



NOOSA BIOSPHERE LIMITED
Directors' Report and Financial
Statements for the Period ended 30 June
2009

Financial Report for the Period Ended 30 June 2009

DIRECTORS' REPORT

The directors present this report on the entity for the period from inception on 1 December 2008 to 30 June 2009.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Phillip Moran
Lewis Brennan
Russell Green
Frank Pardon
Peter Homan
Anthony Haslam
Tony Stevenson
Michael Donovan
Michael Taylor
Anne Lawrence
Steve Cooper

The directors have been in office since the inception of the company on 1 December 2008 to the date of this report. Anne Lawrence has subsequently resigned from the board on the 2 July 2009. Varina Nissen has since been appointed as a replacement director by the parent entity the Sunshine Coast Regional Council on the 17th September 2009.

Company Secretary

The following person held the position of entity secretary at the end of the financial year: Michael Shave (BA BBus CPA) has worked for Noosa Biosphere Limited for the past year since the company's formation, performing an independent secretarial role. Michael Shave was appointed Company Secretary by the Sunshine Coast Regional Council in November 2008.

Principal Activities

The company's purpose is to advance the Noosa Biosphere Reserve under the charter of UNESCO's Man and the Biosphere Program by progressing the following objects:

- (a) assist in the management of the Noosa Biosphere Reserve.
- (b) establish, promote and maintain the Noosa Biosphere Reserve brand.
- (c) promote conservation of landscapes, ecosystems and species and genetic variations.
- (d) foster economic and human development that is socially, culturally and ecologically sustainable.
- (e) provide support for demonstration projects, environmental education and training, research and monitoring related to local, regional, national and global issues of conservation and sustainable development.
- (f) promote best practice land and water conservation, sustainable living, sustainable business and sustainable tourism practices in the Noosa Biosphere Reserve, supported by nationally and internationally recognised education and research opportunities.
- (g) promote community, industry and government understanding of the interaction between conservation of the environment, ecologically sustainable human development, and how that is supported in a UNESCO Biosphere.
- (h) facilitate the establishment of partnerships which advance the Noosa Biosphere Reserve as a learning place for sustainable development.
- (i) promote and assist in the implementation of the Australian Biosphere Reserve

DIRECTORS' REPORT

Management Principles prescribed pursuant to the Environment Protection and Biodiversity Conservation Regulations 2000 including the implementation of the Management Plan prepared pursuant thereto.

(j) work towards the expansion of the Noosa Biosphere Reserve to include adjacent areas that share environmental values that meet the criteria of UNESCO's Biosphere Reserve designations.

No significant changes in the nature of the entity's activity or objectives occurred during the financial year.

Operating Results

The profit of the entity for the period ended 30 June 2009 amounted to \$29,810.

Significant Changes in State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year.

After Balance Date Events

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

Future Developments

The entity expects to maintain the present status and level of operations and hence there are no likely developments in the entity's operations.

Environmental Issues

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

Options

No options over issued shares or interests in the entity were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Information on Directors

Cr Lewis Brennan	—	Category 1 Director
Experience and Qualifications	—	Sitting Councillor Sunshine Coast Regional Council (Division 12) Portfolio: Economic Development and council Entrepreneurship portfolio Committee: Organisation Performance Committee Information, Communication & Technology (ICT) Committee Maroochy Economic Development Advisory Board (MEDAB) Noosa North Shore Working Group Audit Committee Rural Futures Strategy Working Group Member Noosa Biosphere Board Member Cooroy Lower Mill Board Skilling Queenslanders for Work - Sunshine Coast Community Jobs Priority Committee Council of Mayors Economic Development and Jobs Working Group (Connect SEQ) Chairman of National Institute of Socio Economic and Environmental Research

