

# The Mill at Moreton Bay

Millovate Pty Ltd  
Annual Report  
2022/23

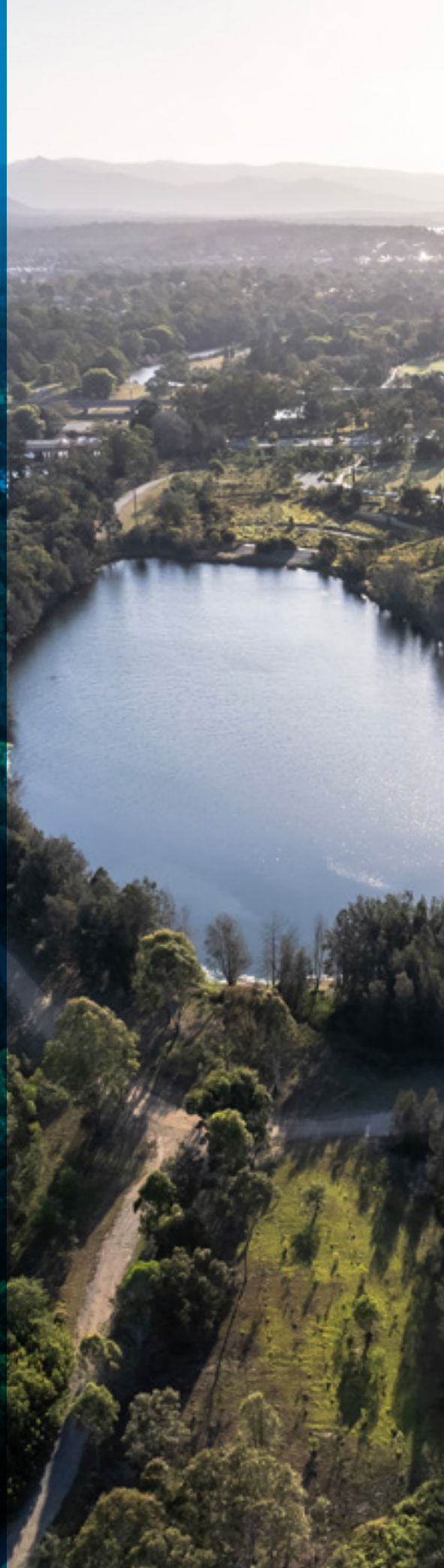




# The Mill at Moreton Bay

## Acknowledgement

Millovate Pty Ltd acknowledges the Traditional Custodians of the land on which The Mill at Moreton Bay is located – the Kabi Kabi and Turrbal Peoples – and recognise their enduring connection to our lands, waterways and skies. Millovate and the City of Moreton Bay pay our respects to Elders past, present and emerging and are committed to engaging meaningfully with the Traditional Custodians of this land for activities taking place at The Mill at Moreton Bay.







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# Letter from the Chairman



**Nigel Chamier**  
Chairman, Millovate Board

I am pleased to present our  
Annual Report for 2022-23.

The Mill at Moreton Bay supports City of Moreton Bay's Bigger, Bolder and Brighter vision and is being developed as a landmark destination to enhance economic and social prosperity.

Millovate is focused on attracting private investment through strategic development and investment precinct partnerships that will ultimately shape the direction of The Mill.

As we progressed our Master Plan, Development Plan and Development Roadmap, we looked to align closely with Council's vision for the City of Moreton Bay and more specifically for The Mill precinct. To that end, Millovate saw strategic internal changes, with City of Moreton Bay taking on some support shared services roles as we streamlined our operations.

I thank the Mayor and Council for their continued support and look forward to the next financial year with a fresh outlook.

I would also like to acknowledge our former CEO, Stuart Pickering and thank fellow director John Aitken, for stepping up as Interim CEO.

While we reflect on a successful year of network building and stakeholder engagement within the industry, we look ahead to delivering several major commercial transactions currently being negotiated.

Our projects will continue to be strategically sequenced to develop the site to contribute towards the long-term economic development outcomes of the city.

