

**BRISBANE SUSTAINABILITY AGENCY PTY LTD**

**Annual Report**

**FOR THE YEAR ENDED 30 JUNE 2023**

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## CONTENTS

FOR THE YEAR ENDED 30 JUNE 2023

	<b>Page</b>
<b>Financial Statements</b>	
Directors' Report	1
Auditor's Independence Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	29
Independent Auditor's Report	30

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## DIRECTORS' REPORT 30 JUNE 2023

Directors present their report on Brisbane Sustainability Agency Pty Ltd (BSA) for the financial year ended 30 June 2023.

### 1. Director Information

The names of the Directors in office at any time during the year ended 30 June 2023 are:

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
Nigel Chamier AM	Director (Chair)	Appointed: 9 October 2020
Katherine Sadler	Director (Company Secretary)	Appointed: 6 April 2009 *
Dylan Byrne	Director	Appointed: 20 June 2011
Benjamin O'Hara	Director	Appointed: 9 October 2020
Patrice Sherrie	Director	Resigned: 31 March 2023
Lady Jane Edwards AM	Director	Appointed: 9 October 2020
Guy Gibson	Director	Appointed: 9 October 2020
David Chick	Director	Appointed: 16 December 2021

\* Katherine Sadler was appointed as Company Secretary on 29 November 2018.

Directors have been in office from the start of the year to the date of this report unless otherwise stated. Further information on Directors is available on the Company's website: [www.sustainablebrisbane.com.au](http://www.sustainablebrisbane.com.au)

No Director has received or become entitled to receive a benefit (other than a benefit included in the Notes to the financial Statements) because of a contract that the Director, a firm of which the Director is a member, or an entity in which the Director has a substantial financial interest, has made (during the financial year or at any other time) with:

- (a) the Company; or
- (b) an entity that the Company controlled, or body corporate that was related to the Company, when the contract was made or when the Director received, or became entitled to receive, the benefit.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## DIRECTORS' REPORT 30 JUNE 2023

### 1. Director Information (continued)

#### Meetings of Directors

During the financial year, 10 meetings of Directors (including Committees of Directors) were held. Attendances by each Director during the year were as follows:

	Board Meetings		Audit and Risk Committee		Oxley Creek Transformation Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Katherine Sadler	4	3	4	4	-	1*
Dylan Byrne	4	3	4	4	-	-
Benjamin O'Hara	4	3	-	-	-	-
Nigel Chamier AM	4	4	-	3*	2	2
Patrice Sherrie	3	3	3	2	-	-
Lady Jane Edwards AM	4	4	-	-	-	-
Guy Gibson	4	3	-	-	2	2
David Chick	4	3	-	-	-	-

Note:

*\*Standing Invitee attendance*

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## DIRECTORS' REPORT 30 JUNE 2023

### 2. General information

#### a Principal activities

The principal activity of Brisbane Sustainability Agency Pty Ltd (BSA) during the 2023 financial year was to support the delivery of greater sustainability outcomes for Brisbane.

The principal activity of the Company may only change in accordance with the written direction and approval of the BSA Board.

No significant changes in the nature of the entity's activity occurred during the 2023 financial year.

### 3. Operating results and review of operations for the year

#### a Operating results

The surplus of the Company for the year amounted to a surplus of \$78,155 (2022: Surplus \$365,692).

#### b Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

### 4. Other items

#### a Significant changes in state of affairs

During the 2023 financial year BSA finalised the processes required to transfer the net assets and activities of Oxley Creek Transformation Pty Limited (OCT) to BSA. This involved:

- Acquiring all remaining assets and assuming responsibility for any remaining liabilities of OCT which originated between 1 July 2022 and 4 November 2022.
- A resolution to voluntarily deregister OCT which was endorsed on 7 November 2022 by the Brisbane City Council as the Shareholder of OCT and Board of Directors at the Annual General Meeting of OCT.

There were no other significant changes in the state of affairs of the Company during the financial year.

#### b After balance date events

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect BSA's operations, the results of those operations, or BSA's state of affairs in future financial years.

#### c Future developments and results

Likely developments in the operations of the Company 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 Company.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## DIRECTORS' REPORT

30 JUNE 2023

### 4. Other items (continued)

#### d Environmental issues

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

### 5. Indemnification and insurance of officers

#### a Indemnification

Brisbane Sustainability Agency Pty Ltd is covered under Brisbane City Council insurance for Public Liability, Products Liability and Professional Indemnity. The coverage is provided by the Queensland Local Government Mutual Liability Pool. This policy covers legal liability to third parties for:

- Personal injury and/or damage to property caused by an occurrence and/or:
- Arising out of negligent act, error or omission whenever or wherever the incident was or may have been committed or alleged to have been committed by the member.