DIRECTORS' REPORT

Special Responsibilities	—	<p>Vice Chairman Bendigo Community Bank for Sunshine Coast (SCCFS)</p> <p>Energy Transition Project Reference Group</p> <p>Companion of the University, CQU</p> <p>Masters Degree in Learning Management</p> <p>Fellow of Institute of Company Directors</p> <p>Council Representative on Board of Directors</p>
Cr Russell Green	—	Category 1 Director
Experience and Qualifications	—	<p>Sitting Councillor Sunshine Coast Regional Council (Division 11)</p> <p>Portfolio: Statutory and Regional Planning</p> <p>Committee chair: General Committee</p> <p>Committee member: Strategy and Planning Committee</p> <p>Committee member: Waste Strategy Taskforce</p> <p>Committee member: Sustainability Working Group</p> <p>Committee member: Expenditure and Service Review Group</p> <p>Committee member: Quad Park Working Group</p> <p>Committee member: SEQ Council of Mayors Environment and Sustainability Committee</p> <p>Committee member: Moreton Bay Waterways and Catchment Partnership</p> <p>Trustee, Noosa Community Environment Trust</p> <p>Member, Noosa Iconic Place Development Assessment Panel</p>
Special Responsibilities	—	Council Representative on Board of Directors
Michael Donovan	—	Category 2 Director
Experience and Qualifications	—	<p>Extensive commercial background and independent director roles in banking, public affairs, government, the arts and entertainment sector</p> <p>Currently Chairman of Tourism Noosa</p> <p>Experience in and regard for the environment (co-authored the business case for the establishment of the Ramsar Wildlife Sanctuary in Selangor, Malaysia)</p> <p>Experience at ministerial level in a State Government portfolio dealing with the essential services of public transport</p>
Special Responsibilities	—	Board Chairman
Phillip Moran	—	Category 2 Director
Experience and Qualifications	—	<p>30 years experience in the Environmental/Conservation Services Sector</p> <p>Operations Manager and Management Committee member of Noosa & District Landcare</p> <p>Inaugural Chairman of the Community Environment Board – Noosa Council</p>

DIRECTORS' REPORT

		<p>Qualified Regional Ecosystem Assessor Current Vice Chair – National Aquatic Weeds Management Group Aquatic Weeds expert chosen to provide evidence on the proposed Traveston Dam to the Senate Select Committee</p>
Special Responsibilities	—	Member of Board Executive Committee
Frank Pardon	—	Category 2 Director
Experience and Qualifications	—	<p>Member of the Australian Defence Force (Airforce) Small Business Operator 10 years as a Councillor with Noosa Council, including 4 years as Deputy Mayor Council's representative on the Community Environment Board</p>
Special Responsibilities	—	na
Anthony Haslam	—	Category 3 Director
Experience and Qualifications	—	<p>Experience in Commonwealth, State and Local Government; Bachelor of Applied Science (Construction Management) Well-developed project and construction management skills, having held many positions in the project management area</p>
Special Responsibilities	—	Board representative Noosa Biosphere Environment Sector Board
Peter Homan	—	Category 3 Director
Experience and Qualifications	—	<p>General Manager of the Eumundi Historical Association for the past 7 years that runs Australia's largest art and craft market at Eumundi President of Arts for the Community, a charity based art organisation Board Member of House with No Steps</p>
Special Responsibilities	—	Board representative Noosa Biosphere Cultural Sector Board
Tony Stevenson	—	Category 3 Director
Experience and Qualifications	—	<p>Career in print, radio and television journalism and travelled towards futures studies as a consultant in organisational communication and strategic planning Founding director of the Communication Centre at the Queensland University of Technology, Brisbane, Australia Previous member of UNESCO's Council on the Future President (1997-2001) of the international non-government organisation, World Futures Studies Federation (WFSF), with futurists in 90 countries. He was Secretary-General from 1993 -1997</p>

DIRECTORS' REPORT

		Keynote speaker and facilitator on all continents, from Novosibirsk to Nairobi, Townsville to Turku, and Bacolod to Budapest
Special Responsibilities	—	Board representative Noosa Biosphere Social Sector Board
Mike Taylor	—	Category 3 Director
Experience and Qualifications	—	30 years experience in energy technologies across a broad range of organisations throughout the world including: <ul style="list-style-type: none"> • Secretary, National Energy Research and Development Council • Director, Energy Technology Assessment Group, Commonwealth Department of Resources and Energy, publishing studies on ethanol, wind energy and photovoltaics • Principal Administrator at the Paris-based International Energy Agency, publishing books on alternative liquid fuels and energy efficiency, etc
Special Responsibilities	—	Board representative Noosa Biosphere Education, Research and Development Sector Board
Steve Cooper	—	Category 3 Director
Experience and Qualifications	—	Chief Executive Officer of Tourism Noosa Ltd. Key role is to administer the delivery of a whole of region – Destination Management Strategy for the Noosa and the Noosa Biosphere Region Thorough understanding and experience in regional, state, national and international marketing communication.
Special Responsibilities	—	Board representative Tourism Noosa
Anne Lawrence	—	Category 3 Director
Experience and Qualifications	—	Communication and marketing specialist within a variety of different industries over the last 20 years Extensive business development, marketing and communications expertise. Highly respected member of the business community who has proven both her skills and character through many years of business and community involvement. Both Government department experience (CSIRO) at a senior executive level and also owner of two successful businesses established from the ground up, Noosa Boardroom (business centre and serviced offices) and a horticultural business in South Australia Founding member of KEEN (Knowledge Exporters and Entrepreneurs of Noosa) Member of Noosa Business Group Member of Noosa Chamber of Commerce

