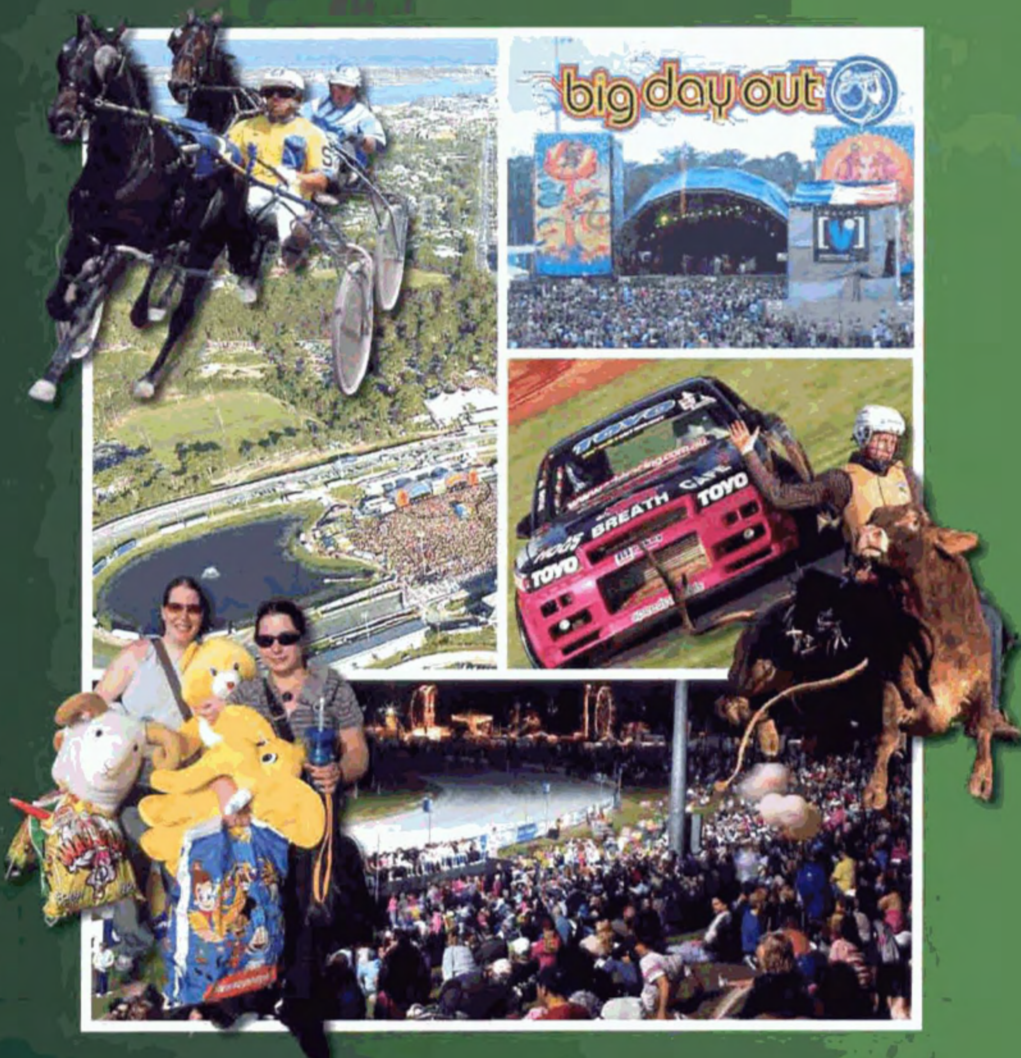
Parklands
Gold Coast



2008/2009
Annual Report

For the year ended 30th June 2009

Parklands
Gold Coast

PARKLANDS GOLD COAST TRUST

Financial Report 2008-2009

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TRUSTEES OF PARKLANDS GOLD COAST

ANNUAL REPORT 2007 – 2008

CHAIRMAN'S REPORT

TO

THE HONOURABLE MINISTER PETER LAWLOR

MINISTER FOR TOURISM AND FAIR TRADING

It is with pleasure that as Chairman, I submit this Annual General Purpose Financial Report on the operations of the Trustees of Parklands Gold Coast for the year ended 30th June 2009.

It has been a significant year for Parklands. The venue hosted the annual Big Day Out Concert in January for 55,000 patrons followed by the new highly successful Good Vibrations Concert on 21st February which attracted 20,000. In March 2009, Parklands hosted the Inter Dominion Harness Racing series (ID09) which has been running since 1936, over three weekends with the series' attendance being approximately 20,000.

These well recognised events, which brought national and international publicity to Parklands as a venue, enabled us to assist in the recovery from the financial crisis that has impacted the local Gold Coast economy. There is no doubt that Parklands is an important events venue, capable of providing an entertaining day out for the public and as a community facility, generating sustainable economic growth to the State.

Following the Queensland Government's decision to build a seven hundred & fifty bed hospital on part of the Parklands' site, land housing the Gold Coast Greyhound Racing Club, Parklands' stables, car parks, caretaker's house and associated facilities was transferred from the portfolio of Racing to Health. This necessitated rapid decisions by the Trustees in consultation with the Treasurer and delegates from Queensland Health. A $4.9m (plus GST) grant was established to facilitate relocation/replacement of affected Trust assets. This required a significant effort by our CEO and his team to accomplish the completion of the replacement facilities by the end of June 2009 without disruption to our events, shows and harness racing. Works to the value of $4,985.926 (plus GST) were carried out on site and some $4.4m of that work transacted through this year's accounts.