### 6. Proceedings on behalf of Company

#### a Leave or proceedings

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.

### 7. Auditor's Independence Declaration

#### a 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 2023 has been received and can be found on page 5 of the Director's report.

#### b Auditor

The Auditor General of Queensland has been appointed auditor of the Company for the financial year ended 30 June 2023 in accordance with sections 325 of the *Corporations Act 2001*.

### 8. Sign off details

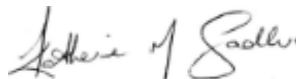
#### a Sign off information

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



Director: .....

Nigel Chamier AM



Director: .....

Katherine Sadler

Dated: 9 October 2023

## AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Brisbane Sustainability Agency Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

### **Independence declaration**

As lead auditor for the audit of Brisbane Sustainability Agency Pty Ltd for the financial year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Michael Claydon  
as delegate of the Auditor-General

10 October 2023

Queensland Audit Office  
Brisbane

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$ <i>(Restated) *</i>
<b>Revenue</b>			
Revenue from contracts with customers	2	<b>12,834,360</b>	10,243,071
Other revenue	2	<b>1,104,801</b>	1,155,901
		<b>13,939,161</b>	11,398,972
<b>Expenses</b>			
Event and program costs	3	<b>(10,164,510)</b>	(7,635,735)
Service delivery costs	4	<b>(3,342,382)</b>	(3,117,303)
Governance related costs		<b>(209,513)</b>	(171,033)
Depreciation and amortisation		<b>(127,834)</b>	(97,081)
Other expenses		<b>(16,767)</b>	(12,128)
<b>Total Expenses</b>		<b>(13,861,006)</b>	(11,033,280)
<b>Surplus for the year</b>		<b>78,155</b>	365,692
Other Comprehensive Income		-	-
<b>Total Comprehensive Income/(Loss)</b>		<b>78,155</b>	365,692

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies  
\* The comparative information has been restated as a result of a prior period error as discussed in [Note 1(b)].



# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$ (Restated) *
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	<b>16,997,881</b>	8,674,115
Trade and other receivables	6	-	2,122,176
Other assets	7	<b>17,551</b>	26,346
		<b>17,015,432</b>	10,822,637
<b>Non-Current Assets</b>			
Right-of-use assets	8	<b>921,697</b>	205,480
Plant and equipment	9	<b>77,148</b>	64,025
		<b>998,845</b>	269,505
<b>TOTAL ASSETS</b>		<b>18,014,277</b>	11,092,142
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	<b>2,719,626</b>	1,231,132
Contract liabilities	11	<b>12,888,063</b>	8,252,797
Employee benefits	12	<b>266,598</b>	172,919
Lease liabilities	13	<b>165,744</b>	122,222
		<b>16,040,031</b>	9,779,070
<b>Non-Current Liabilities</b>			
Employee benefits	12	<b>9,665</b>	17,099
Lease liabilities	13	<b>763,859</b>	173,406
		<b>773,524</b>	190,505
<b>TOTAL LIABILITIES</b>		<b>16,813,555</b>	9,969,575
<b>NET ASSETS</b>		<b>1,200,722</b>	1,122,567
<b>EQUITY</b>			
Issued capital	14	<b>1</b>	1
Accumulated surplus		<b>1,200,721</b>	1,122,566
<b>TOTAL EQUITY</b>		<b>1,200,722</b>	1,122,567

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies  
\* The comparative information has been restated as a result of a prior period error as discussed in Note 1(b)

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

2023

	Ordinary Shares	Accumulated Surplus	Total
	\$	\$	\$
<b>Balance at 1 July 2022</b>	1	1,122,566	1,122,567
Net surplus for year	-	78,155	78,155
<b>Balance at 30 June 2023</b>	1	1,200,721	1,200,722

2022

	Ordinary Shares	Accumulated Surplus	Total
	\$	\$	\$
	<i>(Restated) *</i>		
<b>Balance at 1 July 2021</b>	1	756,874	756,875
Net surplus for year previously reported	-	390,019	390,019
Prior year adjustment *	-	(24,327)	(24,327)
Adjusted net surplus	-	365,692	365,692
<b>Balance at 30 June 2022</b>	1	1,122,566	1,122,567