DIRECTORS' REPORT

Member of Sunshine Coast Business Women's Network

Special Responsibilities — Board representative Noosa Biosphere Economic Sector Board

Meetings of Directors

During the financial year, 5 meetings of directors were held. Attendances by each director were as follows:

	Directors Meetings	
	Number eligible to attend	Number attended
Phillip Moran	5	5
Lewis Brennan	5	3
Russell Green	5	3
Frank Pardon	5	3
Peter Homan	5	5
Anthony Haslam	5	5
Tony Stevenson	5	5
Michael Donovan	5	4
Michael Taylor	5	4
Anne Lawrence	5	5
Steve Cooper	5	3

Indemnifying Officers or Auditor

Under Noosa Biosphere Limited's Constitution, it must indemnify the current and past Directors, secretaries and executive officers against all liabilities to other persons (other than the Company or a related body corporate) that may arise from their positions as Directors, secretaries or executive officers of Noosa Biosphere Limited and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

Noosa Biosphere Limited has entered into agreements with current Directors and former Directors whereby it will indemnify those Directors from all liability in accordance with the terms of the Constitution.

The agreements stipulate that Noosa Biosphere Limited will meet the full amount of any such liabilities, including costs and expenses.

Since the end of the previous financial year, the Company's parent entity the Sunshine Coast Regional Council has paid insurance premiums in respect of Directors' and officers' liability, and legal expense insurance contracts for current and former Directors and officers, including executive officers and Directors of Noosa Biosphere Limited.

Proceedings on Behalf of the Entity

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 9 of the directors' report.

Signed in accordance with a resolution of the Board of Directors.

Director Michael Donovan

Michael Donovan

Dated this Third day of December 2009

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF NOOSA BIOSPHERE LIMITED**

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2009 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



Jillian Richards
As delegate of Auditor - General of Queensland

December 2009

INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2009

	Note	2009	2008
		\$	\$
Revenue			
Contributions from Sunshine Coast Regional Council	2	50,000	-
Expenses			
Directors Fees	3	5,800	-
Directors Incidentals	3	236	-
Website Design Fees	3	14,154	-
Profit before income tax		29,810	-
Income tax expense		-	-
Profit after income tax		29,810	-

The accompanying notes form part of these financial statements.

BALANCE SHEET AS AT 30 JUNE 2009

	Note	2009 \$	2008 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	32,952	-
Trade and other receivables		-	-
Inventories		-	-
Financial assets		-	-
Other assets		-	-
TOTAL CURRENT ASSETS		32,952	
NON-CURRENT ASSETS			
Financial assets		-	-
Property, plant and equipment		-	-
Intangible assets		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		32,952	-
CURRENT LIABILITIES			
Trade and other payables	5	3,141	-
Borrowings		-	-
Short-term provisions		-	-
TOTAL CURRENT LIABILITIES		3,141	-
NON-CURRENT LIABILITIES			
Borrowings		-	-
Long-term provisions		-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		3,141	-
NET ASSETS		29,811	-
EQUITY			
Retained Earnings		29,811	-
Reserves		-	-
TOTAL EQUITY		29,811	-

The accompanying notes form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2009**

	Retained Earnings	Total
	\$	\$
Balance at 1 December 2008		
Profit attributable to the entity	29,811	29,811
Balance at 30 June 2009	<u>29,811</u>	<u>29,811</u>

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2009

	Note	2009 \$	2008 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt of grants			
Other receipts		50,000	-
Payments to suppliers and employees		17,048	-
Interest received		-	-
Dividends received		-	-
Finance costs		-	-
Net cash generated from operating activities	6(b)	32,952	-
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		-	-
Proceeds from sale of available-for-sale investments		-	-
Payment for available-for-sale investments		-	-
Payment for financial assets at fair value through profit and loss		-	-
Payment for held-to-maturity investments		-	-
Net cash used in investing activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of finance lease commitments		-	-
Increase in finance lease commitments		-	-
Net cash used in financing activities		-	-
Net increase in cash held		32,952	-
Cash at beginning of the financial year		-	-
Cash at the end of the financial year	4	32,952	-

The accompanying notes form part of these financial statements.

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

The financial report is for Noosa Biosphere Ltd as an individual entity, incorporated and domiciled in Australia. Noosa Biosphere Ltd is a company limited by guarantee.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

This financial report is a special purpose financial report prepared for use by directors and members of the company. The directors have determined that the company is not a reporting entity.

The report has been prepared in accordance with the requirements of the following Australian Accounting Standards.