Parklands now has a new stable area comprising six new colourbond barns to accommodate sixty horses, a new caretaker's house, new roads and entry point for event participants and a new car park for five hundred cars. Parklands has now been reconfigured to prosper as an events precinct in the years to come.

By way of assistance to the Queensland Government and in consultation with the Department of Infrastructure, the Trustees agreed to make land available to the dislodged Church of Christ Child Care Centre for the next two years while a new centre is being constructed. A new, temporary centre has been established by Public Works and Queensland Health on the property at Parklands, on a commercial lease / sub lease arrangement.

During the year the following improvements were effected

- Rubbish compactor
- Mini Loader
- Bus for the shuttle of students and guests
- Grand stand and stable block refurbishments
- The car fleet was upgraded
- Construction of new storage sheds for the Gold Coast Show.

The Trustees have continued to offer first class facilities in which to conduct any event for our clients.

Further, in May 2008 and May 2009, the Trustees were advised that the Queensland Harness Racing was to vacate the site by 30th June 2013, as the remainder of the site is expected to be required for the development of community infrastructure not associated with racing. The impact of the global financial crisis on the State's economy may cause this date to be delayed or reconsidered. Further advice on our future is expected in the next twelve to eighteen months. In the meantime, the Trustees will continue to focus on implementing Parkland's mission to be a 'Leader in the Provision of an Entertainment Venue'.

The Trust has been in negotiations with our Auditors and the Queensland Audit Office regarding the progressive write off of all assets by the 30th June 2013. In line with this advice this must be recognised in our Financial Statements for this, and the coming four years at an increased level. To assist with these calculations, a revaluation of the property was carried out in April by the State Valuation Service.

A review of this report reveals an operating cash profit of $1.155m for the year ended 30th June 2009. During this period we have also had to account for asset write offs and amortisation (non cash items) of $7.198m. These accounts reflect the inclusion of a portion of the non recurring grant from Queensland Health of $4.45m together with other non cash provision movements of $35,000. Therefore in line with the financial accounting standards, we have recorded a loss of $1.633m.

Mrs Lenore Goldfinch, who acted in various capacities in the Trust office over a period of over twenty years, resigned this year. We wish Lenore the very best and note her ongoing efforts greatly assisted in making Parklands what it is today.

Looking forward, the Trustees undertook a strategic planning exercise to forecast the best and highest use of the site over the next five years and possibly beyond and to assist the Queensland Government in its planning of this important precinct. The resulting Report was submitted to your office, Treasury, the Racing Office, Department of Infrastructure and Planning and the Gold Coast City Council.

John Howe and I were appointed by the Queensland Cabinet for a further 3 year term commencing 1 July 2009. From that date we also welcome the appointment to the Board of Trustees of Ms Susan Forrester. Susan is the Chief Executive of the CEO Institute (Queensland) and serves on the Board of Ergon Energy (amongst others). Her legal and corporate governance background will bring a wealth of experience to our strategic oversight of Parklands through until 2013. I thank my fellow Trustee – Mr John Howe, for his valuable input and assistance during the past year.

My gratitude must also be extended to our CEO, Mr Richard Murphy and his staff whose significant commitments resulted in the achievement of these results reported in this report.

It would be remiss of me not to thank the following people for their assistance during the past year.

Treasurer - Andrew Fraser and staff
Minister - Peter Lawlor and staff
Racing Office – Mike Kelly, John Patterson, Kirsty Karavria, Carol Perret and staff
Gold Coast City Council – Councillor Dawn Critchlow
Queensland Health – Bill Geerlings, Don Glynn, Kate Copeland and Staff
Bovis Lend Lease – Kevin Brown, Marinko Vukoja, Allan Robertson and Peter Kyte
Capital Insight – Colin Robertson and Brian Edwards
Hyder Consulting – Mitchell Bray, Nigel Fletcher, Steven Williams and Peter Shepherd
Peachy Constructions – Brett Hayes and Ron Whitney
Pan Troika – Gavin Litfin
WHK – Allan Godbee, Hayley Heidke and Mark Robertson
Ranbuild -Damien Stevens and Wayne Denton
Taylor Westerveld - Gherry Westerveld
Builder - Don Southall.

As far as the Parklands Trust is aware, no other event has arisen that would require recognition or disclosure in this report.

J Callaghan

Jim Callaghan
Chairman
Parklands Gold Coast Trust

Date: 26th Aug 2009

TRUSTEES OF PARKLANDS GOLD COAST

ANNUAL REPORT 2008 – 2009

STATEMENT OF AFFAIRS

FUNCTION

The Trustees of Parklands Gold Coast operate the Parklands' Facilities as a Statutory Body appointed under the provisions of the Racing Venues Development Act of 1982.

The Parklands Facility and place of business of the Trustees is 201 – 251 Smith Street, Southport, Queensland.

