165,141
Additional provisions	221,439	157,789
Provisions reversed	(67,804)	(54,996)
Provisions utilised	(156,977)	(131,002)
Balance at 30 June 2022	133,590	136,932
Movements in Provision of Long Service Leave:		
Balance at the beginning of the year	84,760	90,599
Additional provisions	22,004	14,556
Provisions reversed	(10,165)	(7,114)
Provisions Utilised	(4,749)	(13,281)
Balance at 30 June 2022	91,850	84,760

NOTE 17: REMUNERATION OF AUDITORS

	2022	2021
Amounts received or due and Receivable by the auditor for		
Auditing and reviewing the financial report	18,400	18,000
Taxation Lodgement	1,450	1,250
	19,850	19,250

NOTE 18: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned	Investment at Cost		Contribution to Consolidated Profit/(Loss) from ordinary activities before income tax	
			2022	2021	2022	2021
Parent Entity:	%	%	$	$	$	$
The Australian Post-Tel Institute (Queensland) Ltd	-	-	-	-	(289,926)	(28,191)
Subsidiaries of The Australian Post-Tel Institute (Queensland) Ltd:						
API Promotions Pty Ltd	100	100	5	5	(267,881)	572,703
* API Travel Pty Ltd	-	-	-	68,019	39,104	(52,457)
			5	**68,024**	**(518,703)**	**492,055**

**** API Travel Pty Ltd was sold on 17th December 2021.***

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 19: CASHFLOW INFORMATION

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows, is reconciled to the related items in the Statement of Financial Position as follows:

	2022	2021
	$	$
Cash at bank	244,080	1,716,660
Cash on hand	429	579
	244,509	1,717,239

(b) Reconciliation of cash flow from operations with profit/(loss) after income tax

	2022	2021
(Loss)/Profit after income tax	(413,608)	384,049
Non-cash flows in profit/(loss) from ordinary activities:		
Depreciation - plant and equipment	35,912	38,085
Depreciation - Right of use assets	716,646	-
Asset Revaluation Loss	-	160
Loss on sale of PPE	819	-
Interest on lease liability	76,107	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(199,320)	131,879
(Increase)/decrease in other assets	3,228	1,512
Decrease/(increase) in inventory	3,339	11,341
Decrease/(increase) in deferred tax assets	(130,297)	-
Increase/(decrease) in provision for income tax	(110,039)	5,851
Increase/(decrease) in trade and other payables	17,814	(233,467)
Increase/(decrease) in provision for employee benefits	3,748	(34,046)
Increase/(decrease) in other liabilities	77,083	-
Net cash provided by operating activities	81,432	305,364

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 20: LEASES

Company as a lessee
The Company holds leases over buildings.
The Company has chosen not to apply AASB 16 to leases of intangible assets.
Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The building leases are in respect of commercial leases. All leases incorporate extension options with a range of initial terms from 10 to 15 years. A number of building leases also incorporate fixed yearly increases to rent of 3.5%.

	Buildings	Total
Year ended 30 June 2022	**$**	**$**
Balance at beginning of year	2,022,111	2,022,111
Depreciation charge	(716,646)	(716,646)
Remeasurement of lease liability	(228,956)	(228,956)
Balance at end of year	1,076,509	1,076,509

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities
2022	**$**	**$**	**$**	**$**
Lease liabilities	412,246	1,003,007	-	1,415,253
2021				
Lease liabilities	384,572	1,637,539	-	2,022,111

Extension options

A number of the building leases contain extension options which allow the Company to extend the lease term by up to twice the original non cancellable period of the lease.

The Company includes options in the leases to provide flexibility and certainty to the Company operations and reduce costs of moving premises and the extension options are at the Company's discretion.

At commencement date and each subsequent reporting date, the Company assesses where it is reasonably certain that the extension options will be exercised.

	2022	2021
Right of use assets:	**$**	**$**
Non-Current	1,076,509	2,022,111
Balance at 30 June 2022	1,076,509	2,022,111

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2022

NOTE 21: PARENT ENTITY

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards:

	2022
Results of parent entity	**$**
(Loss) for the period	(289,926)
Current Assets	455,614
Non-Current Assets	20,397,446
Total Assets	20,853,060
Current Liabilities	2,613,442
Non-Current Liabilities	23,103
Total Liabilities	2,636,545
Net Assets	18,216,515

NOTE 22: CONTINGENT ASSETS & LIABILITIES

The directors are not aware of any contingent assets or contingent liabilities of the Group.

NOTE 23: COMPANY DETAILS

The registered office and principal place of business is:

Level 2
160 Wharf Street
SPRING HILL, QLD 4000

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 15 to 32, are in accordance with the Corporations Act 2001 and:

   a. comply with Australian Accounting Standards – Simplified Disclosure Requirements and;

   b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.

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.

This declaration is made in accordance with a resolution of the Board of directors:

Signed Claire Johnston ____________________
Claire Johnston

Dated: **6/10/2022**

Signed ____________________
Denis Dadds

Dated: **6/10/2022**

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE AUSTRALIAN POST-TEL INSTITUTE (QUEENSLAND) LTD AND CONTROLLED ENTITIES A.B.N. 57 064 558 210

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report of Australian Post-Tel Institute (Queensland) Ltd and Controlled Entities (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 financial report of Australian Post-Tel Institute (Queensland) Ltd and Controlled Entities is in accordance with the *Corporations Act 2001,* including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards 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 and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

Responsibilities of 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 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 related 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.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE AUSTRALIAN POST-TEL INSTITUTE (QUEENSLAND) LTD AND CONTROLLED ENTITIES A.B.N. 57 064 558 210

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)

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 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.

- 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 misstatemen 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 company'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 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.

- 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.

Felsers

FELSERS
Chartered Accountants

Sydney, 6 October 2022

Vindran Vengadasalam
Partner

AUDITOR'S INDEPENDENT DECLARATION TO THE DIRECTORS OF THE AUSTRALIAN POST-TEL INSTITUTE (QUEENSLAND) LTD AND CONTROLLED ENTITIES A.B.N. 57 064 558 210

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit ; and

(ii) any applicable code of professional conduct in relation to the audit.

FELSERS
Chartered Accountants

Vindran Vengadasalam
Partner

Sydney, 6 October 2022