- AASB 101: Presentation of Financial Statements
- AASB 107: Cash Flow Statements
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 110: Events Occurring After Balance Sheet Date
- AASB 119: Employee Benefits
- AASB 124: Related Party Disclosures
- AASB 1031: Materiality
- AASB 1048: Interpretation and Application of Standards

No other Australian Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values. Cost is based on the fair values of consideration given in exchange for assets.

Accounting Policies

a. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the income statement when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

If Noosa Biosphere Ltd receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value, these assets are recognised at fair value on the date of acquisition in the balance sheet, with a corresponding amount of income recognised in the income statement.

Donations and bequests are recognised as revenue when received.

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

Revenue from the rendering of a service is recognised upon the delivery of the

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

service to the customers.

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

b. **Cash and Cash Equivalents**

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

c. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

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

d. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

e. **Provisions**

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

f. **Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

g. **Critical Accounting Estimates and Judgments**

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

Key Estimates

Impairment

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

h. **Economic Dependence**

Noosa Biosphere Ltd is currently dependent on the Sunshine Coast Regional Council for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the Council will not continue to support Noosa Biosphere Ltd.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED
30 JUNE 2009**

NOTE 2: REVENUE AND OTHER INCOME

	Note	2009 \$	2008 \$
Revenue			
<i>Revenue from government grants and contributions</i>			
— Sunshine Coast Regional Council		50,000	-
Total Revenue		<u>50,000</u>	<u>-</u>

NOTE 3: PROFIT FOR THE YEAR

		2009 \$	2008 \$
a. Expenses			
Directors Expenses			
— Directors Meeting Fees		5,800	-
— Directors Incidentals		236	-
Total Directors Expenses		<u>6,036</u>	<u>-</u>
Website Design Fees		14,154	

NOTE 4: CASH AND CASH EQUIVALENTS

		2009 \$	2008 \$
CURRENT			
Cash at bank		32,952	-
		<u>32,952</u>	<u>-</u>

NOTE 5: TRADE AND OTHER PAYABLES

		2009 \$	2008 \$
CURRENT			
GST payable		3,141	-
	6b	<u>3,141</u>	<u>-</u>

NOTE 6: CASH FLOW INFORMATION

		2009 \$	2008 \$
a. Reconciliation of Cash			
Cash at bank		32,952	-
	4	<u>32,952</u>	<u>-</u>

	Note	2009 \$	2008 \$
b. Reconciliation of Cashflow from Operations with Profit after Income Tax			
Profit after income tax		29,810	
Changes in assets and liabilities			-
Increase in trade and other payables		3,141	-
		32,952	-

NOTE 7: FINANCIAL RISK MANAGEMENT

		2009 \$	2008 \$
Financial Assets			
Cash and cash equivalents	4	32,952	-
		32,952	-
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	5	3,141	-
		3,141	-

NOTE 8: COMMITMENTS

As at the 30 June 2009, the company had an existing contractual agreement for the design and construction of the Noosa Biosphere Limited website. The outstanding balance of the contract at balance data amounted to \$14,153.50.

NOTE 9: ENTITY DETAILS

The registered office of the entity is:

Noosa Biosphere Ltd
8 Atherton Close
Buderim Qld 4556

The principal place of business is:

4/105 Poinciana Avenue
Tewantin Qld 4565

NOTE 10: MEMBERS' GUARANTEE

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up or dissolved, the constitution states that any remaining property must be paid to or distributed to the members.

At 30 June 2009 the only member was the Sunshine Coast Regional Council.

DIRECTORS' DECLARATION

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 10 to 17, are in accordance with the *Corporations Act 2001*:
 - a. comply with Australian Accounting Standards; and
 - b. give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Michael Donovan (Chairman)

Dated this Third day of December 2009

INDEPENDENT AUDITOR'S REPORT

To the Members of Noosa Biosphere Limited

Matters Relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of Noosa Biosphere Limited for the financial year ended 30 June 2009 included on Noosa Biosphere Limited's website. The Council is responsible for the integrity of the Noosa Biosphere Limited 's website. I have not been engaged to report on the integrity of the Noosa Biosphere Limited's website. The auditor's report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from Noosa Biosphere Limited, to confirm the information included in the audited financial report presented on this website.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of Noosa Biosphere Limited which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free of material misstatement.

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

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

Independence

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

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

In conducting the audit the independence requirements of the *Corporations Act 2001* have been complied with. I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Noosa Biosphere Limited on 19 October 2009, would be in the same terms if provided to the directors, as at the date of this auditor's report.

Auditor's Opinion

In my opinion –

- (a) the financial report of Noosa Biosphere Limited is in accordance with the *Corporations Act 2001*, including –
- (i) giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*; and



J B Richards
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
Brisbane

4 December 2009