



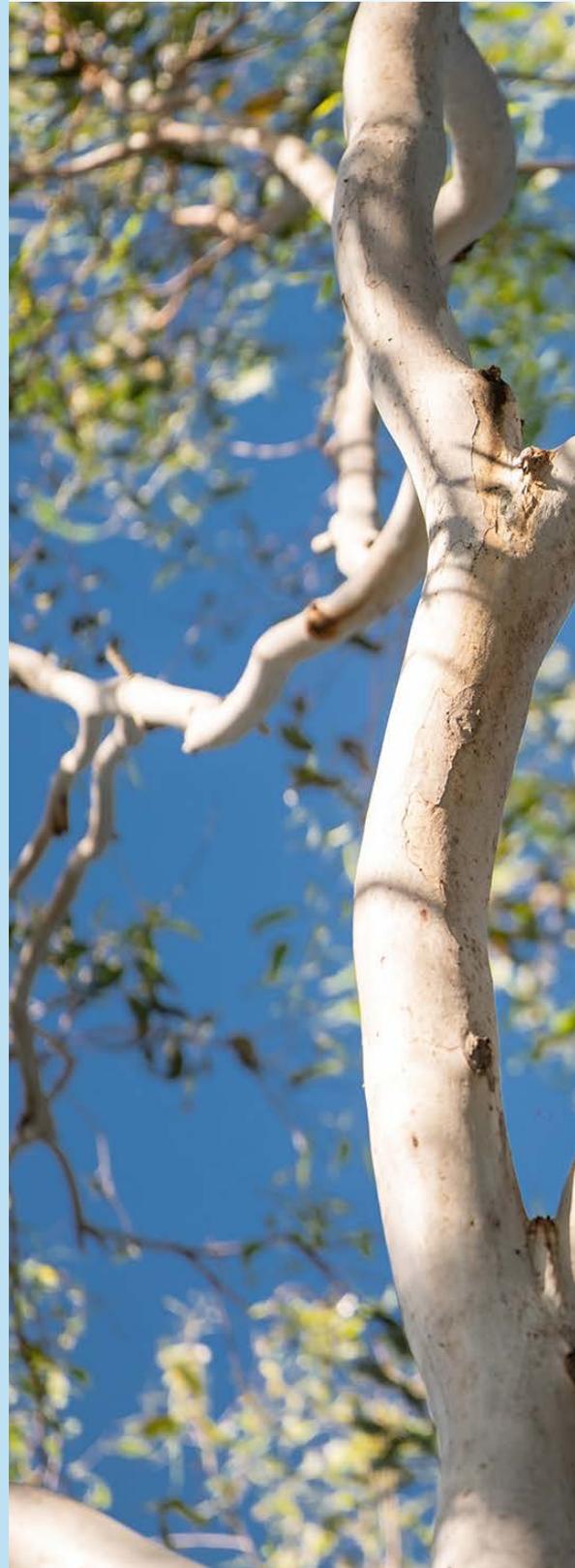
The Mill at Moreton Bay

Millovate Pty Ltd
Annual Report
30 June 2021



Acknowledgement

Millovate Pty Ltd acknowledges Aboriginal and Torres Strait Islander Peoples as the first inhabitants of the nation where we work and live today. We wish to acknowledge also the Traditional Custodians of the land which The Mill at Moreton Bay is located on - the Kabi Kabi and Turrbal People, and pay respect to their elders, past and present. Millovate and Moreton Bay Regional Council are committed to engaging meaningfully with the Traditional Custodians of this land for activities taking place at The Mill at Moreton Bay.



The Mill at Moreton Bay

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Letter from the Chairman



Nigel Chamier
Chairman, Millovate Board

On behalf of the Millovate Board, I am proud to present Millovate Pty Ltd's inaugural Annual Report.

Moreton Bay Regional Council formed Millovate Pty Ltd in August 2020 as a beneficial enterprise to deliver Council-owned land within The Mill at Moreton Bay Priority Development Area (PDA). The Board was formed in September 2020 with Millovate's CEO, Stuart Pickering, appointed in November 2020, and the Millovate team engaged and operational by February 2021. I am honoured to be the inaugural Chairman of Millovate.

Positioned to be delivered as an urban centrepiece in the heart of the Moreton Bay region, exemplifying Council's positive vision for the region, Millovate is charged with delivering Mill Central (35 hectares) and Mill Innovation (30 hectares) within The Mill at Moreton Bay PDA which totals 460 hectares.

Millovate greatly appreciates Moreton Bay Regional Council's significant contribution since acquiring the former Amcor paper mill site in 2015. Council has made outstanding progress with the project's planning and delivery since the acquisition, prior to the formation of Millovate.