Our focus will remain on the health and wellbeing of our surrounding communities, economic development for the City of Moreton Bay, and ensuring our sustainability for future generations.





We will continue working to provide a major private hospital at the site and are pleased to have entered an exclusive due diligence process with a major proponent. As reflected in the PDA Planning Scheme, The Mill at Moreton Bay is the ideal location to house such an essential community service and helps us build a practical and versatile hub that supports our vibrant community. We are working with the proponent and potential operators to curate a precinct outcome that provides opportunities for UniSC and other R&D, supply chain and related parties.

The Board wishes to congratulate our strategic partner UniSC on the advancement of the exciting Stage Two development which will officially open early 2024. This ongoing commitment of UniSC to their Moreton Bay Campus is already providing game changing education and research opportunities shaping the future of our city.

It is important to note The Mill at Moreton Bay offers a unique opportunity for the City of Moreton Bay and indeed South East Queensland to realise a city shaping education, health, advanced manufacturing, innovation, research and development epicentre. The curation of this opportunity is dependent on long term strategic public and private partnerships and the Board is dedicated to maximising the potential that each opportunity affords the future of The Mill at Moreton Bay.

I thank Council's former CEO, Greg Chemello for his role in establishing Millovote and look forward to working closely with the new CEO Scott Waters.

Finally I thank my fellow directors, Interim CEO John Aitken and his team for their hard work in positioning Millovote for an exciting future.



# Letter from the Chief Executive Officer



**John Aitken**  
Interim Chief Executive Officer, Millovate

I am pleased to endorse Millovate's Annual Report 2022-23.

Since I accepted the Interim CEO role at Millovate in December 2022, the focus of the Millovate team has been on progressing The Mill's current deal flow. We've continued to reach out to key government and industry leaders to assess and grow potential strategic development opportunities both to enhance the UniSC Moreton Bay Campus and to create significant social infrastructure that underpins the delivery of a vibrant innovation hub and urban centre. The Millovate team has worked closely with the Mayor, Councillors, CEO, specialist leads and key members of the City of Moreton Bay executive leadership team to align the required planning with infrastructure delivery that will enable strategic development of this precinct.

To accommodate UniSC's strong enrolment response at the Moreton Bay campus to date, Stage Two development is fast taking shape. Works at the site showcase the enormous potential for the precinct, and with completion due late 2023, the facility will be ready for students Semester 1, 2024. Having watched the progress throughout 2023, the Millovate team are looking forward to seeing this exciting project come to life in the new year.

During the second half of the financial year, Millovate undertook a review of our strategic needs. Our team reduced in numbers, though we welcomed two new members with extensive expertise and a proven track record in investment attraction and business services.

This past year has been particularly tough for the property development sector. Rising material costs as well as labour and skills shortages have been challenging; but the focus of Millovate is strategic delivery of a vibrant productive precinct for the City of Moreton Bay in the short, medium and long term. We've kept our focus on the job-generating social infrastructure projects that will complement the aspirations of UniSC and the delivery of an Olympic Venue at The Mill building a bustling urban hub and new developments, new employment opportunities and new life to the site in 2024 and beyond.

