



2018 | 2019
Annual Report



ESQ has been able to assist CSQ with industry intelligence through its report on the current state of the Electrotechnology Sector in Queensland, an industry survey focused on that Sector's training needs, and a report on the emerging trends and technologies confronting electricians working on commercial, industrial and residential installations. Moving forward, and for the growing benefit of this sector, ESQ hopes to build a long and strong association with CSQ over the years ahead. Moreover, this partnering was and is timely, given the winds of change in the Vocational Education and Training (VET) Sector.

ESQ's contribution to the VET Sector remains high. The daily, weekly, monthly commitment of ESQ staff to the Electrical Supply Industry's (ESI's) Industry Reference Committee (IRC) is considerable. The Board believes it is an important obligation that ESQ makes on behalf of the wider Queensland and National Electrotechnology Sector. Even though it has been acknowledged by many, that the pace of change in accredited course design and implementation is a concern for the Sector, ESQ works hard to ensure insightful Queensland input and leadership is offered to the national training agenda. This was backed up by the Board's position paper submitted to the Review, as well as the CEO's presence on the Panel for the Australian Industry Standards Forum on the opportunity for change in the VET Sector. ESQ was also able to provide direct input at the consultation phase of the Prime Minister's initiated report, Strengthening Skills – Expert Review of Australia's Vocational Education & Training System by The Honourable Steven Joyce.

Advice to the Queensland State Government on industry requirements and training needs remains a central platform of ESQ's responsibilities and ESQ continues to provide fortnightly updates and reports as required. Throughout 2018/19 this has included achieving the difficult task of bringing together a single industry view and an accompanying rollout plan to address a ten-year discussion surrounding improving the skills of 17 – 19-year-olds in their journey to become valued electricians following their secondary schooling. ESQ has been able to gain the support of industry stakeholders but progress on the Head Start Pilot Program is slow. With an upturn in the economic cycle this may prove to be a positive outcome for a cohort who traditionally took up most first-year places but who now represent only one-third of all electrical apprentices attracted to this important vocation.

A Message from the Energy Skills Queensland Chair

Under the capable leadership of new CEO, David Cross, 2018/19 could be best described as a year of consolidation for Energy Skills Queensland (ESQ). That is, consolidation in terms of assisting David settle into his role fully; in terms of ensuring the Board's focus on the metrics important to monitoring the successful implementation of its newly constructed Strategic Plan; consolidation and delivery on achieving a positive financial result for 2018/19; and finally, consolidation of the key relationships important to progressing the future of ESQ.

One such key partnership was the developing affiliation between ESQ and Construction Skills Queensland (CSQ). In 2018/19, the opportunity to work more closely with CSQ was a priority for the ESQ Board. We were therefore very pleased to be able to enter into a formal contractual relationship with them for this period, as approximately one-in-five workers on construction sites are qualified electricians.

The establishment and delivery of IoT Skills Australia as an important brand of ESQ is also a significant step forward for the industry. The ever-increasing pace and rapid emergence of Industry 4.0, and its impact on the energy Sector is something ESQ has taken very seriously over the past twelve months. In what is really a reaction to the significant lack of dialogue surrounding skills, skills-displacement and skills-evolution in such areas as artificial intelligence, internet-of-things and mega-data it became obvious to the Board that we needed to get this discussion moving – and nationally where appropriate - and so ESQ has taken its first steps in trying to redress this situation. The IoT Skills Australia launch at a Hub Day supported by the Industry was the first step in that focused effort. The Board is seeking to shape this discussion over the years ahead as Members of the Board are acutely aware of the skills impact for the industry in advance of 2025.

Finally, I note the positive financial result of \$282,518 delivered by the team in 2018/19 and extend my thanks to all Members of the Board for their commitment and energy throughout the year. As well, to the management team and the stakeholders close to the organisation. Their continued support is not taken lightly or for granted and is very much appreciated. I look forward to expanding on this story in the years ahead and for ESQ to fulfil its potential as a true Centre for Energy Excellence.