Responsible for delivering The Mill at Moreton Bay's 20-year vision, Millovate continues to progressively accomplish economic, social, and environmental objectives by –

- Respecting and honouring the heritage of the site;
- Executing a place-based approach to identify and scope opportunities, as well as optimise urban planning outcomes for the project;
- Identifying social infrastructure and services required to support the region's job growth aspirations and its growing community, whilst conserving and enhancing the site's natural attributes and Koala habitat;

- Targeting knowledge-intensive and export-oriented industries, and establishing pathways to attract and procure investors, industries, property developers and providers, to deliver the sustainable mixed-use medium-density integrated-industry urban development, capitalising on market demand and providing jobs in the region;
- Exploring modes to commercialise catalytic infrastructure projects to minimise reliance on Government funding.

To realise these objectives Millovate operates within a governance framework and has implemented two sub-committees to collaboratively work with management and stakeholders. The Property Investment Attraction and Innovation Committee (PIAIC) oversees the investment attraction strategy, as well as marketing and communications, engagement and activation for the project. The Audit and Risk Committee (A&RC) oversees finance, audit and risk management for the project.

Millovate works collaboratively with the Mayor, Council and multiple stakeholders, including the University of Sunshine Coast (USC). Investors, businesses and entrepreneurs in advanced manufacturing, health care, education, tourism, entertainment and sport, smart-city infrastructure, arts and culture, commerce, retail, and medium to high density accommodation, are key contributors involved in the delivery of The Mill at Moreton Bay.

The Mill at Moreton Bay is being planned, delivered and activated by Millovate as a landmark destination for the entire Moreton Bay region, supporting the Council's bigger, bolder brighter vision. I thank my fellow Directors, our CEO and the team with establishing and diligently operating Millovate.

Letter from the Chief Executive Officer



Stuart Pickering
Chief Executive Officer, Millovate

Moreton Bay Regional Council's inspirational proposition commenced in 2015 with the acquisition of the former Amcor paper mill site at Petrie earmarked to deliver aspirational community amenities and infrastructure to enhance the Moreton Bay region's prosperity as one of Queensland's leading staged master-planned urban developments.

The University of Sunshine Coast (USC) has access to 10.5 hectares to deliver its Moreton Bay campus. In 2020 the institution's world-class foundation building was launched and accommodates a growing admission for academics, researchers and students. Supporting their forecast with increased admissions, USC Moreton Bay campus has progressed the design of its Stage Two development, to deliver two architecturally-designed buildings alongside their foundation building. Landscaped parkland, streetscape and recreation space featuring a water park, playgrounds, green space and barbeque area, complements the precinct.

Millovate appreciates the support of our stakeholders. The local and regional community have expressed their enthusiasm with the development. Millovate looks forward to ongoing engagement and collaboration with our stakeholders to deliver The Mill at Moreton Bay.

2021-22 will deliver The Mill at Moreton Bay's Master Plan and development plan, to drive the project's 20-year delivery. Focus is on higher education, advanced manufacturing and the

conception of an integrated health village, as part of the first phase of the development. The Master Plan and development plan will identify optimal uses for 65 hectares of land under the Millovate lease. More importantly, the Master Plan will detail the integrated urban development implementing the Moreton Bay Regional Council's vision across the full 200 hectares of Council-owned land within the PDA.

During 2021, Millovate's advanced manufacturing EOI campaign was executed, with potential proponents progressing to the next phase. An Integrated Health Village EOI campaign is being launched as a key catalyst development opportunity to support further investment over the next three to five years. The Integrated Health Village will form part of the Knowledge and Health spine that provides the key social infrastructure to drive the future phases of the project.

Since February 2021's appointment of the Millovate team and establishment of the Millovate business, many achievements have been accomplished. I wish to express my gratitude to my team's commitment and contributions. I commend the Millovate Board chaired by Nigel Chamier for their support during 2020-21, and look forward to our continuing collaboration, also with the Mayor, Council and stakeholders, to plan, deliver and activate The Mill at Moreton Bay.

Moreton Bay fast facts

Population (2019)
469,465*

Forecast population
(2041)
697,186*

Median House
(Dec 2019)
469,250*

GRP (2019)
17b*

Exports (2019)
\$5,047m**

Businesses (2019)
28,813*

Jobs (2019)
149,344*

Jobs (2041)
189,182^^

Workforce catchment
(2020)
1m+
workers*

- ¹ Moreton Bay Regional Council (n.d.) Our Region
* The Moreton Bay Regional Economic Development Strategy 2020–41
** Moreton Bay Region Economic Profile
^{^^} Queensland Government Statistician's Office: Regional Employment Projections 2010–11 to 2040–41



About Millovate

Moreton Bay Regional Council (MBRC) established Millovate Pty Ltd as a wholly-owned commercial entity to drive the vision, planning and development of its greenfield site within The Mill at Moreton Bay Priority Development Area (PDA).

Millovate has an independent Board and management team with responsibility for leading the planning, delivery and activation of The Mill at Moreton Bay on behalf of Moreton Bay Regional Council.

Millovate's scope of work is to attract high value investment that will establish and deliver sustainable economic development for the next 20 years and beyond. Millovate is working closely with private investors to shape the future of the precinct and create a resilient, inclusive and low-emissions community that will become a landmark destination within the Moreton Bay region.

