

AgForce Queensland Farmers Ltd

ANNUAL REPORT 2021





THE VOICE OF QUEENSLAND PRODUCERS.

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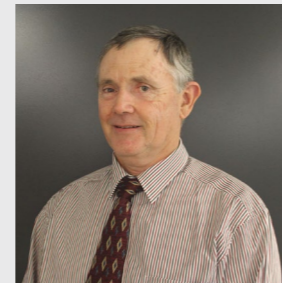
THE BOARD

General President
Georgie Somerset



Cane Commodity President
Ricky Mio

Deputy Chair and Central Regional Director
John Baker



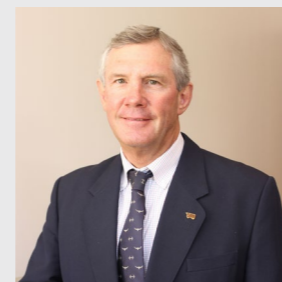
Cattle Commodity President
William Wilson

South West Regional Director
Christopher Evans



Grain Commodity President
Brendan Taylor

Southern Inland Regional Director
Bim Struss



Sheep and Wool Commodity President
Michael Pratt

North Regional Director
Matt Bennetto



South East Regional Director
Kelly Ostwald

Independent Director
Christine Hayward



A MESSAGE FROM THE

General President

Dear Members and Stakeholders

The following pages contain the annual financial report for AgForce Queensland Farmers Ltd for the financial year ended 30 June 2021. This year the Consolidated Group recorded a deficit of (\$130,557). Included in these results is a 9% increase in membership income, 2.6% increase in commission income, and a \$478,502 increase in project funds held for future work.

I would like to take this opportunity to personally thank you for your continued support of AgForce as we work on your behalf to ensure our industry remains profitable and productive now and into the future. We know our people are our strength and it is through the grassroots support of primary producers like you that we can voice the concerns of agriculture, as well as the rich opportunities, to government and the community.

This year we have strengthened our relationships with all levels of government, resulting in several favourable outcomes for our Members.

Exemptions for agriculture during COVID-19 lockdowns have allowed farmers and farm workers to enter Queensland to continue to work, while other industries have had to cease operations, either temporarily, or, in some cases, permanently.

As part of the budget this year, the State Government all but adopted in its entirety AgForce's Agricultural Business Cycle when it released a suite of programs for drought-affected producers. This announcement not only served as further evidence of our growing influence, but guaranteed producers currently in drought continued access to existing funding, while ensuring *all* producers access to funding *at all times* – whether they are drought declared or not.

AgForce also worked closely with many Members and Local Government Authorities to make 138 freeholding applications prior to price rises, with estimated savings to Members totalling more than \$12 million.

Our accumulated assets also continue to contribute to the agricultural industry's future, by giving us a strong resource base to advance and provide Member and industry benefits. Activities undertaken at the Belmont Research Station near Rockhampton include the Central Queensland University walkover weighing and stock management research, while Rockhampton Grammar School continues to use the facility to provide training for school-based traineeships.

Further south, in Gayndah, the Department of Agriculture and Fisheries lease the Brian Pastures facility to carry out long-term research into herd production and nutrition trials, as well as pasture die back management trials.

In this report, in addition to the usual financial statements, you will notice that we have included information that illustrates more completely the undeniable value AgForce brings to the agricultural industry in Queensland.

This additional information is our attempt to go beyond any headlines to convey to you, in dollar value, the full extent of the work we do.

On behalf of my fellow Directors, Commodity Boards, Committees, and AgForce staff, we look forward to strengthening our already close working relationship with you and with all our Stakeholders as we stand together to create the strongest possible voice and industry-led advancements for rural and regional Queensland.

Yours sincerely


Georgie Somerset,
General President AgForce Queensland Farmers Ltd
12 October 2021

Board Member Attendance						
	Board Meetings		Finance Audit and Risk Committee		Nomination and Remuneration Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Georgie Somerset	15	15	6	6	8	8
John Baker	15	15	6	6		
Christine Hayward	15	15	6	6		1
William Wilson	15	14		1	4	4
Brendan Taylor	15	15	6	4		
Mike Pratt	11	11			4	4
Chris Evans	15	15	6	6	4	4
Anthony Struss	11	11	3	3		
Kelly Ostwald	11	11			4	4
Matt Bennetto	15	14	3	3		
Ricky Mio	15	10			8	6
Alan Rae	4	4			4	4
Robyn Bryant	4	3			4	3
Tracy Finnegan	4	3		1		

VALUE TO THE INDUSTRY

AgForce exists to serve its commodities across Queensland and is constantly seeking ways we can do this more efficiently and effectively

Your organisation has invested heavily in technology over the past several years and is now able to start taking advantage of this work.

This investment allows us to better tell the story of how we advocate, engage with the community, educate and assist with research – all to support the industries and commodities we represent.

Our focus has been focused into three areas to best demonstrate how we provide value to industry:

Advocacy

Our dedicated staff and industry volunteers work at a local, state, and federal level to improve regulations and policies to ensure they are fair, practical, and affordable for producers, their families, and the wider industry.