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies  
\* The comparative information has been restated as a result of a prior period error as discussed in Note 1(b)

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from government grants, corporate partners and customers sales		<b>22,117,364</b>	16,698,705
Payments to suppliers and employees		<b>(13,940,936)</b>	(11,492,162)
Interest received		<b>304,469</b>	35,348
Net cash (used in)/provided by operating activities	20	<b>8,480,897</b>	5,241,891
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payments for property, plant and equipment		<b>(26,938)</b>	(15,563)
Net cash (used in)/provided by investing activities		<b>(26,938)</b>	(15,563)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from loans repaid / (payments for loans)		<b>22,156</b>	(22,155)
Lease payments - interest component		<b>(13,068)</b>	(8,859)
Lease payments - principal component		<b>(139,281)</b>	(113,050)
Net cash (used in)/provided by financing activities		<b>(130,193)</b>	(144,064)
Net increase in cash and cash equivalents held		<b>8,323,766</b>	5,082,264
Cash and cash equivalents at beginning of year		<b>8,674,115</b>	3,591,851
Cash and cash equivalents at end of financial year	5	<b>16,997,881</b>	<b>8,674,115</b>

This statement is to be read in conjunction with the accompanying Notes and Significant Accounting Policies

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1 Summary of Significant Accounting Policies

#### (a) General Information

##### *Reporting entity and basis of preparation*

Brisbane Sustainability Agency Pty Ltd ('BSA' or the 'Company') is a company limited by shares, incorporated and domiciled in Australia. BSA, formerly Brisbane Green Heart CitySmart Pty Ltd, changed its registered company name on 18 June 2021.

The address of the registered office is Level 20, 307 Queen Street, Brisbane, QLD 4000. The principal place of business is Level 20, 307 Queen Street, Brisbane, QLD 4000.

The Company's principal activity is to support the delivery of greater sustainability outcomes for Brisbane. The Company is a not for profit proprietary company limited by shares. The Company is wholly owned by the Brisbane City Council; therefore the Brisbane City Council is the parent entity of Brisbane Sustainability Agency Pty Ltd.

No dividends have been paid or declared throughout the 2023 financial year.

The financial statements are general purpose financial statements which have been prepared in accordance with *Australian Accounting Standards* (AASBs) adopted by the *Australian Accounting Standards Board* (AASB) and the *Corporations Act 2001*. The financial statements have been authorised for issue by the Board of Directors as at the date of signing the Directors' Declaration.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in notes. The financial statements are presented in the Australian dollar, which is the Company's functional currency.

#### (b) Prior period errors

During the reporting period it was identified that the Company was liable for Fringe Benefits Tax for the 2020, 2021 and 2022 financial years. The opening accumulated surplus for the reporting period has been adjusted by this amount.

The following table summarises the impact of the change on the financial statements of the Company. Although the amount relates to a number of reporting periods, the total amount of the adjustment has been reflected in the 2022 comparative figures given the value involved.

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Total</b>	<b>Restated 2022</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Increase in employee related expenses	8,066	8,131	8,131	<b>24,327</b>	<b>24,327</b>
Decrease in surplus for the financial year	8,066	8,131	8,131	<b>24,327</b>	<b>24,327</b>
Increase in accrued expenses	8,066	8,131	8,131	<b>24,327</b>	<b>24,327</b>
Decrease in net assets	8,066	8,131	8,131	<b>24,327</b>	<b>24,327</b>

**BRISBANE SUSTAINABILITY AGENCY PTY LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**1 Summary of Significant Accounting Policies (continued)**

**(c) Change in accounting policy**

During the current reporting period the Statement of Comprehensive Income has been changed to analyse expenses by function rather than nature of the cost. As a result the expenses for the comparative period have been reclassified.

The change has been made to provide more useful information for the reader of the financial statements. This change in policy has had no impact on the surplus for the prior year reported period, noting that the reported surplus for the prior year has changed as a result of the error reported in Note 1(b).

**(d) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Where circumstances change, management have the discretion to adjust their estimates and judgements accordingly in the period in which the estimate is revised and in any future periods as relevant. Estimates and assumptions that have a potential effect are outlined in the following accounting policies and subsequent notes relating to:

- plant and equipment, including the annual review of depreciation rates, assets' lives and residual value; and
- employee benefits of annual leave and long service leave.