What we do

Millovate is accountable for driving the staged development and activation of 65 hectares of Moreton Bay Regional Council (MBRC)-owned land within The Mill at Moreton Bay Priority Development Area (PDA). This includes Mill Central (35 hectares) and Mill Innovation (30 hectares). As well, Millovate is committed to supporting MBRC and its dedication to retain, rehabilitate and enhance the region's natural environment and Koala habitat, including 110 hectares of prime green space (Mill Green), delivering a landmark destination.

Millovate is targeting economic development and investment opportunities to capitalise on the unique proposition presented at The Mill at Moreton Bay. Millovate's core activity is to deliver and manage The Mill at Moreton Bay in accordance with MBRC's objectives, including delivering the following outcomes:

- Develop MBRC-owned land within The Mill at Moreton Bay PDA;
- Attract and facilitate the delivery of appropriate investment and long-term employment opportunities for the Moreton Bay region;
- Foster destination place-making;

Our Vision

The Mill at Moreton Bay will be delivered as a landmark destination for the Moreton Bay region – a place to learn, grow, live, work and play.

Our Mission

Millovate's mission is to empower local community, businesses and industry to thrive and grow.

Our Values

Millovate is committed to the following values:

- **Excellence** – in its approaches to design, delivery and performance
- **Respect** – of its people, the communities and partners
- **Quality** – in the delivery of high quality and contemporary community infrastructure
- **Innovation** – in pursuing creative, inspirational and sustainable development
- **Integrity and honesty** – in its actions and relationships
- **Collaboration** – in its approaches to project delivery and urban development integration
- **Value** – in generating a return on investment for its shareholders
- **Communities** – recognising the overall value to communities.

- Deliver innovative and sustainable design outcomes, including integrated and well-executed landuse and transport planning;
- Create community infrastructure and enhance the conservation values of green spaces;
- Achieve appropriate commercial and non-commercial outcomes.

About The Mill at Moreton Bay

The Mill at Moreton Bay is one of the five region-building projects in the Moreton Bay Regional Economic Development Strategy 2020-2041 (REDS) – a 20-year strategy to drive economic development and outcomes that will drive a bigger, bolder and brighter future – and contribute to a \$40 Billion economy.

The Mill at Moreton Bay is foremost for people, with a focus on building capabilities in health, lifelong learning and innovation, providing world-class education and employment opportunities that support the region's continued economic development and projected growth.

Over the next 20 years, The Mill at Moreton Bay will elevate the Moreton Bay region and act as a catalyst for social, cultural, environmental and economic benefits for the region.

This investment opportunity is projected to become an attractive and distinctive urban centre, delivering an innovative and dynamic new employment hub for South East Queensland.



The Mill at Moreton Bay PDA



GOVERNANCE

Management and Structure

Millovate's organisational structure involves planning project teams, supported by corporate support teams.

This ensures planning projects are backed by central support, advice and resourcing. The Millovate team is led by Chief Executive Officer Stuart Pickering who is supported by a team of seven (7).



The Millovate Board

The Board is responsible for the management of Millovate in accordance with its Constitution and the Statement of Corporate Intent. Board decisions are executed in accordance with Millovate's Constitution.

The Millovate Board comprises seven (7) talented and experienced members, with expertise encompassing precinct development, marketing and communications, investment promotion, tourism, law, finance, innovation and banking.

2020-21 Director's Biographies



Nigel Chamier AM
Chairman

Nigel has specialist skills in property and major infrastructure projects, together with several decades' experience as a Chair and Company Director.

Following two decades with JLL, he has undertaken a wide range of roles including as Chair of the Gold Coast 2018 Commonwealth Games Corporation and Chair of the Games Infrastructure Authority. Nigel was a Director of Queensland Airports Limited for five years, a Director of South Bank Corporation and Chair of the highly acclaimed \$215 million restoration of Brisbane City Hall. His current roles include Chair of Brisbane Sustainability Agency, The Menzies Health Institute of Queensland, and Deputy Chair of the ACT City Renewal Authority.



Sarah Zeljko
Deputy Chair

Sarah is a professional Non-Executive Director and currently sits on the Boards of Millovate, Energy Super, Powerlink, Verbrec (ASX:VBC), UnityWater and Stockyard Beef.

She is a Graduate of the Australian Institute of Company Directors and an admitted Legal Practitioner in the NSW and QLD Supreme Courts. She is also a governance consultant, professional mentor and has previously held roles as General Counsel and Company Secretary for G8 Education an ASX200 listed entity, the Wiggins Island Coal Export Terminal (WICET), and Cement Australia. Sarah resigned from the Millovate Board on 9 September 2021.



John Aitken
Director

John is non-executive board member and one of Australia's leaders in economic development and placemaking for cities.