Community engagement

AgForce constantly works with producers, community groups, and people from urban areas at a local level. This year has included a special focus on engaging with producers aged under 40 – an investment to ensure there is a clear direction for the future of agriculture.

Education and research education

Our work within education and research is widespread and varied and includes education with producers and communities, as well as support for areas of research that impact the commodities we represent.

INVESTMENT IN THE INDUSTRY



ADVOCACY

Currently working on 40 major initiatives including:

- AgCarE - Natural Capital Certification
- Office of Science Quality Assurance
- Blueprint for the Queensland sheep industry
- Great Artesian Basin sustainability
- Sugar cane industry road map
- Cultural heritage reform
- Drought and disaster responses



AgForce strongly engaged with Local Councils to address rising rate costs due to land valuation increases. For example, a member in Murweh Shire received a 9.6% discount on his rates bill due to a negotiated reduction in the rating applied, despite a 40% land valuation rise.

GRAIN
11%
\$308,244

CATTLE
25%
\$697,310

GENERAL POLICY
Natural resource, workplace safety and transport
30%
\$856,334

CANE
22%
\$627,612

SHEEP AND WOOL
12%
\$332,472



Our dedicated staff and industry volunteers work at a local, state and federal level to improve regulations and policies so that they are fair, practical and affordable for producers, their families and the wider industry.

Some of the key outcomes achieved include:

- Securing exemptions and special conditions during the height of the COVID-19 outbreak to allow farmers and farm workers to enter Queensland
- Advocating (with the Northern Australia Live Export Working Group) against proposed regulation changes applying to the export of livestock, resulting in savings to industry of approximately \$30 million
- Securing category C disaster funding for the Southern Downs and Goondiwindi Shires
- Successfully lobbying the State Government to continue the roll out of exclusion fencing cluster projects, securing an additional \$4 million and the commitment of an additional \$1.4 million to support biosecurity preparation
- Supporting members in making 138 freeholding applications prior to price rises, saving them an estimated \$12,293,000

WE HAVE REPRESENTATIVES PARTICIPATING IN:
8 REGIONAL INDUSTRY COMMITTEES AND WORKING GROUPS
35 STATE INDUSTRY COMMITTEES AND WORKING GROUPS
15 NATIONAL INDUSTRY COMMITTEES AND WORKING GROUPS

5 PARLIAMENTARY HEARINGS

7 SUBMISSIONS TO PARLIAMENT

37 MINISTERIAL MEETINGS

120 PRODUCERS AND INDUSTRY SPECIALISTS ASSIST WITH ADVOCACY

152 LETTERS TO STAKEHOLDERS

COMMUNITY ENGAGEMENT



Vol Norris - "Beefup" Forum, Karumba Qld

Engagement represents the work the organisation does with producers, community groups and urban people at a local level. This year an investment has been made to engage with the under 40 year old producers in the industry to ensure the a clear direction for the future. 10 producers from all over the State have been selected to form part of AgForce's first Young Producers Council.

Some of the services provided to producers within the industry include:

- Native Title related legal representation worth \$1,250,000 at no cost to respondents
- One-on-one consultations to approximately 520 producers on their 2021 land valuations saving them an estimated \$364,000
- A free agistment contract template to 32 producers equalling savings of \$96,000
- Free industrial relations advice to over 150 producers

74% OF GHMS LOADS UTILISED THE 7.5% TOLERANCE, COMING IN ABOVE GML AND BELOW 7.5%

59% OF ALL GRAIN LOADS THROUGH THE **69 REGISTERED** RECEIVERS WERE FROM GHMS PARTICIPANTS



THANKS TO AGFORCE, MORE THAN **2,000 GRAIN PRODUCERS** AND TRANSPORT OPERATORS IN QUEENSLAND NOW HAVE IN EXCESS OF **69 RECEIVAL SITES** AVAILABLE TO THEM TO CONFIDENTLY TRANSPORT GRAIN FROM FARM, WITH IMPROVED CONVENIENCE AND USABILITY FOR GROWERS.

NORTH
\$730,300

STATE EXPENDITURE

CENTRAL
\$365,959

SOUTH WEST
\$359,900

SOUTHERN INLAND
\$309,832

SOUTH EAST
\$320,359



3,112 PEOPLE REGISTERED FOR **78** EVENTS ENGAGING AROUND INDUSTRY UPDATES, HANDLING MOUSE PLAGUES AND LAND VALUATIONS



FORMED THE AGFORCE YOUNG PRODUCERS COUNCIL



82 PRODUCERS ACROSS THE STATE ASSISTED WITH COMMUNITY ENGAGEMENT



340 PEOPLE FROM AN URBAN ENVIRONMENT SUPPORTED THE AGRICULTURAL INDUSTRY THROUGH THEIR COUNTRY CONNECTION MEMBERSHIP



AGFORCE PROCESSED DATA FROM **48,814** LOADS OF GRAIN AND SENT **2,170** ADVICE LETTERS REMINDING PARTICIPANTS OF THE IMPORTANCE OF KEEPING LOADS WITHIN THE **7.5% TOLERANCE**

EDUCATION AND RESEARCH

Education

- Assisting producers and industry through nationally accredited courses run under our Registered Training Organisation (#1834) including chemical accreditation.
- Our schools to Industry Partnership Program (SIPP) has been acting as a bridge between Queensland primary producing agribusiness and schools (students and educators) and is regarded not only as widely successful, but as a benchmark for school-industry engagement.
- The AgForce School to Industry Partnership Program delivers a range of events and programs throughout the year for primary students, secondary students, and teachers. These programs educate students about the origins of their food and fibre, introducing them to a wealth of primary production and agricultural sectors and raising the profile of careers in agribusiness. They also increase awareness of the variety of career paths on offer.
- The Kids to Farmers project is funded by the Australian Government until 2022 with the aim of increasing children's understanding of where and how their food and fibre is produced and the role and importance of agriculture to Australia's way of life, regional communities and the economy.