## Investment in The Mill to date

**\$156M**

in public investment for The Mill precinct

**\$125M**

in private investment

**1,720**

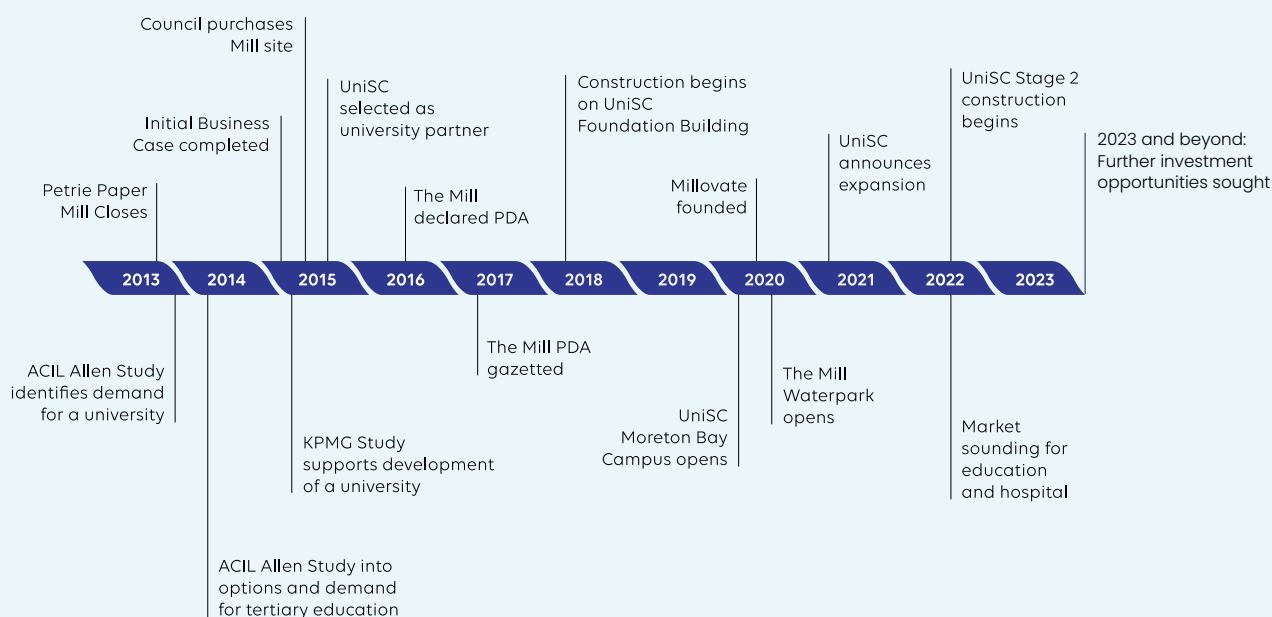
construction and ongoing jobs

**\$390M**

GRP uplift to date (\$215m construction/ \$175m accumulative operational)



## Development Progress



## Social Benefits

Increased access to healthcare infrastructure will deliver \$6.4m of productivity increases by 2031.

In 2022, 41.2% of UniSC students from the area were first in their family to attend university. A \$42.3m productivity benefit to the local economy.

18% increase in number of Moreton Bay residents participating in tertiary education (from 2016 to 2021) outperforming national (2%) and state growth (5%)

## Economic Benefits

Project	Initial Investment (\$M)	Total Construction Jobs (No.)	Construction Economic Impacts (\$M)	Direct Operational Employment (FTE)	Total GRP Uplift (\$M) Community
<b>Delivered Projects</b>					
<b>Projects Completed</b>					
UniSC foundation building	\$125.0	936	\$85.3	154	\$260.1
The Mill waterpark, playground and park	\$9.8	72	\$120.3	NA	\$120.3
Site preparation and core infrastructure	\$95.3	558	\$9.3	NA	\$9.3
<b>Projects Underway or Committed</b>					
UniSC expansion (2031 impacts cover both projects)	\$80.0	527	\$67.7	553	\$68 **\$185.8
Indoor sporting centre	*\$85.0	560	\$72.0	13	**\$6.8
<b>Future Investment Pipeline and GRP Impact</b>				<b>Direct Employment 2031 (FTE)</b>	<b>Annual GRP Uplift in 2031 (\$M)</b>
Category 1 and 2, GRP impact 2031	\$395.1	2,653	\$354.6	566	\$192.8
<b>Projects With Validated Market Interest</b>					
Private hospital	\$161.2	1,061	\$136.4	1,300	\$234.0
Advanced manufacturing	\$190.0	1,251	\$160.8	700	\$324.0
Specialist Technical School	\$149.2	983	\$126.3	167	\$28.0
Data centre and office	\$50.0	329	\$42.3	300	\$186.1
<b>TOTALS by 2031</b>	<b>\$945.5</b>	<b>6,277</b>	<b>\$820.4</b>	<b>3,033</b>	<b>\$964.9</b>