For 10 years, John was CEO of Brisbane's economic development board (2008 - 2017). Following his tenure at Brisbane Marketing, John went on to found Brisbane-based consultancy Inspiring Cities. In this current role, John has worked on city building strategic plans and placemaking projects in Australia and New Zealand. John is currently on Tourism Transport Forum Advisory Board and Chair of leading recruitment firm OnTalent.

2020–21 Director’s Biographies



Greg Chemello
Director

Greg has 35 years’ experience in property development, project delivery, economic development, stakeholder and community engagement, and governance.

Greg has held senior professional, management and leadership roles with public and private sector property asset owners, and private sector development advisory/consulting businesses. Over the past 20 years, his leadership has focused on organisations experiencing substantial transformation including Ipswich City Council as Interim Administrator following a dissolution of Council. Greg is Chief Executive Officer of Moreton Bay Regional Council.



Patrice Sherrie
Director

Patrice has spent over three decades in chartered accounting and commerce including PWC, Queensland Ballet and CEO of Paridian Property Development Fund.

Patrice’s current directorships include Acumentis Ltd, City of Brisbane Investment Corporation and Andersens Floor Coverings. Her previous directorships include Sunwater Ltd, Bentleys Chartered Accountants, Premise Engineering Consultants, the UDIA and Women’s College within the University of Queensland.



Toni Thornton
Director

Toni is a successful businesswoman who has worked in corporate finance agencies for more than 15 years.

Toni brings a strategic commercial focus having previously held senior positions with both JBWere and Goldman Sachs. Her current directorships include CS Energy, Devcorp, Habitat Early Learning and Triathlon Queensland. Toni was previously a Board member of South Bank Corporation, Chair of the strategic advisory group to RSL Queensland and a Director of the Gallipoli Medical Research Foundation.



Jim Walker AM
Director

Jim is a senior executive with significant corporate leadership and management experience, both nationally and globally.

He has held senior executive positions with United Technologies, Rockwell Collins and Boeing, leading and building businesses across Australia and the Asia Pacific. He also has significant board and governance experience, both in Australia and Asia. He is a graduate of the Australian Institute of Company Directors and has director experience with listed company, joint venture, not-for-profit and advisory boards.

Strategic Objectives

Millovate's strategic imperatives are as follows:

Sustainable economic development that provides an agreed return on investment (ROI)

A long-term, future focussed approach, with flexibility to adapt to opportunities

A clear value proposition that differentiates The Mill at Moreton Bay from other PDAs

Collaboration and integration across each of The Mill at Moreton Bay's sectors

Demonstrated leadership in sustainable development

A highly activated, internationally recognised place

Inspiring a sense of community pride across the region.