Postal Address:	PO Box 1004, Southport Qld 4215
Email:	admin@parklandsgoldcoast.com
Web Site:	www.parklandsgoldcoast.com
Telephone :	(07) 5591 6477
Facsimile:	(07) 5527 0166

The Trustees appointed in July of 2006 and current as at 30th June 2009 are:-

Mr John James Callaghan – Chairman of Trustees
Mr John Sylvester Howe – Trustee

During the year ended 30th June 2009, there were a total of 13 formal Trustees meetings. Trustees also attended numerous additional meetings with various representatives and clients. The Trust's Chief Executive Officer was in attendance at all meetings. The Trustees' meetings are not open to the public.

Copies of this report can be obtained by any interested party upon a written request to the Trust Office. No charges apply.

MANAGEMENT STRUCTURE

Trust Chairman	-	Mr Jim Callaghan
Trustee	-	Mr John Howe
Chief Executive Officer	-	Mr Richard Murphy
Financial Manager	-	Mrs Gail Turner
Bookings Manager	-	Mrs Lenore Goldfinch
Food & Beverage Manager	-	Mr David Morgan
Grounds Manager	-	Mr Rod Cameron

The administration, maintenance, catering and considerable development are all controlled in-house by the Trust. Some accounting functions are outsourced to comply with regulations. The Trust also engages contractors for major development works on site and out sources electrical, pest, fire services and refrigeration.

At this time the Trust employs an administration staff which numbers five, a further nine ground staff, one catering staff and casual staff of up to sixteen. During major events such as Big Day Out, casual staff can exceed more than two hundred.

In the year under review, no overseas travel was undertaken.

NATURE OF THE TRUSTEES' BUSINESS AND OPERATIONS

The Trustees act as the land owner of the Parklands Gold Coast facility, they maintain, develop and administer the complex for the purposes of show ground, recreation, entertainment and harness racing activities.

Currently there are two harness race meetings conducted at Parklands by its resident club. All maintenance costs, equipment, services and race day track staff for the harness race track are provided by the Trust on a fee agreement with the Hold Coast Harness Racing Club.

Since commencing operations in December of 1988, the Trust has diversified its business to gain income from a broad range of activities. Accordingly, a long list of clients now exists who all contribute to our running costs and in turn, allow Parklands to support its core resident organisations without assistance from external sources or inflicting excessive costs on the Harness Racing Club or Gold Coast Show Society..

The Parklands Venue under the Trust's control was the host venue for the following major events in the past year:-

- Gold Coast Show, attendance 66,000, August 2008.
- Big Day Out youth festival, attendance 55,000, January 2009.
- Good Vibrations festival, attendance 20,000, February 2009
- ID09 Inter Dominion Harness Racing Series, attendance 20,000, March 2009.

In addition Parklands hosted its core activities of Harness Racing twice weekly and another eighty functions, shows and seminars whilst providing car parking to the Griffith University, the Gold Coast Indy Race and the Sanctuary Cove Boat Show.

Parklands' Indoor Sports Pavilion has been open six days/nights throughout the year for indoor cricket, soccer, netball, sand volleyball and associated activities.

All liquor sales and the majority of the food catering are operated by the Trust at the events held at Parklands.

This financial year, the Trust recorded a loss of $1.633m after allowing for depreciation of $7.198m.

Net assets as at 30th June 2009 amounted to $60.683m with liabilities totalling $800,000.

CAPITAL WORKS PROGRAM 2008 – 2009

The Parklands Trust has been assisting Queensland Government and Queensland Health in the relocation of stabling, access roads, car parks and a caretaker's cottage to facilitate the new Gold Coast University Hospital construction on land formerly controlled by the Trust.

A works package totalling $5,484,518.76 has been managed and administered by the Parklands Trust to relocate the following assets to new locations on the Parklands' property.

- New stabling facility comprising six, ten horse American style barns.
- A new five hundred space car park.
- A new caretaker's house, fencing and office.
- New drainage works to facilitate roads and access to the site from Musgrave Avenue.
- New internal road ways, sewer, power and water reticulations.
- New float parking for seventy horse floats and thirty cars.
- Additional office and race patron car parking.

During this period the Trustees added the following additions to modify its business to better serve its core tenants and promoters:-

- The main grandstand and stable block have received a makeover to update signage, tiling and painting to best showcase the Inter Dominion Race series. Cost - $80,000
- A rubbish compactor truck was sourced to assist with Workplace Health & Safety compliance in the handling of rubbish at shows and functions. Cost - $40,000
- A new bus has been purchased to assist in the shuttle of students parking at Parklands in the new, back car part to the front of the site adjacent to Griffith University. Cost - $94,000
- A new 4WD car added for the Chief Executive Officer's use, site inspections by clients and operations at major events. Cost - $56,500
- An articulated mini loader added to the plant and equipment to assist with maintenance of the grounds and operations at major events. Cost - $11,000

TOTAL COST -$281,500

PARKLANDS GOLD COAST TRUST
ABN 40 638 560 805

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 $'000	2008 $'000
Revenue			
Sales and Fees	2	5,063	3,170
Rental Revenue	2	1,300	1,339
Other Revenue	2	5,027	851
Interest	2	183	117
Gain/(Loss) on Sale of Assets	2	-	5
Total revenue		11,573	5,482
Expenses			
Cost of Goods Sold	3	1,512	1,008
Depreciation	3	7,198	1,495
Employee Expenses	3	1,795	1,336
Repairs and Maintenance		390	199
Administration Expenses		780	356
Catering Expenses		1,045	748
Electricity Expenses		128	125
Insurance Expenses		115	124
Interest Expense		-	6
Other expenses		243	24
Total expenses		13,206	5,421
Profit/(Loss) for the year		(1,633)	61