Mr Peter Price

Chairperson
Energy Skills Queensland

“Energy Skills Queensland (ESQ) concluded its tenth year as a Centre for Energy Excellence. In doing so it maintains its reputation as a highly respected organisation at the forefront of developing solutions to help industry plan and develop their workforce for the future.”





A Message from the Energy Skills Queensland CEO

I am pleased to be able to report some positive strategic moves by the organisation on several fronts as well as some steady progress on existing efforts throughout the 2018/19 Financial Year. However, hand-in-hand with this progress remains Energy Skills Queensland's (ESQ's) biggest challenge – concluding the full transition from ESQ as an entity that has been able to draw down a regular and guaranteed stipend of baseline income, to an entity that stands on its own. We still have much to do.

Staff and Board are working together to ensure ESQ's long term sustainability, as well as its continuity as a strong and vibrant contributor to the Energy Sector. Therefore, as part of the approach agreed in the Board's Strategic Plan, the ESQ management team grew in numbers as well as in its service offerings. These offerings have been significant. Over the 2018/19 ESQ began to tackle some of the more significant and longer-term issues important to its stakeholders, issues such as improving apprenticeship opportunities for young people and calling out the importance of preparing for the onset of Industry 4.0. Concurrently, the ESQ team was able to manage costs well, improve efficiencies and deliver a much better than budgeted Financial Year Result. Growing opportunities and developing new revenue streams has been important.

SkillPASS has been one such area of focus. In an increasingly litigious environment, an environment in which the Industrial Manslaughter Legislation is now a reality for many of Queensland's industries; SkillPASS is an increasingly important tool for workplace safety and compliance.

Over the 2018/19 period, ESQ has not only assisted new groups in the Gas Industry come online with this product, but it also began to diversify its uptake to industries other than Gas. In fact, uptake has grown over 25% over the course of the year and SkillPASS is well on the way to tallying 30,000 users over the past five years.

More critically, as the 2018/19 Financial Year drew to a close, an in-principle agreement had been achieved between the parties to substantially boost the service offering of SkillPASS for its users - especially in relation to the quality of its software platform. As this rolls out over the year ahead, users can expect far superior product performance. At the same time, the integrity of the competency verification system will for the first time, meet international standards; at the same time releasing staff to focus on more value-adding services. The new SkillPASS arrangements engineered over the year are expected to be in place by late 2019.

ESQ has also worked very hard in this past year on its stakeholder relations. Construction Skills Queensland (CSQ) emerged as an important partner for the future of ESQ and for ESQ's efforts to support the Electrotechnology Sector in particular. We hope that the goodwill and rapport built between the parties in this past year remains strong.

ESQ expects other relationships to begin to flourish as a result of its deliberate efforts over the past year. ESQ has a collaborative vision, and we have made that very clear in the market in which we operate. I therefore believe ESQ's standing with various Queensland Government Departments has continued to grow, and that this will continue for a number of years ahead. At the risk of naming just one, ESQ values and takes very seriously its important role as a VETIAO in working closely with the Department of Employment, Small Business & Training (DESBT). These efforts which are rarely evident in the public domain but provide real value for industries and individuals in the Energy Industry, are focussed on helping Government shape future industry training needs and solutions. For example, our work with the Just Transition Group within DESBT has been invaluable in helping lay a foundation of planning for the future workforce. CSQ and Jobs Queensland are other such examples.



The Head Start Pilot Program has been a substantial challenge for ESQ. It could not have progressed as far as it has without the collaborative efforts of many industry stakeholders. We are grateful for the support. The resultant Industry Standing Committee (ISC) borne from this process will not only be beneficial in replacing the outdated Industry Leaders Forums (forums that converged in 2018/19), but it will provide the Electrotechnology Industry with a better framework and more direct consultation platform going forward. Again, the fruits of this labour will not be evident until 2019/20.