Regional Forces Shaping Millovate's Approach

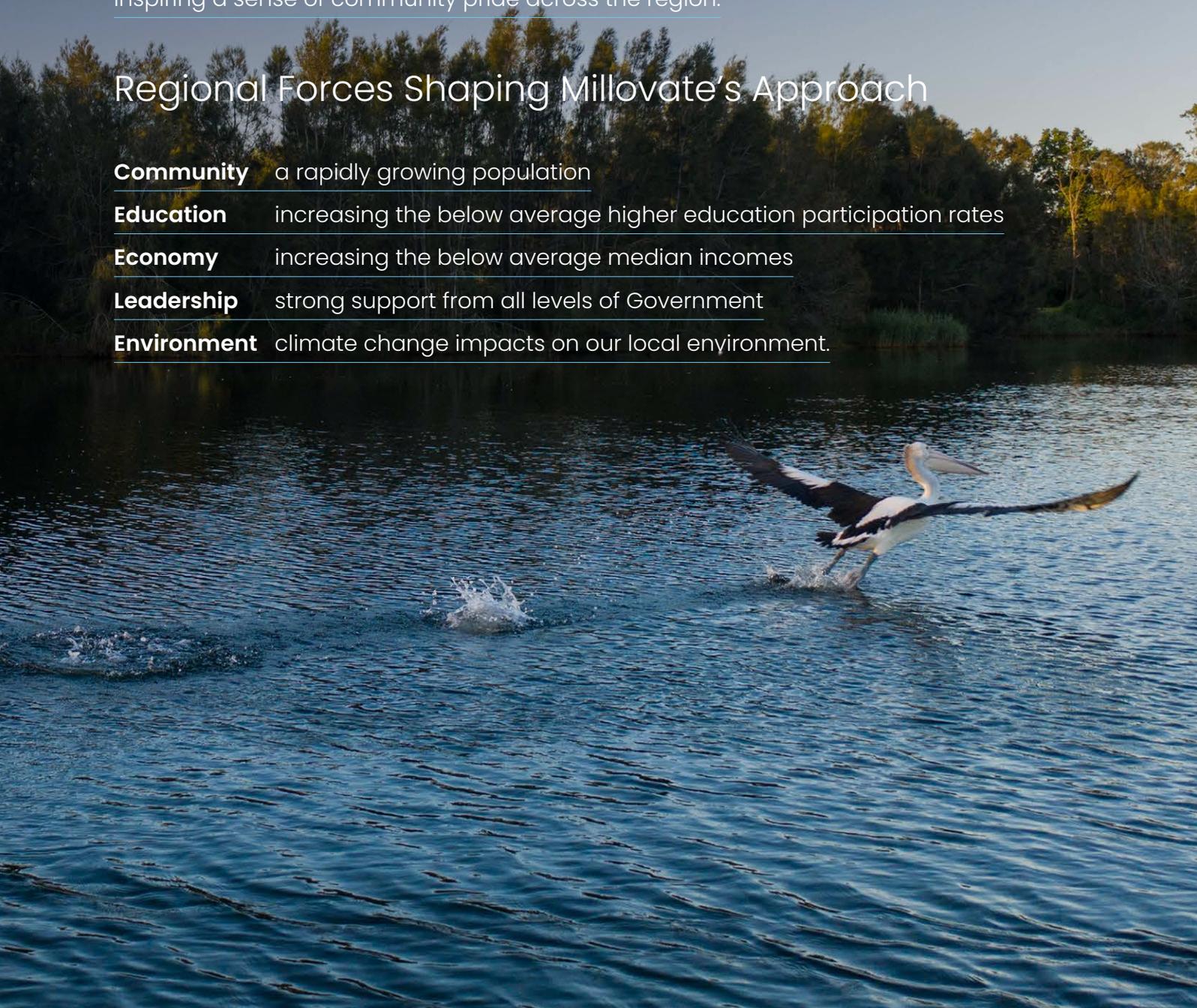
Community a rapidly growing population

Education increasing the below average higher education participation rates

Economy increasing the below average median incomes

Leadership strong support from all levels of Government

Environment climate change impacts on our local environment.



Measures of Success

Delivery of The Mill at Moreton Bay is structured around four (4) themes, as documented in Millovate's Strategic Plan, that focuses on delivering a balance between commercial and non-commercial development:

Development Theme	Goals	Measures of success
Community Wellbeing	<p>Deliver social infrastructure to support health and wellbeing.</p> <p>Facilitate access to lifelong learning.</p> <p>Foster a proud, prosperous and inclusive community.</p>	<ul style="list-style-type: none"> • Enhanced standard of living • Community satisfaction and positive perceptions of liveability • Increased higher education participation • Progression to employment in MBRC • Visitation and repeat visitation
Economic Development	<p>Enable enterprise growth and innovation</p>	<ul style="list-style-type: none"> • Economic impact • Employment created, particularly higher value • Business export revenue generated.
Environmental Sustainability	<p>Create a sustainable urban development</p>	<ul style="list-style-type: none"> • Environmental impact • Net local carbon emissions.
Sustainable Urban Investment	<p>Attract capital to ensure financial sustainability.</p>	<ul style="list-style-type: none"> • Minimal financial burden on MBRC in the initial years • Positive financial return to MBRC in the longer term • Potentially ongoing revenue streams to MBRC to offset precinct management and maintenance costs.

Our Achievements

The major focuses for Millovate throughout the 2020-21 financial year were as follows:

- 1 Establishment of the Millovate business, systems and processes
- 2 Development of the Business Plan 2020-21 to guide strategic work to be delivered in the first 18 months
- 3 Execution of communications to promote the destination, engage stakeholders and commence attracting private sector investment
- 4 Progressing the Sustainable Investment Strategy, including the progress of the Master Plan and Development Plan
- 5 Progressing the Knowledge and Health spine as the first phase of the development

1. Establishment of Millovate Pty Ltd

The following timeline outlines key milestones achieved with the establishment of Millovate in the 2020–21 financial year.



Appointment of Millovate Board

Moreton Bay Regional Council announces the appointment of the Millovate Board.



First Board Meeting

The inaugural Board meeting was undertaken to formally establish the Company.



Appointment of Millovate CEO

Stuart Pickering was appointed as Millovate's inaugural CEO.



Establishment of Millovate Executive Team

Millovate team was appointed in January 2021 and commenced their scope of work in late January and early February 2021.



Business Plan and Budget

Millovate gained MBRC's approval of Millovate's Business Plan 2021–22. The Millovate Board approved Millovate's Development Strategy.

2. Millovate Pty Ltd Business Plan 2021 – 2022

Measures of success:

Establish a Business Plan and Budget that outlines priority activities to be undertaken by Millovate in the first 12–18 months of operation.

Our achievements:

Creation of Millovate’s Business Plan for 2021–22 that outlines key activities to be undertaken to support the Master Plan for the site to be released in 2022.

Completed Phase One: Financial Investigation to support development of the Sustainable Investment Plan and received MBRC approval for Millovate to formulate options for improved financial returns to Council through a Sustainable Investment Plan which will include a review of Council’s Master Plan to maximise the return on investment to Moreton Bay Regional Council (commercial and non-commercial). The review will be provided to Council by March 2022.