Research

- AgForce owns two clean seed cane farms in the Burdekin for the purpose of developing new cane varieties for use in industry. Burdekin Productivity Services (BPS) lease the farms from AgForce with the aim of increasing the productivity, profitability and sustainability of sugar cane through the provision of quality clean seed cane, which is pest and disease resistant.
- The Belmont Research Station in Rockhampton is leased by Central Queensland University to conduct research in walkover weighing and stock management research. Rockhampton Grammar School uses the facility to provide training for school-based traineeships.
- The Brian Pastures Research Station in Gayndah is leased to the Department of Agriculture and Fisheries to carry out long-term research into herd production and nutrition trials, as well as pasture die back management trials.

BEEF AUSTRALIA 2021, ROCKHAMPTON, HAD **1,800 PRIMARY SCHOOLS** THROUGH THEIR EDUCATION DISPLAYS

632 PEOPLE REGISTERED FOR 52 EVENTS FOR PROPERTY MAP AND FARM SAFETY WORKSHOPS

ASSISTED MORE THAN **876 SECONDARY SCHOOL STUDENTS** FIND OUT INFORMATION ABOUT CAREERS IN AG AND PROVIDED **39 TEACHERS** WITH PROFESSIONAL DEVELOPMENT SESSIONS TO BETTER UNDERSTAND THE AG INDUSTRY

3 UNIVERSITY AGRICULTURAL INTERNS UNDERTOOK AN UNPAID PROFESSIONAL PLACEMENT WITH AGFORCE TO GAIN RELEVANT PROFESSIONAL TRAINING AND SKILLS RELATING TO THEIR AREA OF STUDY

RESEARCH INVESTMENT BY CQU AND DAF
ON OUR RESEARCH STATIONS
\$2,141,544

Tanya Nagle - SIPP Ag Inspirations: Chinchilla State High School at Nine Mile Farm, Chinchilla Qld



There are **4,253** sugar cane holdings across Great Barrier Reef catchments. Total area= **799,831** hectares



2,308 broadacre crops across Great Barrier Reef catchments. Total area= **4.47** million hectares

12,550 beef cattle grazing enterprises in Great Barrier Reef catchments.



Australian Bureau of Statistics 2010

OUR BIG WIN THIS YEAR

28.5 million hectares of agri-production in Great Barrier Reef catchments. (cane, horticulture, broadacre cropping, beef cattle grazing).



CONSULTATION AND COLLABORATION KEY TO AGRICULTURE'S PROGRESS

Our big win this year wasn't a single moment or even a key event. It was bigger than that – hopefully far more enduring.

It was in the relationships we've been able to forge with this State Government since the election outcome October.

In fact, that result was perhaps the catalyst for change – even though the Palaszczuk-led Government we had endured some tough earlier conversations with, was returned.

If we are honest with ourselves (and with you), we had concerns that being on the outer might begin to affect our ability to advocate to the fullest of our abilities on your behalf.

Which was why we reached out as soon as the election was won, to the successful MPs – including the Premier and her Government – to the Opposition, to the minor parties, and to the heads of the public service.

We expressed in simple terms our desire to collaborate on our key objectives: a sustainable, profitable agriculture industry, and vibrant, economically strong regional communities.

We needed to get back our seat at the table – and this was the best way we could think to do it.

The reason this is our biggest win for the year is that it worked: little by little we found ourselves included, in meetings, in conversations, and soon at the pointy end of decision-making – decisions that went in our members and industries favour on border crossings, on drought reform, and even on Reef.

That last one might seem a difficult pill to swallow for some given there are now more Reef regulations than this time last year.

But if there was a moment that embodied the Government's change of heart towards AgForce and agriculture, it was its decision to acknowledge feedback