ESQ's performance in Skilling Queenslanders for Work has been impressive. At the start of 2018/19 a challenge was laid before staff to diversify the program from a mostly rail-based program to incorporate other energy projects. The team have worked hard at bringing a renewables component to the program (solar farm construction). Although not without its own difficulties, the program is an important opportunity for long term unemployed and other disadvantaged groups to gain valuable skills, especially in Regional Queensland. ESQ can be proud of its overall efforts to deliver these groups greater access to sustainable work opportunities. The organisation will build on this and in the year ahead begin to look at assisting the development of broader Industry-based training programs – for example, SLAW. These new programs will seek to impact more substantial numbers whilst also supporting ESQ's commitment to our current diversity efforts.

Aside from inhouse efforts to improve the day-to-day performance of the organisation - such efforts as the acquisition of and development of a CRM, and improvements in ESQ's ICT platforms and greater vigilance around cybersecurity - over the course of the year ESQ began a review of its operational and constitutional frameworks so as to remain responsive and current in its outlook and activities. Even small actions such as subletting space to a third-party professional training organisation has meant better use of ESQ's assets, and it has also meant

for a more vibrant workplace as people go about making a difference. Complemented by some focused training for ESQ staff, the performance culture and energy of the organisation continues to grow. It is these small operational in conjunction with larger strategic changes that drive a team to aspire to an exciting future. I believe that in this regard 2018/19 has been a watershed year.

Finally, and whilst only early in its development, the strategic move by the ESQ Board to raise the profile on Industry 4.0 skills as it relates to the boarder Energy Sector, represents a tremendous opportunity for ESQ. Under the IoT Skills Australia banner set down in 2018/19, ESQ has already been able to enter a national dialogue on this topic. Industry 4.0 represents an unprecedented workplace opportunity, but it also has the hallmarks of a massive industry disruptor. ESQ is right to be positioning itself in the middle of this, and its IoT Skills Australia flagship will place it in a leadership position for this conversation. Augurs well for as the pace of change accelerates.

In closing, I would like to thank my team of dedicated staff. They get up each day with a plan and an obvious intent to make a positive difference to the Energy Sector. I am grateful for that. As well, the ESQ Board continues to provide a strong hand and focus on the elements vital to ESQ's future success. Without their substantial voluntary commitment and more global experience and guidance, ESQ would be unable to meet the challenges it currently faces let alone prepare for a positive and productive future. Under Peter Price's leadership I thank the Directors for their significant support throughout 2018/19.

David Cross
Chief Executive Officer
Energy Skills Queensland

Making a Difference

A Centre for Energy Excellence and leading, independent, not-for-profit organisation providing innovative, cost effective solutions to help enable a skilled, sustainable and safe energy industry.

Supporting the electrotechnology, oil & gas, mining, and telecommunications sectors, ESQ acts as the conduit for collaboration, cooperation and communication, advocating and assisting industry and government prepare for change in workforce planning and skills development.

Three Key Performance Areas

- Workforce Planning & Development
- Workforce Skilling
- Complementary energy products and services such as SkillPASS, timely advice and assistance, as well as bespoke research and analysis

As a Centre for Energy Excellence, ESQ seeks to deliver capable, reliable industry leadership.

People Make the Difference

Through its people Energy Skills Queensland offers:

- A core of committed professional outcomes
- A reputation as an independent 'go to' Energy Knowledge Hub
- Growing revenues for a sustainable future



Juliana Castro



Sebastian
Ross-Hagebaum

Energy Skills Queensland welcomed two new team members: Juliana Castro in the capacity of Marketing Coordinator and Sebastian Ross-Hagebaum as Workforce Skilling Program Manager.

Core behaviours

Energy Skills Queensland embraces the following behaviours:

- Positive Intent
- Positive Team
- Positive **SPIRIT**

- ✓ Safe
- ✓ Professional
- ✓ Integrity
- ✓ Respect
- ✓ Innovative
- ✓ Trustworthy



Corporate Governance

Organisational Structure

During 2018/19 we restructured and reorganised our workforce to ensure business effectiveness and efficiency.