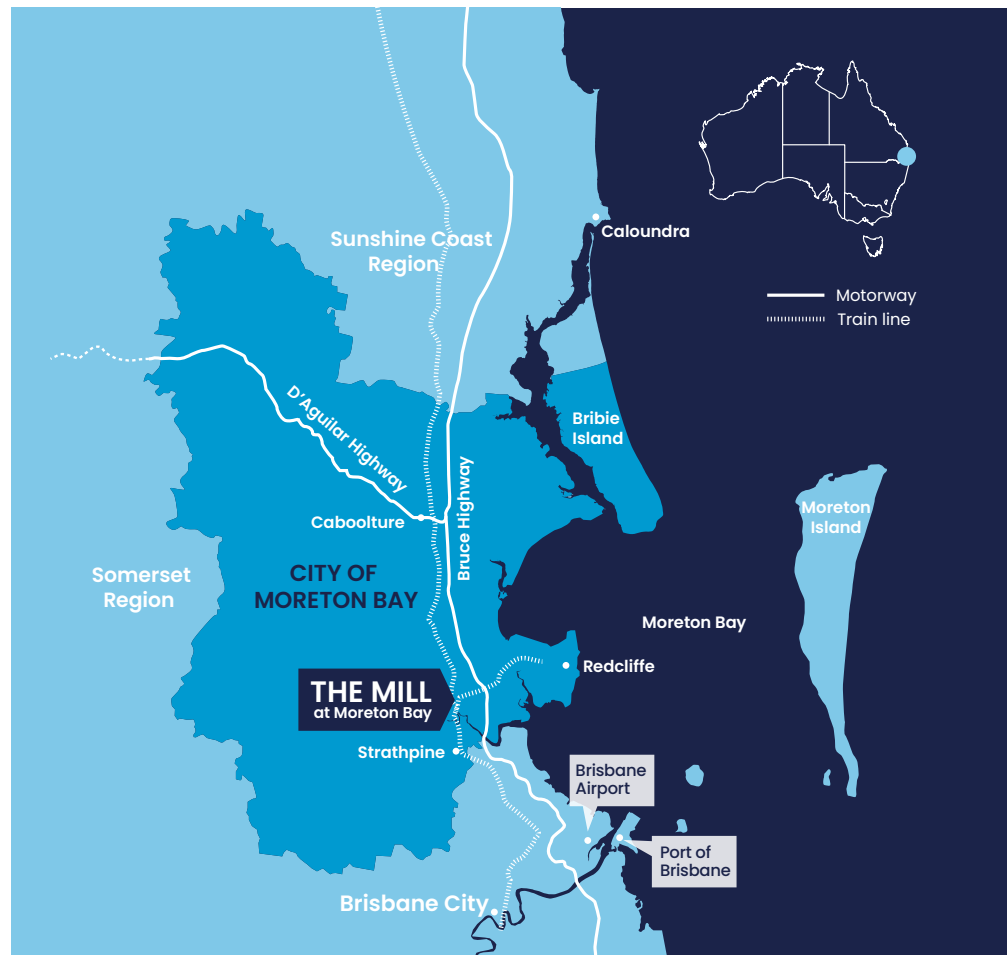
# About The Mill at Moreton Bay

An important part of the City of Moreton Bay's Regional Economic Development Strategy (REDS) 2020–2041, The Mill at Moreton Bay is one of five region-building projects in a 20-year strategy to drive and deliver economic development and community outcomes.

Established to help deliver a Bigger, Bolder and Brighter future for the city, and to contribute to the projected \$40 billion economy, The Mill at Moreton Bay is focussed on:

- building capabilities in health and wellbeing
- lifelong learning, innovation and research
- providing world-class educational opportunities
- high value employment opportunities that support the region's continued economic development and community aspirations.

With its economic, environmental and social benefits already being seen across the region, The Mill is being planned, delivered and activated as a distinctive urban centre with new employment opportunities and recreation spaces, plus investment opportunity and development potential delivering for all of Moreton Bay.