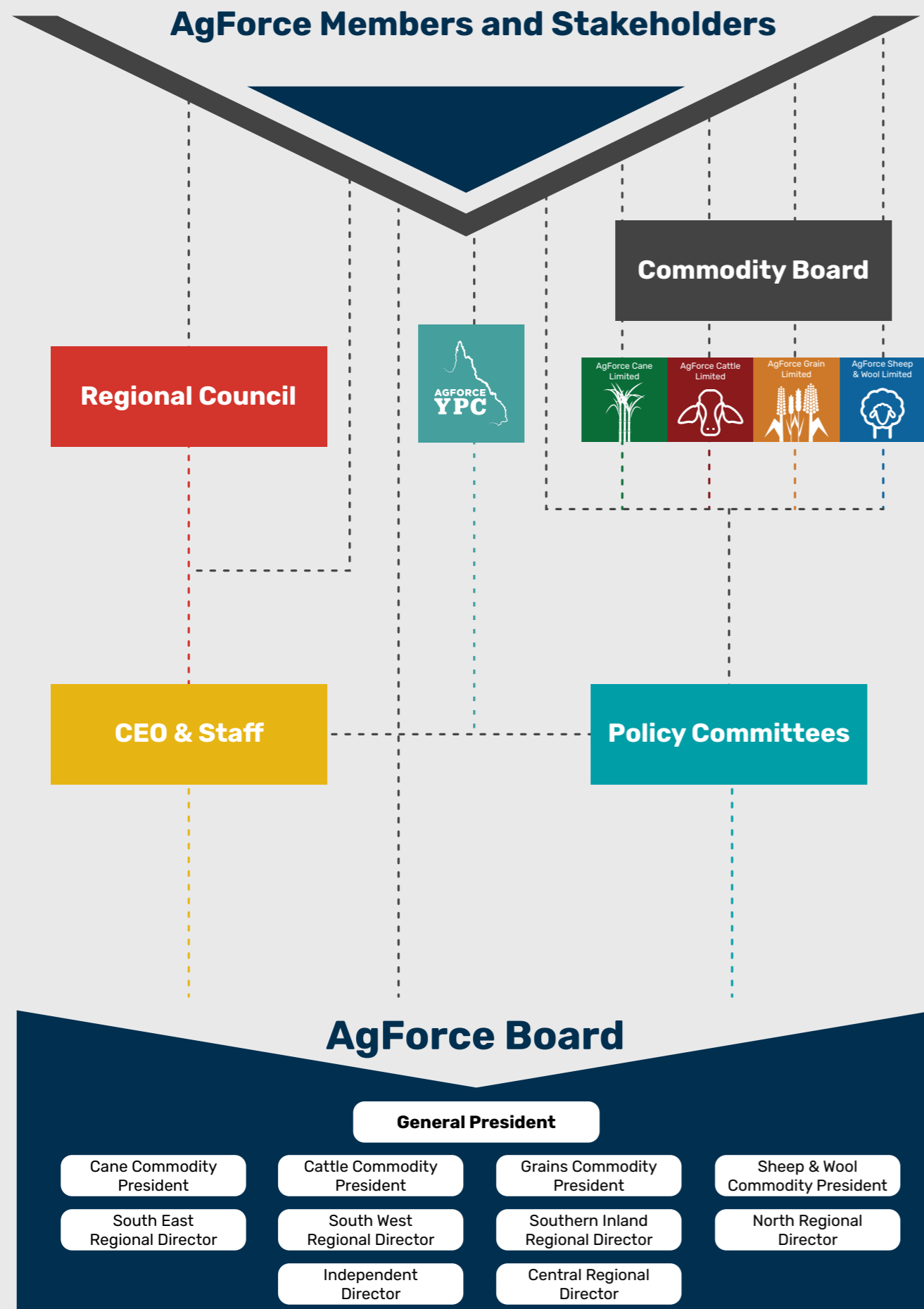
from producers and industry groups in concessions granted for Reef regulations.

Yes, the regulations have gone ahead, and no, the changes that were made to Reef regs didn't go far enough. But amendments were made – an action inconceivable less than 12 months ago, and a far cry from the Government's approach on issues like land management.

2021 has therefore been a huge win for consultation and collaboration, as it often is whenever there is an upturn in fortunes.

It's why we'll continue with this approach – working from the inside whenever the opportunity presents itself, from within the corridors of power, to ensure your voice continues to be heard whenever a decision that affects you, your business, and rural and regional Queensland is even contemplated.

ORGANISATION STRUCTURE



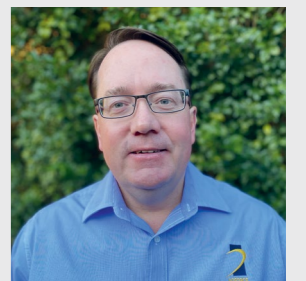
SENIOR STAFF



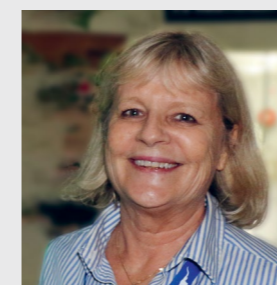
CEO
Michael Guerin



General Manager - Policy
Dr Dale Miller



CFO
Brett Cameron



General Manager Business Development and Regions
Phillipa Houston



General Manager - Media and Community Engagement
Tanya Nagle



GIS Technical Manager
Noel Brinsmead



Company Secretary
Megan Ansley

FINANCIAL REPORTS



AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Consolidated statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021