Regional Market Sounding and national Expression of Interest campaigns for Advanced Manufacturing, with three strong proponents identified representing a potential investment of over \$200 million.

Commencement of a place-based Economic Development and Investment Strategy that will provide a guiding framework for the planning and delivery of Millovate’s strategic imperatives over the next 20 years.

Progression of the Master Plan review to support the place-based Economic Development and Investment Strategy.

3. Communications and Stakeholder Engagement

Measures of success:

Establish communications to promote The Mill at Moreton Bay across a range of target audiences.

Develop a stakeholder engagement strategy to guide communications across a range of target audiences.

Early engagement with private sector proponents to promote development opportunities at The Mill at Moreton Bay.

Our achievements:

Delivery of communication channels including The Mill at Moreton Bay's website (www.millatmoretonbay.com.au) and LinkedIn company page.

Early engagement with a range of stakeholders, including local small business and industry, government, private investors and community.

We would like to thank the Moreton Bay Regional Council for their continued support, especially during the transition of Millovate to an established organisation.

Millovate's inaugural Annual General Meeting ('AGM') is scheduled for 29 November 2021.

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Directors' report

For the period 6 August 2020 to 30 June 2021

Directors' Report

The Directors present their report on the financial results and operations of Millovate Pty Ltd ('Millovate' or the 'Company') for the period ended 30 June 2021.

Directors

The Directors of Millovate during the financial year and up to the date of this report are listed below (unless noted otherwise):

Name	Date appointed	Other responsibilities
Nigel Chamier	3 Sep 2020	Chair of the Millovate Board of Directors
John Aitken	3 Sep 2020	Chair of the Property Investment Attraction & Innovation Committee ('PIAIC')
Patrice Sherrie	3 Sep 2020	Chair of Audit & Risk Committee ('ARC'), Committee Member of PIAIC
Greg Chemello	6 Aug 2020	Chief Executive Officer of Moreton Bay Regional Council ('MBRC')
Jim Walker	3 Sep 2020	Committee Member of PIAIC
Toni Thornton	3 Sep 2020	Committee Member of ARC
Sarah Zeljko*	3 Sep 2020	Committee Member of PIAIC

* Ms Sarah Zeljko resigned as Director of Millovate on 9th September 2021.

Officers of the Company

Stuart Pickering was appointed as Millovate Pty Ltd's inaugural Chief Executive Officer ('CEO') and Company Secretary in November 2020. Stuart leads the strategic direction of Millovate, tasked with attracting private investment and economic development opportunities, and developing The Mill at Moreton Bay on behalf of Moreton Bay Regional Council. In 2020-21, his focus has been on establishment of Millovate Pty Ltd and its business operations, including the appointment of seven (7) key employees with expertise and skills in investment attraction, business operations, and marketing, communications and engagement.

Stuart has expertise in executive management roles. He has worked in senior executive private and public sector roles throughout Queensland, New South Wales and Victoria. As Deputy Director General for the Department of State Development his responsibilities included managing Economic Development Queensland (EDQ)'s business unit boasting an annual turnover of \$200 million, and the Major Projects Delivery team comprising multi-million dollar projects including the Mary Valley economic development transformation.

Stuart has achieved a Bachelor of Architecture from Deakin University, as well as a Diploma of Management and Certificate of Technology.

Principal activities

Millovate was established to deliver the development and activation of The Mill at Moreton Bay as a landmark destination. We will lead the vision and development options for large scale development across 65 hectares of mixed-use space owned by Moreton Bay Regional Council ('MBRC') within The Mill Priority Development Area ('PDA').

Review of operations

Millovate was incorporated on 6 August 2020 as a wholly-owned subsidiary of MBRC.

For the period from incorporation date to 30 June 2021 Millovate incurred \$1.4 million in costs to establish the business and progress the delivery of The Mill at Moreton Bay's 20-year vision by pursuing the following objectives:

- Respecting and honouring the heritage of the site;
- Executing a place-based approach to identify and scope opportunities, as well as optimise urban planning outcomes for the project;
- Identifying social infrastructure and services required to support the region's growing community, whilst conserving and enhancing the site's natural attributes and Koala habitat;
- Targeting knowledge-intensive and export-oriented industries, and establishing pathways to attract and procure investors, industries, property developers and providers, to deliver the sustainable mixed-use medium-density integrated-industry urban development, capitalising on market demand;
- Exploring modes to commercialise catalytic infrastructure projects to minimise reliance on Government funding.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company occurred for the year ended 30 June 2021.

Matters subsequent to the end of the financial year

There have been no other matters or circumstances that have arisen since 30 June 2021 that have significantly affected, or may significantly affect:

- a. the Company's operations in future financial years,
- b. the results of those operations in future financial years, or
- c. the Company's state of affairs in future financial years.

Likely future developments

The Company will continue to execute its strategic and operational objectives in accordance with the Directors' strategic plan. Information on likely developments in the operations of the Company and the expected results of operations have not been included in this annual financial report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Dividends, options and unissued shares

No dividends were paid to MBRC during the year and since the end of the year no dividend has been declared or paid. The Company has no options on issue and there are no unissued ordinary shares.