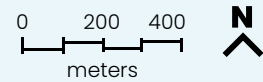




# The Mill at Moreton Bay PDA



- 1 Mill Central
- 2 Mill Innovation
- 3 Mill Green
- PDA boundary
- Lakes, river and creek



# About Millovate

City of Moreton Bay formed Millovate Pty Ltd as a beneficial enterprise to drive and manage the vision, planning and development within The Mill at Moreton Bay Priority Development Area (PDA) declared by the Queensland Government in 2016.

Millovate has an independent board, as well as executive leadership and support team, with responsibility for leading the planning, delivery and activation of The Mill at Moreton Bay (65 hectares) on behalf of Council. Millovate's focus is to attract and procure high-value investment that will establish and deliver sustainable economic development and community benefits for the next 20 years and beyond.

Millovate is working with the public and private sectors, industry and investors, to plan and deliver the future of the precinct and create a resilient, inclusive and low emissions development that will become a significant landmark destination and community centre within Moreton Bay, as well as South East Queensland.

## The Role of Millovate

Millovate is focused on promoting economic development and investment opportunities that will enable investors to capitalise on the unique propositions presented at The Mill at Moreton Bay.

Combining Mill Central (35 hectares) and Mill Innovation (30 hectares) with protected Mill Green natural space (110 hectares), Millovate is dedicated to activating 65 hectares of City of Moreton Bay-owned land within The Mill at Moreton Bay PDA and supporting Council to retain, rehabilitate and enhance the precinct's natural environment and koala habitat.

Millovate's core activity focuses on delivery and management of The Mill at Moreton Bay in accordance with Council's objectives, including:

- developing Council-owned land within The Mill at Moreton Bay PDA
- attracting and facilitating delivery of appropriate investment and long-term employment opportunities
- fostering destination placemaking
- delivering innovative and sustainable design, including integrated and well executed land use and transport planning
- creating community infrastructure and enhancing the conservation values of green spaces
- achieving appropriate commercial and non-commercial targets.



## Millovate's Vision

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

## Millovate's Mission

Millovate's mission is to plan, deliver and activate a place that enables individuals, communities, businesses and industries, to thrive, grow and be sustainable.

## Millovate's Values

Millovate is committed to the following values:

- **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 approach to project delivery and urban development integration**
- **Sustainability – through a commitment to supporting sustainable environmental outcomes.**

# Strategic Objectives

Millovate's strategic objectives are as follows –

Sustainable economic development that provides a return commensurate with risk

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

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

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

Demonstrated leadership in the delivery of sustainable development

Delivery of a highly-activated, internationally-recognised place

Inspiring a sense of community pride across the region and further afield

## Environmental 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.

# The Millovate Board

The Millovate Board comprises six (6) highly experienced members, with expertise encompassing development, marketing and communications, investment attraction, tourism, finance, innovation and banking.

## 2022–23 Directors

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**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 world leader in real estate services, JLL, he has undertaken a wide range of roles including as Chair of the Gold Coast 2018 Commonwealth Games Corporation and Chair of the Commonwealth 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 the Brisbane City Hall. His current roles include Chair of Brisbane Sustainability Agency, the Menzies Health Institute of Queensland, and a Director of the ACT City Renewal Authority.

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**Patrice Sherrie**  
Director, Deputy Chair

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

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**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 (2008 - 2017), John was CEO of Brisbane's economic development board. 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.

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**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 was Chief Executive Officer of Moreton Bay Regional Council until May 2023.



**Toni Thornton**  
Director

**Toni is an experienced company director 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 The Star Entertainment Group, G8 Education, CS Energy (where she is Chair of the Audit and Risk) and Habitat Early Learning. 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 and Triathlon Queensland.



**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.







# Financial Report

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# Directors' Report

For the year ended 30 June 2023

## Directors' Report

The Directors present their report on the financial results and operations of Millovote Pty Ltd ('Millovote' or the 'Company') for the financial year ended 30 June 2023.