PARKLANDS GOLD COAST TRUST
ABN 40 638 560 805

BALANCE SHEET AS AT 30 JUNE 2009

	Note	2009 $'000	2008 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	1,5	3,669	2,364
Trade and other receivables	1,6	72	141
Inventories	7	116	50
Other current assets	8	29	23
TOTAL CURRENT ASSETS		3,886	2,578
NON-CURRENT ASSETS			
Property, plant and equipment	1,9	57,597	46,939
TOTAL NON-CURRENT ASSETS		57,597	46,939
TOTAL ASSETS		61,483	49,517
CURRENT LIABILITIES			
Trade and other payables	10	522	474
Short-term provisions	1, 11	150	104
TOTAL CURRENT LIABILITIES		672	578
NON-CURRENT LIABILITIES			
Long-term provisions	1,11	128	139
TOTAL NON-CURRENT LIABILITIES		128	139
TOTAL LIABILITIES		800	717
NET ASSETS		60,683	48,800
EQUITY			
Reserves	12	37,780	20,435
Accumulated surplus		22,903	28,365
TOTAL EQUITY		60,683	48,800

PARKLANDS GOLD COAST TRUST
ABN 40 638 560 805

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2009

	Asset Revaluation Reserve	Accumulated Surplus	Total
	$'000	$'000	$'000
Balance as at 1 July 2007	21,041	28,304	49,345
Profit (loss)	-	61	61
Revaluation	-	-	-
Impairment	(606)	-	(606)
Queensland public sector entity			
Balance as at 1 July 2008	20,435	28,365	48,800
Profit (loss)	-	(1,633)	(1,633)
Revaluation	22,592	-	22,592
Impairment	(3,203)	-	(3,203)
Involuntary, non-reciprocal transfer of assets to another Queensland public sector entity	-	(5,873)	(5,873)
Transfer from Reserve to Accumulated Surplus	(2,044)	2,044	-
Balance as at 30 June 2009	37,780	22,903	60,683

PARKLANDS GOLD COAST TRUST
ABN 40 638 560 805

CASH FLOW STATEMENT
FOR YEAR ENDED 30 JUNE 2009

	Note	2009 $'000	2008 $'000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Operations		12,584	4,813
Payments to suppliers and employees		(7,106)	(3,362)
Interest received		183	117
Net GST inflows/(outflows)		(18)	35
Net cash provided by/(used in) operating activities	15	5,643	1,603
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of assets		-	8
Purchase of assets		(4,338)	(642)
Net cash provided by/(used in) investing activities		(4,338)	(634)
Net increase/(decrease) in cash held		1,305	969
Cash at beginning of financial year		2,364	1,395
Cash at end of financial year	5	3,669	2,364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements have been prepared on an accruals basis and is based on historical costs, modified, where applicable but the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The Trust's functional and presentation currency is Australian dollars.

Compliance with Australian Accounting Standards ensures that the financial statements and notes thereto comply with International Financial Reporting Standards except for:

- impairments under AASB 136 Impairment of Assets;
- revaluation of non-current assets under AASB 116 Property, Plant & Equipment;
- recognition of grant revenue under AASB 1004 Contributions.

On 1 July 2003 the State Government approved the transfer of control management and responsibility for Parklands Gold Coast to trustees appointed under the Racing Venues Development Act 1982. Pursuant to this Act Governor in Council appointed trustees to control the land.

As a result the Parklands Gold Coast Trust became a statutory body required to prepare general purpose financial reports.

The financial statements have been authorised for issue by the Trustees on the 26th August 2009

Rounding

Amounts in the report have been rounded to the nearest thousand dollars.

a **Going Concern**

The Trust has received advice from the Treasurer not to contract on behalf of the Trust beyond 30 June 2013 and for the premises to be vacated by this time. It is expected that the Trust's operations at these premises in their current form will cease at that time. The Trustees have considered the advice of the Treasurer and are satisfied that the Trust can pay it's debts as and when they fall due for at least the next 12 months. Accordingly, the financial statements have been prepared on a going concern basis.

b. **Inventories**

Inventories are valued at the lower of cost or net realisable value.

c. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses. Land, buildings and infrastructure are measured at fair value. All other assets are measured at cost. This is in accordance with the Queensland Treasury's Non-Current Assets Accounting Policies for the Queensland Public Sector.

Property

Freehold land, buildings and infrastructure are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation or impairment.

Note 1: Statement of Significant Accounting Policies (cont'd)

Property (cont)

Increases in the carrying amount arising on revaluation are credited to an asset revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against the asset revaluation reserve directly in equity, to the extent that class of assets has a balance; all other decreases are charged to the income statement.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Property, plant and equipment items with a cost or value in excess of $5,000 and a useful life of more than one year are recognised as an asset. All other items of property, plant and equipment are expensed on acquisition.