Energy Skills Queensland Board

Energy Skill Queensland is an incorporated Association. The Board has reporting and continuous disclosure obligations under the Associations Incorporation Act 1981.

Management Structure

The Board has delegated certain aspects of its authority to the Chief Executive Officer through a control framework to operate the business on a day-to-day basis. The Chief Executive Officer implements the Board's strategies and policies through the Delegation of Authority Framework and Strategic Plan.

Management Committee

- Peter Price – Chairman
- Malcolm Richards – Deputy Chairman
- Edwin De Prinse – Treasurer
- David Cross - Chief Executive Officer / Secretary
- Belinda Watton
- Jacqueline King
- Dominic Schipano
- Scott Reichman



Summary of Financial Statements

Profit and Loss Summary

Energy Skills Queensland's operating performance for the 2018/19 financial year has resulted in a \$282 thousand surplus. As a not-for-profit organisation it is vital that Energy Skills Queensland continues to produce surplus results to ensure financial sustainability.

The surplus result for 2018/19 represents two consecutive years of surplus results, which is a follow on from 3 years of consecutive deficits. The large turnaround can be attributed to management of income producing assets and management of costs.

The total income of \$2.5 million is comprised mainly of traditional income streams of skills intelligence, training management and product licencing. The end of year income result is up \$386 thousand from the previous reporting period. This growth of 20% was driven by an increase in training management revenue as well as an increase in industry intelligence funding. Maintaining future revenue growth will be achieved by improving the revenue streams from existing services through collaboration opportunities.

Energy Skills Queensland is not a government funded organisation, however, Energy Skills Queensland does tender for training management and training skills projects. Government sourced revenue accounted for 50% of revenue in 2018/19 as opposed to 56% of revenue in 2017/18. Products sourced income accounted for 28% of income in 2018/19 as opposed to 39% of revenue in 2017/18. Revenue from commercial products allows Energy Skills Queensland the funding to complete its core objectives.

Total expenses for 2018/19 amounted to \$2.2 million. Staffing costs accounted for 61% of total expenses in 2018/19 as opposed to 48% of total expenses in 2017/18. The increase in total expenditure of \$400 thousand from the previous year is mainly attributed to the increase in staffing costs incurred to increase stakeholder engagement.

Building on last year's goal to increase service offerings to stakeholders, ESQ has set a break-even target for the next reporting period. To achieve this break-even outcome a balance of income generation and expenditure management will be needed.

Balance Sheet Summary

Energy Skills Queensland's balance sheet is in a strong position as at 30 June 2019. Equity has grown to over \$3 million for the first time since 2014/15 financial year. 2018/19 financial year results show assets totalling \$4 million and liabilities totalling \$1 million, resulting in total equity for the organisation of \$3 million.

Total Assets are comprised of a commercial property located at 70 Sylvan road valued at \$2 million, intangible training assets valued at \$100 thousand and cash equivalents balance of \$1.8 million. It is important to note the cash equivalent holdings have been reducing over the past few years due to investment into other areas of the organisation.

Non-Current assets have been utilised efficiently in 2018/19 to produce revenue which includes subletting of the commercial premises at 70 Sylvan road and generating revenue from commercial products like SkillPASS.

Liabilities for 2018/19 total \$1 million and are mainly attributed to unacquitted government grants for projects that have commenced, but as at 30 June, were still at various stages of delivery.

Energy Skills Queensland has a solid financial basis through good governance by the management committee and staff. Being financially secure ensures Energy Skills Queensland can continue to lead workforce planning, workforce development and workforce management initiatives that will service industries within the energy sector.