## Directors

The Directors of Millovote 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 AM	3 Sep 2020	Chair of the Millovote Board of Directors
Patrice Sherrie	3 Sep 2020	Millovote Deputy Chair, Chair of Audit & Risk Committee ('ARC'), Committee Member of PIAIC
John Aitken	3 Sep 2020	Chair of the Property Investment Attraction & Innovation Committee ('PIAIC')
Greg Chemello	6 Aug 2020	Chief Executive Officer of Moreton Bay Regional Council ('MBRC') until 15/05/2023
Jim Walker	3 Sep 2020	Committee Member of PIAIC
Toni Thornton	3 Sep 2020	Committee Member of ARC

\* Greg Chemello resigned as Director of the Company on 11/08/2023.

## Officers of the Company

Stuart Pickering resigned as Millovote Pty Ltd's Chief Executive Officer ('CEO') and Company Secretary on 21/12/2022. John Aitken was appointed Interim CEO on 23/12/2022. John leads the strategic direction of Millovote and is tasked with attracting private investment and economic development opportunities and developing The Mill at Moreton Bay on behalf of the Board of Directors of Millovote and Moreton Bay City Council\*. John formally resigned from his position as Director and Member of the PIAIC Committee on 30/06/2023 to focus his time on the CEO duties.

In July 2023, the State Government granted approval for Moreton Bay Regional Council to change its legal name to Moreton Bay City Council and its public facing name to the City of Moreton Bay. It is referred to in these statements herein as the 'Moreton Bay City Council' or 'MBCC'.

Andrew Ritter was appointed Company Secretary on 21/12/2022.

## Principal activities

Millovote was established to plan, deliver and activate The Mill at Moreton Bay as a landmark destination for Moreton Bay.

## Review of operations

For the financial year ended 30 June 2023 Millovote acquitted \$3.159 million of funding appropriated by its parent entity, Moreton Bay City Council. The funding received from MBCC was \$3.30 million. The balance of these funds that remains unspent will be utilised in the financial year ended 30 June 2024 and factored into the amount funding that the company receives from MBCC in the 2024 financial year.

## 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 2023.

## Matters subsequent to the end of the financial year

There have been no matters or circumstances that have arisen since 30 June 2023 that has 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 MBCC 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.

## 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.

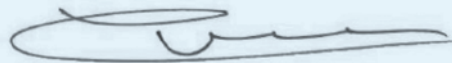
## Auditor

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 2023.

## Auditor's independence declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

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



**Nigel Chamier AM**  
Chair

Brisbane

Dated this 26th October 2023



# 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 year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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



**27 October 2023**

**David Adams**  
**as delegate of the Auditor-General**

Queensland Audit Office  
Brisbane

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
<b>Income</b>			
Revenue from parent	2.1	3,300,000	5,904,235
Interest revenue	2.2	97,651	5,952
<b>Total Income</b>		<b><u>3,397,651</u></b>	<b><u>5,910,187</u></b>
<b>Expenses</b>			
Operating expenses	3.1	(3,159,380)	(4,141,090)
<b>Total Expenses</b>		<b><u>(3,159,380)</u></b>	<b><u>(4,141,090)</u></b>
<b>Net surplus for the year</b>		<b><u>238,271</u></b>	<b><u>1,769,097</u></b>
<b>Total comprehensive surplus for the year</b>		<b><u>238,271</u></b>	<b><u>1,769,097</u></b>
Gain attributable to:			
Parent Entity		238,271	1,769,097

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

# STATEMENT OF FINANCIAL POSITION

## AS AT 30 JUNE 2023

	Note	2023	2022
		\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	2,114,021	2,099,753
Trade and other receivables	5	28,322	220,843
<b>Total Current Assets</b>		<b>2,142,343</b>	<b>2,320,596</b>
<b>Non-Current Assets</b>			
<b>Total Non-Current Assets</b>		<b>-</b>	<b>-</b>
<b>Total Assets</b>		<b>2,142,343</b>	<b>2,320,596</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	6	156,084	569,777
<b>Total Current Liabilities</b>		<b>156,084</b>	<b>569,777</b>
<b>Non-Current Liabilities</b>			
Employee benefit provisions	7	2,686	5,517
<b>Total Non-Current Liabilities</b>		<b>2,686</b>	<b>5,517</b>
<b>Total Liabilities</b>		<b>158,770</b>	<b>575,294</b>
<b>Net Assets</b>		<b>1,983,573</b>	<b>1,745,302</b>
<b>Equity</b>			
<b>Equity attributable to Parent Entity:</b>			
Share capital	8	100	100
Retained earnings		1,983,473	1,745,202
<b>Total Equity</b>		<b>1,983,573</b>	<b>1,745,302</b>