		Consolidated Group	
		2021	2020
		\$	\$
Revenue	4(a)	6,378,868	6,083,711
Other income	4(b)	463,328	780,945
Revenue and other income		6,842,196	6,864,656
Advertising		290,436	430,424
Bank fees and charges		34,599	42,387
Computer expenses		253,814	206,131
Conference expenses		89,067	19,559
Depreciation and amortisation expense		362,274	314,724
Employee benefits expense		4,220,632	4,315,175
Finance costs		21,881	18,359
Grain harvest management scheme expenses		106,344	76,010
Meeting expenses		163,407	120,476
Motor vehicle expenses		92,701	110,754
Postage, printing and stationery		76,565	45,033
Property outgoings		205,129	191,938
Memberships and subscriptions		457,523	463,010
Telephone		60,760	76,754
Travel		157,677	109,941
Other expenses		379,944	301,248
Expenditure	4(c)	6,972,753	6,841,923
Profit/(Loss) before income tax		(130,557)	22,733
Income tax expense	3(l)	-	-
Profit/(Loss) for the year		(130,557)	22,733
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		(130,557)	22,733

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

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Consolidated Statement of Financial Position as at 30 June 2021

		Consolidated Group	
		2021	2020
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	3,179,823	2,332,070
Trade and other receivables	6	630,254	538,998
Other current assets	8	127,270	118,714
Total current assets		3,937,347	2,989,782
Non-current assets			
Other financial assets	7	2,726,046	2,410,479
Property, plant and equipment	9	14,014,802	14,315,732
Intangible Assets	10	356,768	334,056
Total non-current assets		17,097,616	17,060,267
Total assets		21,034,963	20,050,049
Liabilities			
Current liabilities			
Trade and other payables	11	592,890	444,199
Borrowings	12	157,933	248,736
Provisions	13	647,120	601,969
Other current liabilities	14	3,289,110	2,154,840
Total current liabilities		4,687,053	3,449,744
Non-current liabilities			
Borrowings	12	64,795	190,933
Provisions	13	404,142	399,852
Total non-current liabilities		468,937	590,785
Total liabilities		5,155,990	4,040,529
Net assets		15,878,973	16,009,520
Equity			
Retained earnings		15,878,973	16,009,520
Total equity		15,878,973	16,009,520

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

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Consolidated Statement of Changes in Equity for the year ended 30 June 2021

	Note	Accumulated Funds \$	Total \$
Consolidated Group			
Balance at 30 June 2019		15,949,289	15,949,289
Profit for the year		22,733	22,733
Other comprehensive income		-	-
Total Comprehensive income for the year		22,733	22,733
Contributions from transfer of assets from AgForce Queensland Industrial Union of Employers	16	37,498	37,498
Balance at 30 June 2020		16,009,520	16,009,520
Profit/(Loss) for the year		(130,557)	(130,557)
Other comprehensive income		-	-
Total Comprehensive income for the year		(130,557)	(130,557)
Contributions from transfer of assets from AgForce Queensland Industrial Union of Employers	16	10	10
Balance at 30 June 2021		15,878,973	15,878,973

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

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements

Consolidated Statement of Cash Flows for the year ended 30 June 2021

		Consolidated Group	
		2021	2020
		\$	\$
Cash flows from operating activities			
Receipts from customers		8,050,599	6,672,876
Payments to suppliers and employees		(7,075,378)	(7,051,428)
Interest received		10,668	14,186
Dividends received		20,194	52,500
Net cash inflow/(outflow) from operating activities		1,006,083	(311,866)
Cash flows from investing activities			
Transfer from AgForce Queensland Industrial Union of Employers		10	37,498
Proceeds from sale of property, plant and equipment		28,182	23,636
Purchase of property, plant and equipment	10	(21,789)	(233,542)
Purchase of intangibles	11	(78,970)	(355,930)
Net cash acquired from business combination		-	784,763
Sale proceeds from/(Purchase) of financial assets at fair value		131,178	1,138,908
Net cash inflow from investing activities		58,611	1,395,333
Cash flows from financing activities			
Proceeds from/(Repayments of) borrowings		(216,941)	230,432
Net Cash inflow from financing activities		(216,941)	230,432
Net increase/(decrease) in cash held		847,753	1,313,899
Cash and cash equivalents at the beginning of the year		2,332,070	1,018,171
Cash and cash equivalents at the end of the year	6	3,179,823	2,332,070

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

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements

1. Corporate Information

The financial statements comprise the consolidated group of AgForce Queensland Farmers Limited as an individual parent entity and AgForce Queensland Farmers Limited and controlled entities as a consolidated group. AgForce Queensland Farmers Limited is a not-for-profit unlisted public company limited by guarantee, registered with the Australian Charities and Not for Profits Commission (ACNC), incorporated and domiciled in Australia.

2. Basis of preparation

AgForce Queensland Farmers Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

The amounts presented in the financial statements have been rounded to the nearest dollar.

a) New and amended standards not yet adopted

A number of new standards, amendments and interpretations are effective for annual periods beginning from 1 July 2021 and these have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements in future periods.

b) New and amended standards adopted by the group

The consolidated group has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of the Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

c) Historical cost convention

The financial statements have been prepared on the basis of historical costs modified by the revaluation of selected financial assets and financial liabilities for which the fair value basis of accounting has been applied.

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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Note 13 – provisions

3. Significant accounting policies

The accounting policies below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by group entities. Certain comparative amounts have been reclassified to conform with the current year's presentation.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

3. Significant accounting policies (continued)

a) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of AgForce Queensland Farmers Limited as at 30 June 2021 and the results of all controlled entities for the year then ended. AgForce Queensland Farmers Limited are referred to in this financial report as the group or the consolidated entity.