Depreciation

Land is not depreciated as it has an unlimited useful life.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	
- Buildings & Improvements	20%
- Furniture and Fittings	20%
- Plant and Equipment	20%
- Infrastructure	20%
- Vehicles	15%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

As a result of the involuntary, non-reciprocal transfer of land to the Queensland Government, there has been a change in Accounting Estimate in relation to the useful lives of assets. These useful lives have been adjusted to reflect the new limited life with an expiration in 2013 based upon Treasury's advice and the depreciation rates have been adjusted to the shorter of the remaining useful life or 30 June 2013. The financial impact of this change in accounting estimate for 30 June 2009 is additional depreciation of $ 5,975,458 being reflected in the financial statements

Disposals & Involuntary, Non-Reciprocal Transfer

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Involuntary, non-reciprocal transfers of assets and liabilities to another Queensland public sector entity as the result of an Executive Government direction/approval are adjusted against contributed equity to the extent it exists. Where the balance of the contributed equity account is insufficient to absorb the adjustment or does not exist, the remainder of the adjustment is taken against accumulated surplus. The corresponding asset revaluation reserve for the asset transferred is adjusted against accumulated surplus to the extent a balance exists for that class of assets in the asset revaluation reserve. The accounting treatment is consistent with the Accounting Policy Guidelines issued by Queensland Treasury.

Note 1: Statement of Significant Accounting Policies (cont'd)

d. **Financial Instruments**

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Trust commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are expensed to the income statement immediately.

Classification and Subsequent

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective Interest method; and
- less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this can not be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the income statement.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At each reporting date, the Trust assesses whether there is objective evidence that a financial instrument has been impaired

Note 1: Statement of Significant Accounting Policies (cont'd)

For this purpose, the Trustees have determined that where an investment has declined in excess of 30% from cost or remained below cost for a period exceeding 12 months, the investment shall be considered impaired. Impairment losses shall be recognised by transferring all valuation decrements recognised in equity relating to a particular investment to the income statement.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. **Impairment of Assets**

At each reporting date, the Trust reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's depreciated replacement cost and value-in-use, is compared to the asset's carrying value.

Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. **Employee Benefits**

Provision is made for the Trust's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of the cash flows.

g. **Provisions**

Provisions are recognised when the Trust 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.

Note 1: Statement of Significant Accounting Policies (cont'd)

h. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

i. **Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Grants that are non-reciprocal in nature are recognised as revenue on receipt.

All revenue is stated net of the amount of goods and services tax (GST).

j. **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 balance sheet are shown inclusive of GST.

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

Comparative Figures

k. When required by Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

l. **Taxation**

The activities of Parklands Gold Coast Trust are exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax.

m. **Trade and Other Receivables**

Trade and other receivables are recognised at the nominal amounts due at the time of sale or service delivery, with settlement being generally required within 30 days from the invoice date. For the Trust's operations, nominal amounts equate to amortised cost.

n. **Trade and Other Payables**

Trade and other Payables are recognised for amounts payable in the future for goods and services received, whether or not billed to the Trust. Creditors are generally unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

Note 1: Statement of Significant Accounting Policies (cont'd)

o. **Critical Accounting Estimates and Judgments**

The evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the trust.

Key estimates

(i) Impairment

The trust assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various key assumptions.

p. **Capital Management**

The Trustees primarily manage capital through the cash resources of the Trust. There has been no change in that approach for the current year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 2: Revenue

	2009 $'000	2008 $'000
- sale of goods and fees	5,063	3,170
- rental revenue	1,300	1,339
- other revenue	5,027	851
- interest received	183	117
Total Revenue	11,573	5,477
- gain on disposal of property, plant & equipment	-	5
a. Rent Revenue from:		
- Stable	71	63
- Carpark	472	454
- Ground and Pavilion	353	327
- Complex	143	249
- Office	5	14
- Management Fees	170	161
- Sundry	86	71
	1,300	1,339
b. Other Revenue		
Grants	4,445	455
Advertising Rights	105	121
Other	477	275
	5,027	851
c. Interest		
- Financial institution	183	117

Note 3: Expenses

	2009 $'000	2008 $'000
Cost of sales	1,512	1,008
Depreciation		
- Buildings & Improvements	2,731	470
- Buildings - Furniture and Fittings	360	119
- Buildings - Plant and Equipment	552	138
- Buildings - Infrastructure	3,496	704
- Vehicles	59	64
- Furniture and Fittings	-	-
	7,198	1,495
Bad debts - current receivables	-	1
Employee expenses		
- Wages and salaries	1,707	1,260
- Employer superannuation contributions	88	76
	1,795	1,336

	2009 $'000	2008 $'000
Note 4: Auditors Remuneration		
Remuneration of the auditor for:		
- auditing or reviewing the financial statements	40	32
	40	32

Note 5: Cash and Cash Equivalents

	2009 $'000	2008 $'000
Cash at bank and in hand	40	38
Cash at bank	1,396	1,958
Short-term bank deposits	2,233	368
	3,669	2,364

The effective interest rate on short-term deposits was 3.75 % (2008:7.38%); these deposits have an average maturity of 90 days.