**(e) Revenue recognition**

Where revenue arises from an agreement which is enforceable and contains sufficiently specific performance obligations, the revenue is recognised when each performance obligation is satisfied in accordance with AASB 15 (Revenue from Contracts with Customers). Performance obligations vary for each funding agreement that the Company has in place, and each funding agreement is individually reviewed to ascertain if the contract is sufficiently specific and enforceable to be recognised as revenue under AASB 15.

Satisfaction of performance obligations may occur at a point in time and others it may occur over the life of the funding agreement. Where performance obligations are met over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the recognition of revenue.

Revenue not within the scope of AASB15 arising from grants will fall within the scope of AASB 1058 (Income of Not-for-Profit Entities). Revenue is recognised at fair value when the asset is received. The Company considers whether there are any related liability or equity items associated with the asset, which are then recognised in accordance with the relevant accounting standard.

**BRISBANE SUSTAINABILITY AGENCY PTY LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**1 Summary of Significant Accounting Policies (continued)**

**(f) Taxation**

*(i) Income tax*

The Company is exempt from Commonwealth Income Tax as a State/Territory Body under *Section 24AK* of the *Income Tax Assessment Act 1936*.

*(ii) Goods and services tax (GST)*

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of the receivables or payables.

Cash flows are presented in the statement of cash flow on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

*(ii) Other taxes*

The Company is subject to Fringe Benefits tax and payroll tax.

**(g) Plant and equipment**

*(i) Recognition and measurement*

Plant and equipment are measured at their cost less accumulated depreciation and accumulated impairment loss. Cost includes incidental costs directly attributable to the acquisition. Items of property, plant and equipment with a total value less than \$1,000 are treated as an expense in the year of acquisition.

Subsequently, expenditure is only capitalised when it is probable that future economic benefits will flow to the Company from it, and the costs incurred can be measured reliably. Ongoing repairs and maintenance are expensed as incurred.

*(ii) Depreciation*

The depreciable amount of all assets, including capitalised leased assets, are depreciated on a straightline basis over the asset's useful life. The straightline basis is used as it best fits the pattern of consumption of the assets.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Furniture and Fittings	20 years
Office Equipment	3 -10 years
Computer Equipment	2 - 3 years

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

*(iii) Impairment*

All physical and intangible assets are assessed for impairment on an annual basis. If an indicator of possible impairment exists, the Company determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. Assets are tested for recoverability whenever events or changes in circumstances indicate that its carrying value may not be fully recoverable.

**BRISBANE SUSTAINABILITY AGENCY PTY LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**1 Summary of Significant Accounting Policies (continued)**

**(h) Employee benefits**

Wages, salaries and annual leave due but unpaid at the end of the reporting period are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement. Payroll tax and workers' compensation insurance are a consequence of employing employees but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses. Employer superannuation contributions and long service leave expenses are regarded as employee benefits.

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their non discounted values. For those entitlements not expected to be paid within 12 months, the liabilities are recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity. Long service leave has been recognised based on the likelihood of employees' reaching 10 years of continuous service.

History to date indicates that on average, sick leave taken during the period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non vesting, an expense is recognised for this leave as it is taken.

Retirement benefit obligations

Employer superannuation contributions are paid to employees' nominated superannuation fund. Contributions to superannuation funds are recorded as they become payable and the Company's legal or constructive obligation is limited to these contributions.

**(i) Going concern**

The financial report has been prepared on the going concern basis. This basis has been adopted as the Company should receive ongoing funding through Funding Deeds that support the Company from Brisbane City Council to fund the operation.

Funding agreements are in place between the Company and Brisbane City Council which outlines the parameters for the Company receiving and using funding. Funding agreements outlines that Brisbane City Council does not guarantee any future grants and that the Company will need to apply for funds in the budget submission process each year.

For the financial year ending 30 June 2024, Brisbane City Council have confirmed their continued support.

**(j) Rounding of amounts**

All balances are stated in Australian dollars, rounded to the nearest dollar. Consequently, sub totals and totals may not add due to rounding, but the overall discrepancy is no greater than two.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 2 Revenue