Andrew Jacovides

Corporate Services Director
Energy Skills Queensland

Audited financial statements 2018/2019

Income statement for the year ended 30 June 2019

	Note	2019 (\$)	2018 (\$)
Income			
Brokerage related fees		-	-
Licensed products		51,220	133,359
Grant (local) operating		500,000	500,000
Interest received		21,972	29,173
Project management and consultancy fees		1,774,880	1,407,609
Sundry		118,556	10,733
Total Income		2,466,628	2,080,874
Expenditure			
Audit and accounting fees		13,760	13,170
Computer expenses		49,050	34,201
Conference expenses		10,478	9,283
Depreciation expense		92,924	114,880
Event expenses		27,330	7,374
Insurance expenses		8,582	10,148
Marketing and research		29,572	17,558
Office expenses		7,010	6,091
Postage		6,563	8,345
Printing and stationery		24,106	18,590
Project and consultancy expenses		376,865	538,239
Rent and leases		5,820	-
Salaries		1,195,528	769,972
Salary related oncosts		126,130	69,970
Staff recruitment		943	1,726
Staff related expenses		7,964	5,476
Telephone expenses		13,309	24,783
Travel expenses		67,315	42,777
Other expenses	2	120,861	91,329
Total expenses		2,184,110	1,783,912
Current year surplus / (deficit)		282,518	296,962
Accumulated surplus at the beginning of the financial year		2,755,167	2,458,205
Accumulated surplus at the end of the financial year		3,037,685	2,755,167

Audited financial statements 2018/2019

Assets and liabilities as at 30 June 2019

	Note	2019 (\$)	2018 (\$)
Assets			
Current Assets			
Cash and cash equivalents	3	1,743,909	1,928,666
Accounts receivable and other debtors	4	166,994	69,885
Other assets		3,894	4,311
Total Current Assets		1,914,797	2,002,862
Non-Current Assets			
Intangible assets	5	100,251	122,589
Land, building and improvements	6	1,953,810	2,001,248
Plant and equipment	6	52,041	54,113
Total Non-Current Assets		2,106,102	2,177,950
Total Assets		4,020,899	4,180,812
Liabilities			
Current Liabilities			
Trade and other payables	7	610,560	522,203
Deferred revenue	8	5,000	5,000
Provisions	9	42,292	32,848
Unacquitted grant funds	10	309,951	631,510
Total Current Liabilities		967,803	1,191,561
Non Current Liabilities			
Provisions	11	15,411	21,684
Unacquitted grant funds	12	-	212,400
Total Non Current Liabilities		15,411	234,084
Total Liabilities		983,214	1,425,645
Net Assets		3,037,685	2,755,167
Equity			
Accumulative funds brought forward		2,755,167	2,458,205
Current year surplus		282,518	296,962
Total Equity	13	3,037,685	2,755,167

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

NOTE 1: Summary of significant accounting policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act Queensland. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Income tax

The association is exempt from the payment of income tax under the provisions of Division 50 of the Income Tax Act.

Government subsidies

Subsidies are received from both the Commonwealth and State Government. Subsidies received for specific capital items are disclosed separately in the income statement.

Other subsidies being for operating expenses are deferred as a liability until the services for which they were received are performed, at which time they are transferred to revenue.

Subsidies received for Third Party Funding are deferred as a liability until the services for which they were received are performed, at which time they are distributed to the third party and a brokerage fee is recognised as revenue.

Property, Plant and Equipment (PPE)

Motor vehicles, computers, furniture and fittings, office equipment and leasehold improvements are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. The assets are depreciated at the following rates:

- Buildings - 26.7 years calculated under the straight line basis
- Motor vehicle – 6 $\frac{2}{3}$ years calculated under the diminishing value basis
- Plant and equipment – 3-10 years calculated under the diminishing value basis
- Software – 2 $\frac{1}{2}$ years calculated under the straight line basis
- Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Intangible assets

Research and development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Capitalised development costs are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Impairment of assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash and cash equivalents

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts Receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Financial assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Accounts payable and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