Operations subject to environmental regulations

At present the Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Directors' report

For the period 6 August 2020 to 30 June 2021

Indemnities and insurance premiums paid for Directors, Officers and Auditors

Millovate and its Directors, Officers and employees are named and included under the insurance policies of its parent entity, Moreton Bay Regional Council. There has been no indemnity or insurance premium paid for the Company's auditor.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought, or intervened in, on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Auditor

Queensland Audit Office ('QAO') are appointed as the Company's auditor in accordance with section 327 of the *Corporations Act 2001*. There have been no non-audit services provided by the auditor or related entities for the financial year ended 30 June 2021.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of the directors.



Nigel Chamier AM
Chair

Brisbane

Dated this 20th Day of October 2021.

Auditor's independence declaration

To the Directors of Millovate Pty Ltd

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

Independence declaration

As lead auditor for the audit of Millovate Pty Ltd for the financial period 6 August 2020 to 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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



14 October 2021

Charles Strickland
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

	Note	2021
		\$
Income		
Revenue from parent	2.1	1,442,388
Total Income		<u>1,442,388</u>
Expenses		
Operating expenses	3.1	(1,466,283)
Total Expenses		<u>(1,466,283)</u>
Net loss before income tax		(23,895)
Net loss for the year		<u>(23,895)</u>
Total comprehensive loss for the year		<u><u>(23,895)</u></u>
Loss attributable to:		
Parent Entity		(23,895)

This statement should be read in conjunction with the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

	Note	2021
		\$
Assets		
Current Assets		
Cash and cash equivalents		-
Trade and other receivables	4	213,330
Total Current Assets		213,330
Non-Current Assets		
Total Non-Current Assets		-
Total Assets		213,330
Liabilities		
Current Liabilities		
Trade and other payables	5	237,125
Total Current Liabilities		237,125
Non-Current Liabilities		
Total Non-Current Liabilities		-
Total Liabilities		237,125
Net Assets		(23,795)
Equity		
Equity attributable to Parent Entity:		
Share capital	6	100
Retained earnings		(23,895)
Total Equity		(23,795)

This statement should be read in conjunction with the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

	Share Capital	Retained Earnings	Total
	\$	\$	\$
Balance as at 6 August 2020	-	-	-
Comprehensive income			
Loss for the year	-	(23,895)	(23,895)
Total comprehensive loss for the year	-	(23,895)	(23,895)
Transactions with owners, in their capacity as owners:			
Contributions of equity	100	-	100
Total transactions with owners	100	-	100
Balance at 30 June 2021	100	(23,895)	(23,795)

This statement should be read in conjunction with the notes to the financial statements.

STATEMENT OF CASH FLOWS

FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

	Note	2021
		\$
Cash flows from operating activities		
Receipts from parent entity		1,229,058
Payments to suppliers and employees		(1,229,058)
Net cash generated from operating activities	CF-1	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		-
Cash and cash equivalents at 6 August 2020		-
Cash and cash equivalents as at 30 June 2021		<u>-</u>

This statement should be read in conjunction with the notes to the financial statements.

Notes to the statement of cash flow

CF-1 Reconciliation of cash flow from operating activities

	2021
	\$
Cash flows from operating activities	
Net loss for the year	<u>(23,895)</u>
Non-cash items:	
Share of parent entity	<u>100</u>
	<u>100</u>
Changes in operating assets and liabilities:	
Change in trade and other receivables	(213,330)
Change in trade and other payables	237,125
	<u>23,795</u>
Net cash generated from operating activities	<u>-</u>

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

1 Information about these financial statements

1.A Basis of preparation

Millovate Pty Ltd (the Company) is a private company limited by shares and was incorporated on 6 August 2020. The Company is domiciled in Australia and has been established to oversee the successful development and activation of The Mill at Moreton Bay as a landmark destination. The Company's parent entity is the Moreton Bay Regional Council. Millovate Pty Ltd is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) and Interpretations of the Australian Accounting Standards Board and the *Corporations Act 2001*. The financial statements were approved by the Board of Directors on the date shown on the Directors' declaration.

The financial report, except for the cash flow information, has been prepared on an accrual basis and is based on the historical cost basis, modified, where applicable, by the measurement at fair value.

1.B New and revised Accounting Standards adopted during the year

The Company adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2020, none of the standards had a material impact on reported position, performance and cash flows.

1.C Estimates and judgements

The preparation of financial statements in conformity with AASBs 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 estimates are revised and in any future periods affected.

1.D Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1. As this is the Company's first year of operation, no prior year comparatives are available.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

1 Information about these financial statements (continued)

1.E Income tax

The Company is exempt from income tax under section 24AM of the *Income Tax Assessment Act 1936* (ITAA 1936) on the basis that the Company is a State/Territory Body (STB), by virtue of the fact that the Company's sole shareholder is the Moreton Bay Regional Council.