	2023	2022
	\$	\$
<b><i>Revenue from Contracts with Customers recognised over a period of time</i></b>		
Oxley Creek Transformation Project	<b>8,096,764</b>	4,570,799
Resilient Clubs Support Program	<b>1,613,037</b>	1,733,187
Flood Resilient Suburbs Program	<b>1,818,762</b>	1,997,536
Rebuild & Recover Flood Resilience Community Program	<b>151,694</b>	253,365
Project and Consulting Services	<b>412,021</b>	869,943
Partner and Member Services	-	81,282
	<b>12,092,278</b>	9,506,112
<b><i>Revenue from Contracts with Customers recognised at a point in time</i></b>		
Event and Engagement Services	<b>742,082</b>	736,959
	<b>742,082</b>	736,959
<b><i>Total Revenue from Contracts with Customers</i></b>	<b>12,834,360</b>	10,243,071
<b><i>Other Revenue</i></b>		
Funding for General Operations	<b>666,969</b>	1,120,553
Event Sponsorship & Other Event Income	<b>50,559</b>	-
Interest Income	<b>304,469</b>	35,348
Other Income	<b>82,804</b>	-
	<b>1,104,801</b>	1,155,901
<b>Total Revenue</b>	<b>13,939,161</b>	11,398,972

Revenue is recognised at the fair value of the consideration received or receivable.



# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 3 Event and Program Costs

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Oxley Creek Transformation Project	<b>7,235,946</b>	4,062,524
Events and Engagement Services	<b>370,959</b>	222,801
Flood Resilient Suburbs Program	<b>1,099,397</b>	1,389,699
Resilient Clubs Support Program	<b>1,232,116</b>	1,442,185
Rebuild & Recover Flood Resilience Community Program	<b>90,398</b>	168,839
Project and Consulting Services	<b>135,694</b>	349,687
<b>Total</b>	<b>10,164,510</b>	7,635,735

Event and program costs are the third-party costs incurred by the Company directly attributable to delivering the events, programs and projects it has been engaged to provide.

### 4 Service Delivery Costs

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Employee benefits <sup>(a)</sup>	<b>2,352,491</b>	2,315,523
Employee related expenses	<b>369,104</b>	253,838
	<b>2,721,595</b>	2,569,361
Professional services	<b>266,906</b>	161,806
IT and communication costs	<b>230,873</b>	184,990
Marketing costs	<b>68,377</b>	147,104
Occupancy costs	<b>18,400</b>	16,156
Other costs	<b>36,231</b>	37,886
<b>Total Service Delivery Costs</b>	<b>3,342,382</b>	3,117,303

#### (a) Employee benefits

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Wages and salaries	<b>2,139,212</b>	2,117,435
Superannuation contributions	<b>213,279</b>	198,088
<b>Total</b>	<b>2,352,491</b>	2,315,523

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 4 Service Delivery Costs (continued)

#### Full-time equivalent employees

The number of employees including full-time employees and part-time employees measured on a full-time equivalent basis:

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Full-time employees	<b>19.0</b>	20.0
Part-time employees	<b>3.6</b>	2.5
<b>Total</b>	<b>22.6</b>	22.5

Note: Brisbane Sustainability Agency Pty Ltd also had a number of casual staff and contractors throughout the year to support the workflow requirements of the Company.

### 5 Cash and Cash Equivalents

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	<b>1</b>	1
Cash at bank	<b>16,997,880</b>	8,674,114
<b>Total</b>	<b>16,997,881</b>	8,674,115

### 6 Trade and Other Receivables

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade Debtors	-	2,100,020
Loan - Oxley Creek Transformation Pty Ltd	-	22,156
<b>Total</b>	-	2,122,176

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 7 Other assets

	2023	2022
	\$	\$
Prepayments	17,550	27,368
Accrued Revenue	-	(1,023)
Shares held - OC Invest Pty Ltd <sup>(a)</sup>	1	1
<b>Total</b>	<b>17,551</b>	<b>26,346</b>

(a) The Company has a 100% shareholding in OC Invest Pty Ltd, which is a dormant company. This investment is accounted for at cost and is not consolidated into the financial statements. In accordance with AASB 10 - Consolidated Financial Statements, the Company is a wholly-owned subsidiary of Brisbane City Council, who does not object to the Company not presenting consolidated financial statements.

### 8 Right-of-use assets

#### **Buildings**

The Company leases premises which is used as office space. During the year, the lease at 8/307 Queen Street Brisbane was terminated and a new lease agreement was entered at 20/307 Queen Street Brisbane. The lease includes a car park and is amortised on a straight-line basis until the end of the lease term. Refer Note 13 for additional information.