Note 2: Other Expenses	2019 (\$)	2018 (\$)
Bad debts	(872)	(21,768)
Bank charges	9,268	10,903
Body corporate fees	25,647	42,790
Cleaning/rubbish removal	11,713	6,930
Donations and gifts	-	171
Electricity expenses	16,594	15,169
Entertainment expenses	4,647	3,308
Fringe benefit tax	(223)	3,365
Hire – general	5,878	1,968
Legal	13,424	1,572
Meeting expenses	174	91
Motor vehicle expenses	3,255	1,648
Other expenses	13,698	9,133
Subscriptions and memberships	16,853	14,925
Uniforms	805	1,124
Total	120,861	91,329

Note 3: Cash and Cash Equivalents	2019 (\$)	2018 (\$)
Business online saver	600,085	15
PayPal	1,318	212
Cash management account	108,183	106,267
ING Business Optimiser	-	802,288
ING Term Deposit	645,816	632,467
Resources Training Fund (457 Visa)	388,507	387,417
Total	1,743,909	1,928,666

Note 4: Accounts Receivable and Other Debtors	2019 (\$)	2018 (\$)
Trade debtors	36,350	72,323
Trust distributions receivable	1,420	1,178
Provision for Doubtful Debts	(1,817)	(3,616)
Other Debtors	5,791	-
CSQ Funding	125,250	-
Total	166,994	69,885

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

Note 5: Intangible Assets	2019 (\$)	2018 (\$)
Generic Induction	435,400	435,400
Less amortised	(435,400)	(435,400)
SkillPASS	223,371	223,371
Less amortised	(123,120)	(100,782)
Total	100,251	122,589

Note 6: Property, Plant and Equipment	2019 (\$)	2018 (\$)
Land and building – at cost	1,943,837	1,943,837
Building improvements – at cost	382,952	376,677
Less accumulative depreciation	(372,979)	(319,266)
Plant and equipment – at cost	203,825	188,374
Less accumulated depreciation	(153,607)	(138,601)
Software – at cost	254,684	264,284
Less accumulated depreciation	(252,862)	(259,944)
Total	2,005,850	2,055,361

Movement in Carrying Amounts

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

Land and Building		
Balance at beginning of the year	2,001,248	2,054,735
Additions	6,276	-
Depreciation expense	(53,713)	(53,487)
Sub-total	1,953,811	2,001,248
Property, Plant and Equipment		
Balance at beginning of the year	49,773	77,424
Additions	15,450	649
Depreciation expense	(15,006)	(28,300)
Sub-total	50,217	49,773

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

Note 6: Continued: Property, Plant and Equipment	2019 (\$)	2018 (\$)
Software		
Balance at beginning of the year	4,340	9,277
Additions	-	-
Depreciation expense	(2,518)	(4,937)
Sub-total	1,822	4,340
Total	2,005,850	2,055,361

Note 7: Trade and Other Payables	2019 (\$)	2018 (\$)
457 Visa Training Fund	385,763	406,889
Accrued expenses and other creditors	101,668	56,664
Goods and services tax payable	12,336	12,509
PAYG Withholding	33,299	14,150
Trade creditors	77,494	31,991
Total	610,560	522,203

Note 8: Deferred Revenue	2019 (\$)	2018 (\$)
ESQ Events	5,000	5,000
Total	5,000	5,000

Note 9: Provisions	2019 (\$)	2018 (\$)
Annual leave	41,606	32,583
FBT	686	265
Total	42,292	32,848