A controlled entity is any entity AgForce Queensland Farmers Limited has the power to control the financial and operating policies of so as to obtain benefits from its activities. A list of controlled entities is contained in Note 15a to the financial statements. All controlled entities have a June financial year end. All inter-company balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated group during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Investments in controlled entities are accounted for at cost in the financial statements of AgForce Queensland Farmers Limited.

b) Revenue recognition

The consolidated group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Membership levies – rendering of services

Membership levies are recognised over the applicable membership period.

Government funding

The groups' project activity is supported by grants received from the federal, state and local governments. Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when received.

Sales of goods and services

Revenue from sales of goods is recognised at a point in time when the control of goods passes to the customer. Revenue from the rendering of a service is recognised at a point in time upon the delivery of the service to customers/members.

Brokerage commission

Commissions are recognised on the effective commencement or renewal dates of the related policies and when the consolidated group is not required to render any further service.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

3. Significant accounting policies (continued)

b) Revenue recognition (continued)

Revenue from Investment portfolio

The revenue from the investment portfolio comprises interest and dividends. Dividend income is recognised in the income statement at ex-dividend date and all other income is recognised on an accruals basis.

Donations

Donations are recognised when received.

Asset sales

The gain or loss on disposal of all non-current assets and available-for-sale financial assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

c) 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 in the statement of financial position.

d) Trade and other receivables

Trade receivables, which comprise amounts due from sales of merchandise and from services provided to members and customers, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement vary from 7 to 90 days. The notional amount of the receivable is deemed to reflect fair value. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

An allowance for expected credit losses is recognised when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

e) Property, plant and equipment

All property, plant and equipment is stated at historical cost, including costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, less depreciation and any impairments.

The carrying amount of property, 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.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Capitalisation of non-current physical assets

All non-current physical assets in the organisation with a value above \$1,000 or more are capitalised and assets less than this amount are to be expensed rather than capitalised.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

3. Significant accounting policies (continued)

e) Property, plant and equipment (continued)

Depreciation

Land is not depreciable. The depreciable amount of all fixed assets and capitalised leased assets except motor vehicles is on a straight line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use. Motor Vehicles are depreciated diminishing value basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	5% – 40%
Motor vehicles	22.5% – 60%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of the reporting period.

Derecognition and disposal

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss.

f) Intangible Assets

Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

g) Investments and other financial assets

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date which is the date on which the Group commits to purchase or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

(i) Investment in Subsidiaries

Investments in subsidiaries are accounted for in the consolidated financial statements as described in note 3(a) and in the parent entity financial statements at cost in accordance with the cost alternative permitted in separate financial statements under AASB 127 Consolidated and Separate Financial Statements.

(ii) Financial assets at fair value through profit or loss

Financial assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

h) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

3. Significant accounting policies (continued)

i) Provisions

Provisions are recognised when the consolidated group 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.

j) Employee benefits

Employee benefits comprise wages and salaries, annual, non-accumulating sick and long service leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees services up to the reporting date. Liabilities for annual leave in respect of employees services up to the reporting date which are expected to be settled within 12 months of the reporting date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to anticipated future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when actual settlement is expected to occur.

k) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

l) Taxation

Income Tax

AgForce Queensland Farmers Limited is a registered charity and has been endorsed as Income Tax Exempt from the 7 April 2016 under Subdivision 50-B of the Income Tax Assessment Act 1997.

Controlled entities

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the end of the reporting period.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in the other comprehensive income or directly in equity, respectively.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

3. Significant accounting policies (continued)

l) Taxation (continued)

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

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 Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

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

m) Impairment of assets

At each reporting date, the consolidated group reviews the carrying values of its tangible and intangible 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 fair value less costs to sell 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 profit or loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

The consolidated group assesses impairment at each reporting date by evaluating conditions specific to the consolidated group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

n) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree.. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

3. Significant accounting policies (continued)

o) Going concern

The Group has recognised a net deficit after tax of (\$130,557) for the year ended 30 June 2021 (2020: profit of \$22,733) and as at that date a working capital deficiency of \$749,706 (2020: working capital deficit of \$459,962). Included in current liabilities of the Group is a non-cash item, income in advance of \$3,323,179 (2020: \$2,154,840). If the income in advance is excluded, the position becomes a working capital surplus of \$2,573,473 (2020: \$1,694,878).

The Responsible Persons believe the going concern basis of accounting is appropriate as the Group and the parent entity have the ability to dispose of financial assets at fair value through profit or loss to fund working capital deficiencies if and when shortfalls in cash occur.