	2023	2022
	\$	\$
<b>At Cost</b>		
Balance at beginning of year	352,251	352,251
Disposals	(352,251)	-
Additions	969,668	-
<b>Balance at end of year</b>	<b>969,668</b>	<b>352,251</b>
<b>less Accumulated Depreciation</b>		
Balance at beginning of year	146,771	58,709
Disposals	(212,818)	-
Depreciation expense	114,018	88,062
<b>Balance at end of year</b>	<b>47,971</b>	<b>146,771</b>
<b>Carrying Amount</b>	<b>921,697</b>	<b>205,480</b>

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 9 Plant and Equipment

	<b>Furniture &amp; Fittings \$</b>	<b>Office Equipment \$</b>	<b>Computer Equipment \$</b>	<b>Total \$</b>
<b>30 June 2023</b>				
Balance at beginning of year	37,021	8,453	18,551	64,025
Additions	-	-	26,938	26,938
Depreciation expense	(1,743)	(10)	(12,062)	(13,815)
<b>Balance at end of year</b>	<b>35,278</b>	<b>8,443</b>	<b>33,427</b>	<b>77,148</b>
At cost	40,388	14,600	80,520	135,509
Accumulated depreciation	(5,110)	(6,157)	(47,093)	(58,361)
	<b>35,278</b>	<b>8,443</b>	<b>33,427</b>	<b>77,148</b>
<b>30 June 2022</b>				
Balance at beginning of year	38,765	9,218	9,499	57,482
Additions	-	-	15,562	15,562
Depreciation expense	(1,744)	(765)	(6,510)	(9,019)
<b>Balance at end of year</b>	<b>37,021</b>	<b>8,453</b>	<b>18,551</b>	<b>64,025</b>
At cost	40,388	14,600	53,582	108,570
Accumulated depreciation	(3,367)	(6,147)	(35,031)	(44,545)
	<b>37,021</b>	<b>8,453</b>	<b>18,551</b>	<b>64,025</b>

For the operating period to 30 June 2023 no impairment losses have been recorded (2022: nil).

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 10 Trade and Other Payables

	<b>2023</b>	<b>2022</b>
	\$	\$
CURRENT		
Trade payables	<b>479,858</b>	813,547
Accrued liabilities	<b>2,062,990</b>	254,937
GST payable	<b>104,968</b>	90,395
PAYG Withholding Tax Payable	<b>66,926</b>	41,752
Other payables	<b>4,884</b>	30,501
<b>Total</b>	<b>2,719,626</b>	1,231,132

Trade and other payables represent the liability outstanding for goods and services provided to the Company prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Due to their short term nature, these liabilities are not discounted.

### 11 Contract Liabilities

	<b>2023</b>	<b>2022</b>
	\$	\$
CURRENT		
Contract liabilities	<b>12,888,063</b>	8,252,797
<b>Total</b>	<b>12,888,063</b>	8,252,797

The Company receives funding from Brisbane City Council as an advanced payment with associated performance obligations, and therefore recognises funding as a 'contract liability' on receipt of payment. On satisfaction of contract liability performance obligations, BSA recognises the value of obligations as 'revenue'.

There were no significant changes in any of the contract liability balances during the reporting period. Additional annual funding was received in relation to existing programs based on underlying multi-year funding agreements.

\$8,031,736 of revenue recognised during the reporting period is associated with the balance at 30 June 2022. All funding received prior to 30 June 2023 is expected to be recognised within one year.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 12 Employee benefits

	2023	2022
	\$	\$
CURRENT		
Wages payable <sup>(a)</sup>	61,053	-
Superannuation payable <sup>(a)</sup>	10,655	-
Annual leave provision	160,495	131,970
Long service leave provision	34,395	40,949
<b>Total</b>	<b>266,598</b>	<b>172,919</b>
NON CURRENT		
Long service leave provision	9,665	17,099
<b>Total</b>	<b>9,665</b>	<b>17,099</b>

(a) Amounts payable at 30 June 2023 relate to amounts accrued to 30 June 2023 and paid on 4 July 2023.

### 13 Lease liabilities

Brisbane Sustainability Agency Pty Ltd has the following lease at 30 June 2023:

- Leased business premises at 20/307 Queen Street Brisbane.

During the year, the lease at 8/307 Queen Street Brisbane was terminated and a new lease agreement was entered at 20/307 Queen Street Brisbane. The lease was entered into on 1 April 2023, and will expire on 31 August 2028 with no options to extend.