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



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

	Share Capital	Retained Earnings	Total
	\$	\$	\$
<b>Balance as at 1 July 2022</b>	100	1,745,202	1,745,302
<b>Comprehensive income</b>			
Surplus / (deficit) for the year	-	238,271	238,271
<b>Total comprehensive surplus for the year</b>	<u>-</u>	<u>238,271</u>	<u>238,271</u>
<b>Transactions with owners, in their capacity as owners:</b>			
Contributions of equity	-	-	-
<b>Total transactions with owners</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Balance at 30 June 2023</b>	<u><u>100</u></u>	<u><u>1,983,473</u></u>	<u><u>1,983,573</u></u>
<b>Balance as at 1 July 2021</b>	100	(23,895)	(23,795)
<b>Comprehensive income</b>			
Surplus / (deficit) for the year	-	1,769,097	1,769,097
<b>Total comprehensive surplus for the year</b>	<u>-</u>	<u>1,769,097</u>	<u>1,769,097</u>
<b>Transactions with owners, in their capacity as owners:</b>			
Contributions of equity	-	-	-
<b>Total transactions with owners</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Balance at 30 June 2022</b>	<u><u>100</u></u>	<u><u>1,745,202</u></u>	<u><u>1,745,302</u></u>

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

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

	Note	2023	2022
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from parent entity & customers		3,492,521	5,896,722
Payments to suppliers and employees		(3,575,904)	(3,802,921)
Interest received		97,651	5,952
Other revenue		-	-
Finance costs		-	-
<b>Net cash generated from operating activities</b>	<b>9</b>	<b><u>14,268</u></b>	<b><u>2,099,753</u></b>
Net increase in cash and cash equivalents		14,268	2,099,753
Cash and cash equivalents		2,099,753	-
<b>Cash and cash equivalents as at 30 June 2023</b>		<b><u>2,114,021</u></b>	<b><u>2,099,753</u></b>

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

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

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## 1 Information about these financial statements

### 1.A Basis of preparation

Millovate Ptd 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 City Council.** The Company 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 has been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the Corporations Act 2001.

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 2022, 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.



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

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## 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 City 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 YEAR ENDED 30 JUNE 2023

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## 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.**

Income is recognised at fair value under AASB 1058 Income for not for profits ("AASB 1058"). Funds received are recorded as income when received as the Company is not required to repay any unspent funds and there are no identifiable performance obligations in the related agreement with Moreton Bay City Council.

	2023 \$	2022 \$
Revenue from parent entity	3,300,000	5,904,235
	<u>3,300,000</u>	<u>5,904,235</u>

### 2.2 Interest revenue

Interest received comprises interest income on funds invested. Interest income is recognised as it accrues using the effective interest method.

	2022 \$	2022 \$
Interest received from financial institutions	97,651	5,952
	<u>97,651</u>	<u>5,952</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.

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

	2023	2022
	\$	\$
Staff costs	1,407,576	1,384,808
Board members' costs	270,001	279,999
Contractors	167,598	60,000
Consultants*	1,240,796	2,035,220
Legal Costs	-	140,243
Labour hire services	308	140,138
Advertising	-	48,053
Subscriptions and Memberships	24,145	41,809
General costs	10,455	7,320
Audit of annual financial statements by the Auditor- General of Queensland **	38,500	3,500
	<u>3,159,379</u>	<u>4,141,090</u>

The costs above were incurred for the purpose of attracting private investment and economic development opportunities and developing The Mill at Moreton Bay on behalf of Moreton Bay City Council.