	Consolidated Group	
	2021	2020
	\$	\$
4. Revenue, other income and expenses		

The net profit for the year has been determined after including the following items

a. Revenue

Membership levies	2,731,108	2,493,808
Commissions	1,074,316	1,046,985
Interest	10,668	14,186
Dividends	20,194	52,500
Rent	563,684	556,410
Grain harvest management scheme	302,312	169,688
Administration fees	7,889	9,279
Training fees	68,982	35,680
Distributions received	23,308	75,353
Sponsorship and grants	1,488,900	1,609,397
Other	87,507	20,425
Total revenue	6,378,868	6,083,711

b. Other income

Fair value gains/(losses) on other financial assets at fair value through profit and loss	311,034	(54,558)
Net gain on disposal of NFF House Investment	140,815	-
Net gain on disposal of property, plant and equipment	11,479	2,927
Net gain on business combination	-	832,576
Total other income	463,328	780,945

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

	Consolidated Group	
	2021	2020
	\$	\$

4. Revenue, other income and expenses (continued)

The net profit for the year has been determined after including the following items

c. Expenses

Finance costs – external	21,881	18,359
Depreciation		
- Buildings	136,039	135,839
- Plant & Equipment	116,206	100,059
- Motor vehicles	53,771	56,952
Amortisation		
- Intangibles - Software	56,258	21,874
Insurance expense	102,990	58,578
Utilities	42,678	57,260
Other		
- Legal Fees	46,001	65,048
- Staff Training	21,454	11,398
- Industrial Relation Consultancy	27,570	33,828

5. Cash and cash equivalents

Cash at bank and in hand	2,539,492	1,698,394
Restricted cash held (short term deposit)		
Water Perils Policy Funds (a)	640,150	633,127
AgForward funding (b)	181	549
	3,179,823	2,332,070

- a) Water Perils Policy Fund, Producer contributions to a form of self-insurance, to provide compensation for burnt cane unable to be harvested, supplied to and accepted by the mill, as a result of an unscheduled rain event. The fund represents the restricted net amount held by the organisation on behalf of the producers under the agreement.
- b) AgForward Services Pty Ltd, a wholly owned controlled entity of the Parent Entity has entered into program agreements with the Queensland Government to undertake and deliver various extension education and information delivery programs to primary producers in Queensland.

To the period ending 30 June 2021, AgForward has met all contracted milestones. In accordance with the terms of the program agreements, AgForward is restricted in that the funding may only be used for the delivery of the extension activities.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

Consolidated Group

2021 2020
\$ \$

6. Trade and other receivables

Trade and other receivables	630,254	538,998
	630,254	538,998

Trade and other receivables includes commissions of **\$418,539 (2020: \$295,267)**, grants **\$50,125 (2020: \$92,400)** sponsorships **\$41,250 (2020: \$100,675)** and Rent **\$15,592 (2020: \$15,650)**.

Consolidated Group

2021 2020
\$ \$

7. Other Financial assets

Non-current financial assets

Financial assets at fair value through profit and loss

Unlisted Investments at fair value - Units in NFF House	7(a)	86	246,614
Listed Investments at fair value Shares in other entities	7(b)	2,616,189	2,055,541
Subordinated Notes		109,771	108,324
Total financial assets at fair value through profit and loss		2,726,046	2,410,479

- a) The parent entity holds 86 units (representing approximately 5%) of the units in NFF House Trust which owns the NFF House property in Canberra. These units are held at fair value based on the net assets of the Trust. On the 24 December 2020 settlement occurred on the sale of the property. AgForce received payment of \$382,239 being its share of the transaction net on the 25 February 2021. The final payment of \$8,921 from the wind up of this investment was received on the 15 September 2021.
- b) Investments in equity instruments and substantiated notes were classified at fair value through other comprehensive income until 1 July 2018 when AASB 9 was adopted and from this date they were classified as fair value through profit or loss. Fair value is based on quoted market prices at the end of the reporting period.

Consolidated Group

2021 2020
\$ \$

8. Other current assets

Prepayments	127,270	118,714
	127,270	118,714

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

Consolidated Group

2021 2020
\$ \$

9. Property, Plant and Equipment

Freehold land – at cost	9,878,037	9,878,037
	9,878,037	9,878,037

Buildings

At cost	4,046,618	4,046,618
Accumulated depreciation	(519,702)	(383,663)
	3,526,916	3,662,955

Plant and equipment

At cost	851,085	829,295
Accumulated depreciation	(423,857)	(307,650)
	427,228	521,645

Motor vehicles

At cost	373,392	410,177
Accumulated amortisation	(190,771)	(157,082)
	182,621	253,095

Total property, plant and equipment

14,014,802 14,315,732

Movements in carrying amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year

	Land	Buildings	Plant and Equipment	Motor Vehicles	Total
Consolidated group	\$	\$	\$	\$	\$
Balance at 1 July 2020	9,878,037	3,662,955	521,645	253,095	14,315,732
Additions	-	-	21,789	-	21,789
Disposals	-	-	-	(16,703)	(16,703)
Depreciation expense	-	(136,039)	(116,206)	(53,771)	(306,016)
Carrying amount at 30 June 2021	9,878,037	3,526,916	427,228	182,621	14,014,802

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

	Consolidated Group	
	2021	2020
	\$	\$
10. Intangible Asset		
Software – Engagement System		
At cost	434,900	355,930
Accumulated amortisation	(78,132)	(21,874)
Total Intangible Asset	356,768	334,056

Movements in carrying amounts

Movement in the carrying amounts for each class of intangible asset between the beginning and the end of the current financial year