The table below shows the maturity analysis of the lease liabilities based on undiscounted contractual cash flows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	<1 year \$	1 - 5 years \$	> 5 years \$	TOTAL \$	Total per statement of financial position \$
<b>2023</b>	<b>195,610</b>	<b>816,266</b>	-	<b>1,011,876</b>	<b>929,603</b>
2022	128,210	180,352	-	308,562	295,628

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 13 Lease liabilities (continued)

	2023	2022
Presented as:	\$	\$
Current lease liabilities	<b>165,744</b>	122,222
Non-current lease liabilities	<b>763,859</b>	173,406
<b>Total</b>	<b>929,603</b>	295,628

### 14 Issued Capital

	2023		2022	
	No.	\$	No.	\$
Ordinary shares	1	1	1	1
<b>Total</b>	<b>1</b>	<b>1</b>	1	1

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. The Company has authorised share capital amounting to \$1 which is owned by Brisbane City Council.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 15 Risk Management Framework

#### **Liquidity Risk**

Liquidity risk refers to the ability of an entity to meet its obligations associated with financial liabilities. The Company manages liquidity risk by continuous monitoring of cash flows.

The Company reduces the exposure to liquidity risk by ensuring the Company has sufficient funds available to meet employee and supplier obligations at all times. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

Brisbane City Council has also agreed to provide ongoing financial support to the Company. This is evidenced through the signing of a 4-year funding agreement with Brisbane City Council in September 2022 for the period 1 July 2022 to 30 June 2026, and approval of the Brisbane City Council 2023-24 Annual Plan and Budget which confirmed the funding under the agreement for the year ended 30 June 2024.

#### **Market Risk and Credit Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk.

The Company does not trade in foreign currency and is not exposed to commodity price changes or other market prices. The Company does not undertake any hedging in relation to interest risk and the impact of interest rate movements is not material.

Credit risk is the risk that the Company may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation. The maximum exposure to credit risk at reporting date is the gross carrying amount of receivables. No collateral is held as security and there are no other credit enhancements relating to receivables held by the Company. The Company reduces exposure to credit risk by monitoring the collectability of outstanding amounts on a regular basis.



# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 15 Risk Management Framework (continued)

#### **Financial instruments**

##### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument.

Brisbane Sustainability Agency Pty Ltd has categorised and measured the financial assets and financial liabilities held at balance date as follows:

##### Financial Assets

- Cash and cash equivalents (Note 5)
- Receivables measured at amortised cost (Note 6)

##### Financial Liabilities

- Payables measured at amortised costs (Note 10)

Financial assets and financial liabilities are presented separately from each other, and offsetting has not been applied.

### 16 Auditors' Remuneration

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
During the period the following fees were paid or payable for services provided by the Auditor of the Company:		
Auditing services from the Auditor General of Queensland <sup>(a)</sup>	<b>36,000</b>	23,100
<b>Total</b>	<b>36,000</b>	23,100

There are no non-audit services included within this balance.

(a) The amount for 2023 includes \$4,500 related to the final audit of Oxley Creek Transformation Pty Ltd.

### 17 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the Company did not have any contingent assets or liabilities at 30 June 2023 (2022: Nil).

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 18 Commitments

Contractual commitments (excluding GST) at the reporting date but not provided for in the financial statements are payable as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
No later than one year	<b>14,732,579</b>	955,987
Between one year and five years	<b>144,856</b>	953,806
Later than five years	-	-
<b>Total</b>	<b>14,877,435</b>	1,909,793

All commitments are of an operating nature. The nature of the contractual commitments are construction and consultancy services directly related to the projects and programs which are being managed by the Company, as well as IT and communication services required to support the operations of the Company.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 19 Transactions with related parties

#### (a) Transactions with parent entity

Brisbane Sustainability Agency Pty Ltd is a controlled entity of Brisbane City Council. During the year, the following transactions (inclusive of GST if applicable) occurred with Brisbane City Council.

Name of entity	Type of transaction	2023	2022	Additional information
Brisbane City Council	Sales	19,880,653	11,685,165	19(a)(i)(ii)
Brisbane City Council	Purchases	387,626	275,966	19(a)(ii)

- (i) Sales transactions were in relation to funding received from the parent entity.
- (ii) Transactions between Brisbane Sustainability Agency Pty Ltd and its Parent entity were on an arm's length basis and occurred in the ordinary course of business. Of sales invoiced during the year, no invoices are yet to be collected at 30 June 2023. Of purchase invoices received during the year, a balance of \$40,752 is yet to be paid.

#### (b) Transactions with other related entities

The following transactions (inclusive of GST if applicable) occurred with other related parties of Brisbane Sustainability Agency Pty Ltd.

Other related parties include subsidiaries of Brisbane Sustainability Agency Pty Limited's parent entity, Brisbane City Council.