Reconciliation of cash

	2009 $'000	2008 $'000
the cash flow statement is reconciled to items in the balance sheet as follows:		
Cash on hand	40	38
Cash at bank	1,396	1,958
At Call Deposits	2,233	368
	3,669	2,364

Note 6: Trade and Other Receivables

	2009 $'000	2008 $'000
CURRENT		
Trade Receivables	72	141

The Trust has no significant concentration of credit risk with respect to an single counter party or group of counter parties other than those receivables specifically provided for and, if any provision is made, mentioned within Note 6. The main source of credit risk to the Trust is considered to relate to rental income receivable.

On a geographic basis, the Trust's credit risk exposures are limited to Australia because the Trust operates only in Australia.

The following table details the Trusts accounts receivable exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Trust and the member or counter party to the transaction. Receivables are past due are assessed for impairment by ascertaining solvency of the debtors and are provide for where there are specific circumstances indicating that the debt may not be fully repaid to the Trust.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 6: Trade and Other Receivables (cont'd)

	Gross Amount $'000	Past due and impaired $'000	Past due but not impaired (days overdue) < 30 $'000	31 - 60 $'000	61 - 90 $'000	> 90 $'000	Within initial trade terms $'000
2009							
Trade receivable	72	-	42	20	2	8	72
2008							
Trade receivable	141	-	119	14	2	6	141

	2009 $'000	2008 $'000
Note 7: Inventories		
Stock on hand - at cost	116	50
Note 8: Other Assets		
CURRENT		
Interest Receivable	5	-
Prepayments	24	23
Total	29	23
Note 9: Plant, Property and Equipment		
LAND AND BUILDINGS		
Freehold land at:		
valuation	29,000	25,000
Buildings at:		
- valuation	19,193	15,654
Less accumulated depreciation & impairment	5,184	6,533
Total Buildings	14,009	9,121
Buildings - fittings at:		
- valuation	2,126	2,284
Less accumulated depreciation & impairment	1,018	1,075
Total Buildings - fittings	1,108	1,209
Buildings - plant and equipment at:		
- valuation	3,274	3,075
Less accumulated depreciation & impairment	1,302	1,228
Total Buildings - plant and equipment	1,972	1,847
Buildings - Work In Progress		
- at cost	-	436
Total Buildings - Work In Progress	-	436
Infrastructure at:		
- valuation	19,959	18,021
Less accumulated depreciation & impairment	8,753	8,871
Total Infrastructure	11,206	9,150
Total Land, Buildings and Infrastructure	57,295	46,763

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 9: Plant, Property and Equipment (cont'd)	2009 $'000	2008 $'000
FURNITURE AND FITTINGS		
Furniture and fittings at:		
- cost	37	118
Less accumulated depreciation & impairment	33	114
Total furniture and fittings	4	4
VEHICLES		
Vehicles at:		
- cost	680	499
Less accumulated depreciation & impairment	382	327
Total Vehicles	298	172
Total Property Plant & Equipment	57,597	46,939

a. **Deed of Grant in Trust**

Land used by the Trust is under a Deed of Grant in Trust from the Queensland Government dated 25 January 1984. The Trust shall continue to control the land for as long as the land is used for the purposes of show ground recreation and racecourse purposes.

b. **Valuations**

Independent valuations of land, buildings and infrastructure were performed as at 30 June 2009 by the State Valuation Service dated 21 April 2009 using depreciated replacement cost. The Trustees are of the opinion that the values reflect fair value as at 30 June 2009.

c. **Involuntary, Non-Reciprocal Transfer**

On 1 September 2008, Parklands transferred approximately 9 hectares of land it controlled to Queensland Health. The prorated value of this area of land based on the 2006 valuation is $5.87 million.

Note 9: Plant, Property and Equipment

d. Movements in Carrying Amounts

	Freehold Land	Buildings	Buildings – Fittings	Buildings - Plant and Equipment	Buildings – Work in Progress	Infrastructure	Vehicles	Furniture and Fittings	Total
	$000	$000	$000	$000	$000	$000	$000	$000	$000
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.									
Balance at 1 July 2007	25,000	9,592	1,304	1,961	-	10,362	177	4	48,400
Additions	-	-	24	24	436	96	62	-	642
Disposals	-	-	-	-	-	-	(3)	-	(3)
Revaluation increments/(decrements)	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	(606)	-	-	(606)
Depreciation expense	-	(470)	(119)	(138)	-	(702)	(64)	-	(1,493)
Balance at 30 June 2008	25,000	9,121	1,209	1,847	436	9,150	172	4	46,939
Additions	-	2,422	69	0	-	1,662	185	-	4,338
Disposals	-	-	-	-	-	-	-	-	-
Transfer from W.I.P	-	380	-	-	(436)	56	-	-	-
Revaluation increments	9,873	5,708	505	786	-	5,720	-	-	22,592
Impairment	-	(891)	(315)	(110)	-	(1,887)	-	-	(3,203)
Involuntary, non-reciprocal transfer of Assets	(5,873)	-	-	-	-	-	-	-	(5,873)
Depreciation expense	-	(2,731)	(360)	(551)	-	(3,496)	(59)	-	(7,197)
Carrying amount at 30 June 2009	29,000	14,009	1,108	1,972	-	11,205	298	4	57,596

Note 10: Trade and Other Payables

	2009	2008
	$'000	*$'000*
CURRENT		
Unsecured liabilities		
Trade payables	118	155
Sundry payables and accrued expenses	142	160
Rent Received in Advance	72	-
Employee Benefits	190	159
	522	474