	Software – Engagement System	Total
	\$	\$
Consolidated group		
Balance at 1 July 2020	334,056	334,056
Additions	78,970	78,970
Disposals	-	-
Amortisation expense	(56,258)	(56,258)
Carrying amount at 30 June 2021	356,768	356,768

	Consolidated Group	
	2021	2020
	\$	\$

11. Trade and other payables

Current

Trade payables and accrued expenses	570,692	444,199
	570,692	444,199

12. Borrowings

Current

Bank loans	157,933	248,736
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Non Current

Bank loans	64,795	190,933
	222,728	439,669

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

	Consolidated Group	
	2021	2020
	\$	\$
13. Provisions		
Current		
Water Perils Policy	320,100	316,443
Employee benefits	327,020	285,526
	647,120	601,969
Non Current		
Water Perils Policy	320,049	316,443
Employee benefits	84,093	83,409
	404,142	399,852

Use of estimates and judgements

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

14. Other liabilities

Current

Contract liabilities - rent received in advance	60,475	38,832
Contract liabilities - other income received in advance	1,290,365	811,863
Contract liabilities - membership levies received in advance	1,938,270	1,304,145
	3,289,110	2,154,840

Other income received in advance contains project funds to be delivered activities in the future. Membership levies received in advance represents payments made towards 2021/2022 membership levies prior to 30 June 2021.

Financial Report for the Year Ended 30 June 2021

15. Related parties and related party transactions

[illegible]

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

c. Key management personnel compensation

Reflects remuneration payments made to elected representatives and independent directors

Financial Report for the Year Ended 30 June 2021

16. Transfer of Assets

These assets consisted of:

17. Events after the balance sheet date

No matters or circumstances have arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated group's operations, the results of those operations, or the consolidated group's state of affairs in future financial years.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

18. Financial Risk Management

The company’s financial instruments consist mainly of deposits with banks, financial investments, accounts receivable, payables and bank loans.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to those financial statements, are as follows

	Consolidated Group	
	2021	2020
	\$	\$
Financial assets		
Cash and cash equivalents	3,179,823	2,332,070
Trade and other receivables	630,254	538,998
Financial assets at fair value through profit and loss	2,726,046	2,410,479
Total financial assets	6,536,123	5,281,547
Financial liabilities		
Trade and other payables	570,692	444,199
Bank loans	222,728	439,669
Total financial liabilities	793,420	883,868

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

19. Parent Entity Information

Set out below is the supplementary information about the parent entity.

Statement of Profit or Loss and Other Comprehensive Income		
	Parent Entity	
	2021	2020
	\$	\$
Profit for the year	(130,227)	26,906
Total comprehensive income for the year	(130,227)	26,906
Statement of Financial Position as at 30 June 2021		
Total current assets	3,936,681	2,988,754
Total non-current assets	17,097,739	17,060,390
Total assets	21,034,420	20,049,144
Total current liabilities	4,693,258	3,455,916
Total non-current liabilities	468,936	590,785
Total liabilities	5,162,194	4,046,701
Net assets	15,872,226	16,002,443
Equity		
Retained earnings	15,872,226	16,002,443
Total equity	15,872,226	16,002,443

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity and some of its subsidiaries are party to a deed of cross guarantee under which each company guarantees the debts of the others. No deficiencies of assets exist in any of these subsidiaries.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Notes to and forming part of the financial statements (continued)

RESPONSIBLE PERSONS' DECLARATION

Per section 60.15 of the Australian Charities and Not-for-profit Commission Regulation 2013

The responsible persons declare that in the responsible persons' opinion:

1. There are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable;
2. The financial statements and notes satisfy the requirements of the Australian charities and Not-for-profits Commission Act 2012;
3. comply with Australian Accounting Standards – Reduced disclosure requirements; and
4. give a true and fair value of the financial position of the registered entity as at 30 June 2021 and of its performance for the year ended on that date.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013

Signature:



Georgie Somerset
General President
AgForce Queensland Farmers Ltd

Date: 12 October 2021

AgForce Queensland Farmers Limited

Financial Report for the Year Ended 30 June 2021

Auditor's Independence Declaration



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY T R MANN TO THE DIRECTORS OF AGFORCE QUEENSLAND FARMERS LIMITED

As lead auditor of AgForce Queensland Farmers Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of AgForce Queensland Farmers Limited and the entities it controlled during the period.



T R Mann
Director

BDO Audit Pty Ltd

Brisbane, 12 October 2021

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INDEPENDENT AUDITOR'S REPORT

To the members of AgForce Queensland Farmers Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of AgForce Queensland Farmers Limited (the registered entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of AgForce Queensland Farmers Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the AgForce Queensland Farmers Limited's, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.


Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.


BDO Audit Pty Ltd



T R Mann
Director

Brisbane, 12 October 2021



 Vol Norris - Winton Sunset Qld



AgForce Head Office: Level 2,110 Mary St Brisbane, 4000

P: (07) 3236 3100 | **agforceqld.org.au** | **E:** agforce@agforceqld.org.au

AgForce Regional offices:

North Qld - Ayr, Townsville and Longreach

Central Qld - Rockhampton

South East Qld - Toowoomba

Southern Inland Qld - Roma

South West Qld - Charleville