<i>*Payments for the reporting period represent:</i>	2023	2022
	\$	\$
Commercial Transaction Management	259,291	189,390
Commercial Analyst	73,193	429,433
Corporate Services	39,880	114,634
Infrastructure Engineering	66,570	61,810
Legal Advice - Commercial Transactions	11,309	20,000
Marketing	39,897	77,082
Project Management	305,696	470,404
Strategic Planning	20,866	251,593
Urban Planning	424,094	420,874
	<u>1,240,796</u>	<u>2,035,220</u>

\*\* In 2021/22, \$3,500 was accrued for audit expenses by the Queensland Audit Office. The actual cost for the audit was \$20,000. \$22,000 has been accrued for 2022-23 Audit.



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

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## 4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with the banks and other short-term highly liquid investments with original maturities of three months or less, and highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

	2023 \$	2022 \$
Cash at bank and on hand	2,114,021	2,099,753
Cash and cash equivalents in the statement of cash flows	<u>2,114,021</u>	<u>2,099,753</u>

## 5 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.

	2023 \$	2022 \$
GST receivables	28,322	220,843
	<u>28,322</u>	<u>220,843</u>

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2023

### 6 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 the 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:

	<b>2023</b>	<b>2022</b>
	\$	\$
Trade creditors and accruals	136,125	501,883
Annual leave	19,959	67,894
	<b>156,084</b>	<b>569,777</b>

### 7 Employee benefit provisions

#### Long service leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Company's employment or other associated employment which would result in the Company being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website. Long service leave is treated as current where the Company does not have an unconditional right to defer settlement beyond twelve months. All other long service leave is treated as non-current.

	<b>2023</b>	<b>2022</b>
	\$	\$
Long service leave	2,686	5,517
	<b>2,686</b>	<b>5,517</b>

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

## 8 Share Capital

	2023 \$	2022 \$
Ordinary Shares in issue as at commencement of reporting period	100	100
<b>On issue - fully paid</b>	<b>100</b>	<b>100</b>

### 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 City Council.

## 9 Reconciliation of cash flow from operating activities

	2023 \$	2022 \$
<b>Cash flows from operating activities</b>		
Net surplus / (deficit) for the year	238,271	1,769,097
<i>Adjustments for:</i>		
Operating surplus before changes in working capital and provisions	<b>238,271</b>	<b>1,769,097</b>
Change in trade and other receivables	192,521	(7,513)
Change in trade and other payables	(413,693)	332,652
Change in provisions and employee benefits	(2,831)	5,517
<b>Net cash generated from operating activities</b>	<b>14,268</b>	<b>2,099,753</b>

## 10 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 City Council. The Statement of Corporate Intent signed between the Company and Moreton Bay City 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 YEAR ENDED 30 JUNE 2023

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## 11 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 City Council. The Council and its controlled entities including this company form a group. 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:

	<b>2023</b>	<b>2022</b>
	\$	\$
Short-term benefits	584,370	650,259
Post-employment benefits	44,719	56,459
Other long-term benefits	4,110	7,943
Termination benefits	151,089	-
	<b>784,288</b>	<b>714,661</b>

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

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## 11 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:

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Revenue</b>		
Parent entity - Funding of operation	3,300,000	5,904,235

## DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2023

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

- a. the financial statements and notes, set out on pages 3 to 17 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 2023 and of its performance for the year ended on that date;** 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: 26th October 2023



## 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.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with Australian Accounting Standards – Simplified Disclosures.

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

#### Basis for opinion

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

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001*, 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 financial and non-financial information (other than the audited financial report). At the date of this auditor's report, the available other information in the Millocate Pty Ltd's annual report for the year ended 30 June 2023 was the director's report.

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.

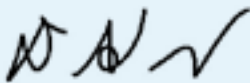
As part of an audit in accordance with the *Australian Auditing Standards*, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 forming an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's

ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

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

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



David Adams  
as delegate of the Auditor-General

30 October 2023

Queensland Audit Office  
Brisbane











The Mill  
at Moreton Bay





# The Mill at Moreton Bay

(07) 3205 0555  
PO Box 159, Caboolture Qld 4510  
[enquiries@millovate.com.au](mailto:enquiries@millovate.com.au)