Note 11: Provisions

	Employee Benefits $'000
Opening balance at 1 July 2008	243
Additional provisions raised during the year	35
Amounts used	-
Balance at 30 June 2009	278

	2009 $'000	2008 $'000
Current		
Vesting sick leave	26	-
Long service leave	124	104
	150	104
Non-Current		
Vesting sick leave	114	132
Long service leave	14	7
	128	139
Balance at 30 June 2009	278	243

Provision for Employee Benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

Note 12: Reserves

Asset Revaluation Reserve	Freehold Land	Buildings	Buildings – Fittings	Buildings - Plant and Equipment	Infrastructure	Vehicles	Furniture and Fittings	Aeet Revaluation ReserveTotal
	$000	$000	$000	$000	$000	$000	$000	$000
Opening Balance - 1 July 2007	8,700	4,011	1,262	1,225	5,843	-	-	21,041
Impairment	-	-	-	-	(606)	-	-	(606)
Opening Balance - 1 July 2008	8,700	4,011	1,262	1,225	5,237	-	-	20,435
Revaluation	9,873	5,708	505	786	5,720	-	-	22,592
Impairment	-	(891)	(315)	(110)	(1,887)	-	-	(3,203)
Transfers to Accumulated Surplus	(2,044)	-	-	-	-	-	-	(2,044)
Closing Balance - 30 June 2009	16,529	8,828	1,452	1,901	9,070	-	-	37,780

The asset revaluation reserve records revaluations of non-current assets.

Note 13: Contingent Liabilities and Contingent Assets

Contingent Assets

There were no known contingent assets of a material nature as at year end.

Contingent Liabilities

There were no known contingent liabilities of a material nature as at year end.

Note 14: Segment Reporting

The Trust operates predominately in one business and geographical segment being a venue provider to the public and racing industry.

Note 15: Cash Flow Information

		2009	2008
		$'000	*$'000*
a.	**Reconciliation of Cash Flow from Operations with Profit for the Year**		
	Profit/(Loss) for the year	(1,633)	61
	Non-cash flows in profit		
	Depreciation	7,198	1,495
	Net gain on disposal of property, plant and equipment	-	(5)
	Changes in assets and liabilities:		
	Decrease/(increase) in trade and other receivables	69	(59)
	Decrease/ (increase) in other assets	(7)	2
	Decrease /(increase) in inventories	(66)	15
	Increase/(decrease) in trade and other payables	47	71
	Increase/(decrease) in provisions	35	23
	Net cash provided by operating activities	5,643	1,603

Note 16: Subsequent Events

No events have arisen subsequent to balance date that may result in an amendment of the financial statements.

Note 17: Financial Risk Management

The Trust's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2009 *$'000*	2008 *$'000*
Financial assets			
Cash and cash equivalents	5	3,669	2,364
Receivables	6	72	141
		3,741	2,505
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	10	522	474

Financial Risk Management Policies

The Trust's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for operations. The Trust does not have any derivative instruments at 30 June 2009.

The Trustees meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Trustee's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Trustees on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Trust is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk and equity price risk.

Note 17: Financial Risk Management (cont'd)

a. **Interest Rate Risk**

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Trust is also exposed to earnings volatility on floating rate instruments.

The Trust currently has no net effective variable interest rate borrowings which would have otherwise exposed the Trust to interest rate risk impacting on future cash flows and interest charges.

b. **Liquidity Risk**

Liquidity Risk arises from the possibility that the Trust might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. e.g. creditor payments. It is the policy of the Trustees that the Trust maintains adequate committed credit.

The Trust manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained. The Trust's policy is to ensure no more than 30% of borrowings should mature in any 12 month period.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect the earliest contractual settlement dates and do not reflect management's expectation that banking facilities will be rolled forward.

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial Liabilities Due for Payment								
Trade and other payables (excluding annual leave and unpaid trust distributions)	118	155	-	-	-	-	118	155
Total contractual outflows	118	155	-	-	-	-	118	155
Total expected outflows	118	155	-	-	-	-	118	155
Financial Assets - Cash Flows Realisable								
Cash and cash equivalents	3,669	2,364	-	-	-	-	3,669	2,364
Trade receivables	72	141	-	-	-	-	72	141
Total anticipated inflows	3,741	2,505	-	-	-	-	3,741	2,505
Net (outflow)/inflow on financial instruments	3,624	2,350	-	-	-	-	3,624	2,350

Note 17: Financial Risk Management (cont'd)

c. **Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss in the Trust.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counter parties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counter parties. Such monitoring is used in assessing receivables for impairment.

Credit Risk Exposures

The maximum exposure to credit risk by class of financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the balance sheet.

The Trust has no significant concentration of credit risk with any single counter party or group of counter parties. Details with respect to credit risk of trade and other receivables is provided in Note 6.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 6.

There are no material amounts of collateral held as security at 30 June 2009.

Credit risk is managed and reviewed regularly by the Board of Trustees. It arises from exposures to customers as well as through deposits with financial institutions.

The Board of Trustees monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an 'A' rating are utilised;
- all potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- customers that do not meet the Trust's strict credit policies may only purchase in cash or using recognised credit cards.