1.F Goods and services tax and fringe benefits tax

The Company is subject to Goods and Services Tax (GST) and Fringe Benefits Tax (FBT).

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). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

2 Revenue

The Company's revenue for the reporting period consist of the following:

2.1 Revenue from parent

Income derived from the parent entity, in order to meet costs directly attributable to the company's delivery of the development of the Mill Priority Development Area on the behalf of the parent entity.

	2021 \$
Revenue from parent entity	1,442,388
	<u><u>1,442,388</u></u>

3 Expenses

The Company's expenses for the reporting period consist of the following:

3.1 Operating expenses

Staff costs are recorded when the service has been provided by the staff. Expenses are recorded on an accruals basis as the Company receives the goods or services.

	2021 \$
Staff costs	242,904
Board members costs	325,001
Contractors	383,085
Labour hire services	496,570
General costs	15,223
Audit of annual financial statements by the Auditor-General of Queensland*	3,500
	<u><u>1,466,283</u></u>

*Total audit fees quoted by the Queensland Audit Office relating to the 2020/21 financial statements are \$3,500.

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

4 Trade and other receivables

Trade and other receivables include amounts due from 'customers' for services performed in the ordinary course of business. 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.

	2021 \$
Receivable from parent	213,330
	<u>213,330</u>

5 Trade and other payables

Trade creditors represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. Amounts owing are unsecured and are generally settled on 30 days terms.

Liabilities are recognised for employee benefits such as annual leave in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As Company does not have an unconditional right to defer settlement of annual leave beyond twelve months after the reporting date, all annual leave is classified as current.

Trade and other payables recognised consist of the following:

	2021 \$
Trade creditors	213,330
Annual leave	23,795
	<u>237,125</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

6 Share Capital

	2021 \$
Ordinary Shares in issue as at commencement of reporting period	100
In issue at 30 June 2021 - fully paid	100

Ordinary shares

The sole holder of these shares is entitled to dividends as declared from time to time and are entitled to one vote at general meetings of the Company.

Issue of ordinary shares

In August 2020, the Company approved the issue of 100 \$1 ordinary shares to the Moreton Bay Regional Council.

7 Economic dependency and going concern

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. Currently, the ability of the Company to continue its operations at current levels is dependent upon future ongoing funding being provided by its parent entity the Moreton Bay Regional Council. The Statement of Corporate Intent signed between the Company and Moreton Bay Regional Council outlines the Company will be funded to meet its objectives through the Council's annual budget. The Directors believe that necessary funding will be forthcoming, and that there are no current indications that the funding arrangements will change.

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

8 Related party transactions

Related Parties

The Company's main related parties are as follows:

a Entities exercising control over the Company

The parent entity, which exercises control over the Company, is the Moreton Bay Regional Council. The Council and its controlled entities including this company form a group and Unitywater is an associate of the Council and is therefore also a related party.

b Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including the CEO and any Director of the company is considered key management personnel. Key management personnel during the period have been identified in the Directors' Report.

Details of compensation

Total compensation for key management personnel of the Company is set out below:

	2021
	\$
Short-term benefits	489,109
Post-employment benefits	40,132
Other long-term benefits	4,941
	<u>534,182</u>

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

8 Related party transactions (continued)

c Other related parties

Other related parties include close family members of key management personnel and entities controlled or jointly controlled by those key management personnel, individually or collectively with their close family members. No transactions with this type of entity has occurred in the period.

d Transactions with related parties

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

The following transactions occurred with related parties:

	2021
	\$
Revenue	
Parent entity - Funding of operation	1,442,388

9 COVID-19 Pandemic

The COVID-19 pandemic did not have any material financial impact to the Company during the reporting period.

DIRECTORS' DECLARATION FOR THE PERIOD 6 AUGUST 2020 TO 30 JUNE 2021

In the opinion of the Directors of Millovate Pty Ltd (the Company):

- a. the financial statements and notes, set out on pages 5 to 15 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Australian Accounting Standards, Australian Accounting Interpretations and the *Corporations Regulation 2001*;
 - ii. giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the financial period 6 August 2020 to 30 June 2021; and
- b. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:



Nigel Chamier AM
Chair

Date: 20 October 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Millovate Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Millovate Pty Ltd (the company).

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2021, and its financial performance and cash flows for the period 6 August 2020 to 30 June 2021
- b) complies with the *Corporations Act 2001*, the Corporations Regulations 2001 and the Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period 6 August 2020 to 30 June 2021, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the directors' declaration.

Basis for opinion

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

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*. I am also independent of the entity in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other information

Other information comprises the information included in the company's directors' report for the period 6 August 2020 to 30 June 2021, but does not include the financial report and my auditor's report thereon.

Those charged with governance are responsible for the other information.

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

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

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the company for the financial report

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

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my

conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



21 October 2021

C G Strickland
as delegate of the Auditor-General

Queensland Audit Office
Brisbane





The Mill at Moreton Bay

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