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

Note 10: Unacquitted Grant Funds (current)	2019 (\$)	2018 (\$)
Operating Grants		
Centre of excellence grant	212,400	500,000
Sub-Total Operating Grants Unacquitted	212,400	500,000
Project Grants		
DET VET Services 2427	694,415	551,735
Less expended	(658,745)	(551,735)
	35,670	-
SQW - CQ2528 - Rail	48,900	48,900
Less expended	(48,900)	(34,766)
	-	14,134
SQW - CQ2526 - Rail	51,285	37,170
Less expended	(51,285)	(31,316)
	-	5,854
SQW - CQ2915 - Rail	43,750	43,750
Less expended	(43,750)	-
	-	43,750
SQW - CQ3832	53,550	-
Less expended	(33,037)	-
	20,513	-
SQW - CQ2917 - Rail	48,200	48,200
Less expended	(46,813)	-
	1,387	48,200
SQW - NC3430	91,000	-
Less expended	(81,404)	-
	9,596	-
SQW - MT3431	82,200	-
Less expended	(79,160)	-
	3,040	-
SQW - MT3833	51,380	-
Less expended	(37,822)	-
	13,558	-

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

Note 10: Unacquitted Grant Funds (current) cont'd	2019 (\$)	2018 (\$)
Project Grants		
SQW - NQ3432	57,540	-
Less expended	(63,174)	-
	(5,634)	-
SQW - CQ3433	76,400	-
Less expended	(66,549)	-
	9,851	-
SQW - NQ2525	45,000	45,000
Less expended	(44,687)	(25,428)
	313	19,572
SQW - NQ3434	73,400	-
Less expended	(70,589)	-
	2,811	-
SQW - NC3435	51,380	-
Less expended	(71,715)	-
	(20,335)	-
CQ3831	49,800	-
Less expended	(23,019)	-
	26,781	-
Total Project Grants Unacquitted	97,551	131,510
Total Unacquitted Grant Funds	309,951	631,510

Note 11: Provision (Non-Current)	2019 (\$)	2018 (\$)
Long service leave	15,411	21,684
Total	15,411	21,684

Note 12: Unacquitted grant fund (Non-Current)	2019 (\$)	2018 (\$)
Centre of Excellence grant	-	3,397,000
Less expended	-	(3,754,600)
Carried forward as at 30 June 2019	-	212,400

Audited financial statements 2018/2019

Notes to financial statements for the year ended 30 June 2019

Note 13: Accumulative Funds	2019 (\$)	2018 (\$)
Brought forward as at 1 July 2018	2,755,167	2,458,205
Surplus/(Deficit) for the year	282,518	296,962
Carried forward as at 30 June 2019	3,037,685	2,755,167

Note 14: Leasing Commitments	2019 (\$)	2018 (\$)
Operating Lease Commitments		
- not later than 12 months	2,318	3,090
- between 12 months and five years	-	2,318
Minimum lease payments	2,318	5,408

NOTE 15: Events subsequent to reporting date and contingent liabilities

The Management Committee is not aware of any contingent liabilities that are likely to have a material effect on the results of the Association as disclosed in the financial statements.

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operation of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

Statements by members of the management committee

The Management Committee have determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Management Committee, this report:

- Presents a true and fair view of the financial position of Energy Skills Queensland Incorporated as at 30 June 2019, and its performance for the year ended on that date.
- At the date of this statement, there are reasonable grounds to believe that Energy Skills Queensland Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of the Management Committee and is signed for on their behalf by:



Peter Price
Chairperson

Date: 8 November 2019



Edwin De Prinse
Treasurer

Independent Audit Report

To the members of Energy Skills Queensland Inc.

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Energy Skills Queensland Inc. (the association), which comprises the assets and liabilities statement as at 30 June 2019, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the Association.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Energy Skills Queensland Inc. as at 30 June 2019 and its financial statements, and the requirements of the Associations Incorporation Act QLD (1981).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

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

Emphasis of Matter -

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Energy Skills Queensland Inc. to meet the requirements of the Associations Incorporation Act QLD (1981). As a result, the financial report may not be suitable for another purpose.

Committee's Responsibilities for the Financial Report

The committee of Energy Skills Queensland Inc. is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act QLD (1981) and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report.

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

PKF Brisbane Audit



Liam J Murphy, Partner

Date: 8 November 2019



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