The trade receivables balances at 30 June 2009 do not include any counter parties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

d. **Net Fair Values**

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 17: Financial Risk Management (cont'd)

	Note	2009 Net Carrying value $'000	2009 Net Fair Value $'000	2008 Net Carrying value $'000	2008 Net Fair Value $'000
Financial Assets					
Cash and cash equivalents	17	3,669	3,669	2,364	2,364
Trade and other receivables	17	72	72	141	141
Total Financial Assets		3,741	3,741	2,505	2,505
Financial liabilities					
Trade and other payables	17	118	118	155	155
Total Financial Liabilities		118	118	155	155

The fair values disclosed above have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature, whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for relating to annual leave, which are not considered financial instruments.

e. **Sensitivity Analysis**

At 30 June 2009, if interest rate had changed by -/+ 100 basis points from year end rates with all other variables held constant, profit for the year would have been $48,743 lower/higher (2008: change of 100 basis points: $19,573 lower/higher) as a result of higher/lower interest income from the floating portion of the Trust's finanncial assets.

No sensitivity analysis has been performed on foreign exchange risk, as the entity is not exposed to foreign currency fluctuations.

Note 18: Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated

	Long-term Benefits $	Short-term Benefits $	Total $
Transactions with related parties:			
a. **Key Management Personnel**			
2009			
Total compensation	9,829	275,386	285,215
2008			
Total compensation	30,230	124,677	154,907

Note 19: Errors

a. In addition to Note 1(p), this advice from the Treasurer was received in May 2008. Given the life of the Trust is limited, the useful lives and residual values of property, plant and equipment should have been amended at that date on a prospective basis. This did not occur and additional depreciation of $406,453 should have been recognised. The useful lives of all assets now expire on the shorter of the assets useful life or 30 June 2013.

b. In the prior year ended 30 June 2008, $454,545 (GST Exclusive) was received from the Department of Health as a prepayment for a total grant of $4,900,000(GST Exclusive) for the purposes of relocating the stables and caretakers cottage. The nature of the grant required various acquittal information, of which none had been lodged to 30 June 2008. In addition, the construction remained incomplete. It was on this basis the grant monies received to 30 June 2008 were treated as being reciprocal in nature and an unearnt income liability was recognised for the grant monies received to 30 June 2008. The nature of the grant has subsequently been found to be non-reciprocal in nature and the grant monies received to 30 June 2008 should have been recognised as revenue on receipt.

c. In the 30 June 2008 accounts an immaterial error of $21,302 in relation to the impairment have been corrected.

Accordingly the adjustments to reflect these errors are as follows:

Table - Main Primary Statement Area's Affected - 2008

Details	Note	Unadjusted	Adjustment	Adjusted
		$'000	$'000	$'000
Income Statement				
Other Revenue	b.	396	455	851
Depreciation	a.	1,089	406	1,495
Profit/(Loss) for the year	a. + b.	11	50	61
Balance Sheet				
Property Plant & Equipment	a. + c.	47,366	(427)	46,939
Trade & other payables	b.	929	(455)	474
Accumulated Surplus	a. + b. + c.	28,315	50	28,365
Asset Revaluation Reserve	a. + b. + c.	20,457	(22)	20,435
Total Equity	a. + b. + c.	48,772	28	48,800

CERTIFICATE OF PARKLANDS GOLD COAST TRUST

This general pupose financial report has been prepared pursuant to s.46F(1) of the *Financial Administration and Audit Act 1977* (the Act), and other prescribed requirements. In accordance with s.46F(3) of the Act we certify that in our opinion:

a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects: and

b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Parklands Gold Coast Trust for the financial year ended 30 June 2009 and of the financial position of the trust at the end of that year.

Richard Murphy (Chief Executive Officer)	Jim Callaghan (Chairman of the Trustees)
26/8/09 (Date)	26th Aug. 2009 (Date)

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF PARKLANDS GOLD COAST TRUST

Report on the Financial Report

I have audited the accompanying financial report of Parklands Gold Coast Trust which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the Trustees and officer responsible for the financial administration of Parklands Gold Coast Trust.

The Trustees Responsibility for the Financial Report

The Trustees are responsible for the preparation and fair presentation of the financial report in accordance with prescribed accounting requirements identified in the *Financial Administration and Audit Act 1977* and the *Financial Management Standard 1997*, including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The Trustees also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards to the extent described in Note 1.

Auditor's Responsibility

My responsibility to express an opinion on the financial report based on the audit is prescribed in the *Auditor-General Act 2009*. This Act, including transitional provisions, came into operation on 1 July 2009 and replaces the previous requirements contained in the *Financial Administration and Audit Act 1977*.

The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF PARKLANDS GOLD COAST TRUST CONTINUED

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Auditor's Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

(a) I have received all the information and explanations which I have required; and

(b) in my opinion –

(i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and

(ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of Parklands of Gold Coast Trust for the financial year 1 July 2008 to 30 June 2009 and of the financial position as at the end of that year; and

(iii) the financial report also complies with International Financial Reporting Standards to the extent disclosed in Note 1.

Craig Jenkins
as Delegate of the Auditor-General of Queensland

27 August 2009

Parklands
Gold Coast

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