Name of entity	Type of transaction	2023	2022
Queensland Urban Utilities	Sales	5,500	3,636
Queensland Urban Utilities	Purchases	9,515	3,764
Oxley Creek Transformation	Sales	-	25,092
Oxley Creek Transformation	Purchases	180,783	33,202
City Parklands Services	Purchases	30,327	-

- (i) Transactions between Brisbane Sustainability Agency Pty Ltd and its other related parties were on an arm's length basis and occurred in the ordinary course of business.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 19 Transactions with related parties (continued)

#### (c) Transactions with Key Management Personnel (KMP)

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

KMP include the Board of Directors and executive management team of Brisbane Sustainability Agency Pty Ltd. The executive management team of Brisbane Sustainability Agency Pty Ltd includes Tracy Melenewycz (Chief Executive Officer), appointed 15 February 2021.

The compensation paid to KMP comprises:

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>KMP Benefits</b>		
Short-term employee benefits	<b>424,617</b>	382,591
Long-term employee benefits	<b>7,254</b>	9,520
Post-employment benefits	<b>60,513</b>	33,341
	<b>492,384</b>	425,452

#### (d) Transactions with other related parties

Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 19 Transactions with related parties (continued)

#### (d) Transactions with other related parties (continued)

Details of transactions between the Company and other related parties (inclusive of GST) are disclosed below:

	2023	2022	Additional information
Professional services provided by KMP related entities:			
Sadler Advisory Services Pty Ltd (Katherine Sadler - Owner/Director)	<b>22,192</b>	29,482	19(d)(i)
BDO Services Pty Ltd (Dylan Byrne - BDO Partner)	<b>90,545</b>	64,972	19(d)(i)
	<b>112,737</b>	94,454	

- (i) The Company purchased legal and financial services from entities that are related to members of Key Management Personnel. All purchases were at arm's length and were in the normal course of operations. The Company also paid these companies for director services provided by the KMP which has been disclosed at 19(c).

### 20 Cash Flow Information

Reconciliation of result for the year to cashflow from operating activities

	2023	2022
	\$	\$
Net surplus for the period	<b>78,155</b>	390,019
Cash flows excluded from profit attributable to operating activities		
Non cash flows in profit:		
- depreciation and amortisation	<b>127,834</b>	97,081
- interest expense	<b>13,068</b>	5,034
- adjustment in relation to commencement of new lease	<b>(56,981)</b>	-
Changes in assets and liabilities:		
- decrease / (increase) in trade and other receivables	<b>2,100,020</b>	(1,784,807)
- decrease / (increase) in other assets	<b>9,818</b>	(1,783)
- increase in trade and other payables	<b>1,487,471</b>	298,016
- increase in contract liabilities	<b>4,635,266</b>	5,988,527
- increase in employee benefits payable	<b>86,246</b>	249,804
<b>Cashflow from operations</b>	<b>8,480,897</b>	5,241,891

# **BRISBANE SUSTAINABILITY AGENCY PTY LTD**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

### **21 Events Occurring After the end of the Reporting Period**

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect BSA's operations, the results of those operations, or BSA's state of affairs in future financial years.

# BRISBANE SUSTAINABILITY AGENCY PTY LTD

## DIRECTORS' DECLARATION

The Directors of the Company declare that:

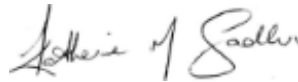
1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, accompanying notes, are in accordance with the *Corporations Act 2001* and:  
  
    (a) comply with Australian Accounting Standards and the *Corporations Regulations 2001*; and  
    (b) give a true and fair view of the entity's financial position as at 30 June 2023 and of its performance for the period ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Director: .....

Nigel Chamier AM



Director: .....

Katherine Sadler

Dated: 9 October 2023

## INDEPENDENT AUDITOR'S REPORT

To the Members of Brisbane Sustainability Agency Pty Ltd

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Brisbane Sustainability Agency Pty Ltd (the Company).

In my opinion, the financial report:

- a) gives a true and fair view of the Company's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the directors' declaration.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001*.

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

#### Other information

Other information comprises financial and non-financial information (other than the audited financial report). At the date of this auditor's report, the available other information in the Company's annual report for the year ended 30 June 2023 was the directors' report.

The Company's directors are responsible for the other information.

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



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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Responsibilities of the Company for the financial report**

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

The Company's directors are also 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the Company.

- Conclude on the appropriateness of the Company's 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my 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.

I communicate with the Company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Michael Claydon  
as delegate of the Auditor-General

10 October 2023

Queensland Audit Office  
Brisbane