

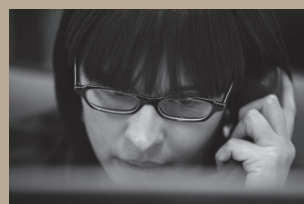
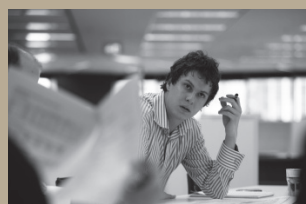
This financial report covers both the separate financial statements of QIC Limited as an individual entity and the financial statements of the consolidated entity consisting of QIC Limited and its subsidiaries. The financial report is presented in the Australian currency.

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QIC Limited made the transition to a Company Government Owned Corporation on 30 September 2008 having been originally constituted on 1 July 1991 and subsequently on 1 October 1994 as a statutory Government Owned Corporation under the provisions of the *Government Owned Corporations Act 1993* and related Regulations. QIC Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5 Central Plaza Two  
66 Eagle Street  
Brisbane QLD 4000



The financial report was authorised for issue by the directors on 31 August 2009. QIC Limited has the power to amend and reissue the financial report.

Income statements  
30 June 2009

	Notes	Consolidated		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Revenue	2	212,554	160,495	133,487	88,712
Expenses	3	(159,310)	(153,972)	(100,070)	(95,124)
Shares of net profits (losses) of associates and joint venture partnerships accounted for using the equity method	31 & 32	(1,528)	49	–	–
<b>Profit (loss) before income tax</b>		<b>51,716</b>	6,572	<b>33,417</b>	(6,412)
Income tax expense	4	(15,654)	(2,146)	2,632	3,901
Profit (loss) from continuing operations		<b>36,062</b>	4,426	<b>36,049</b>	(2,511)
<b>Profit (loss) attributable to members of QIC Limited</b>	21	<b>36,062</b>	4,426	<b>36,049</b>	(2,511)

The above income statements should be read in conjunction with the accompanying notes.

Balance sheets  
30 June 2009

	Notes	Consolidated		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash assets	5	1,163	1,934	1,058	1,774
Receivables	6	59,555	46,732	91,831	47,493
Financial assets at fair value through profit or loss	7	108,155	26,290	108,155	26,290
Current tax assets	8	–	1,135	–	1,189
<b>Total current assets</b>		<b>168,873</b>	<b>76,091</b>	<b>201,044</b>	<b>76,746</b>
<b>Non-current assets</b>					
Investments accounted for using the equity method	9	21	1,526	–	–
Financial assets at fair value through profit or loss	10	2,397	4,654	2,397	4,654
Property, plant and equipment	11	26,090	11,255	25,204	10,233
Deferred tax assets	12	14,339	15,568	7,525	7,976
Intangible assets	13	8,968	8,797	8,968	8,797
Other assets	14	1	1	22	1,527
<b>Total non-current assets</b>		<b>51,816</b>	<b>41,801</b>	<b>44,116</b>	<b>33,187</b>
<b>Total assets</b>		<b>220,689</b>	<b>117,892</b>	<b>245,160</b>	<b>109,933</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Payables	15	59,002	48,451	102,337	59,017
Provisions	16	8,865	8,557	4,750	4,141
Current tax liabilities	17	8,605	–	8,522	–
<b>Total current liabilities</b>		<b>76,472</b>	<b>57,008</b>	<b>115,609</b>	<b>63,158</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	18	804	328	491	287
Provisions	19	69,819	4,993	67,060	2,506
<b>Total non-current liabilities</b>		<b>70,623</b>	<b>5,321</b>	<b>67,551</b>	<b>2,793</b>
<b>Total liabilities</b>		<b>147,095</b>	<b>62,329</b>	<b>183,160</b>	<b>65,951</b>
<b>Net assets</b>		<b>73,594</b>	<b>55,563</b>	<b>62,000</b>	<b>43,982</b>
<b>EQUITY</b>					
Contributed equity	20	37,475	37,475	37,475	37,475
Retained profits	21	36,119	18,088	24,525	6,507
<b>Total equity</b>		<b>73,594</b>	<b>55,563</b>	<b>62,000</b>	<b>43,982</b>

The above balance sheets should be read in conjunction with the accompanying notes.

Statements of changes in equity  
30 June 2009

	Notes	Consolidated		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Total equity at the beginning of the financial year</b>		<b>55,563</b>	46,176	<b>43,982</b>	41,532
Profit (loss) for the year		<b>36,062</b>	4,426	<b>36,049</b>	(2,511)
Transactions with equity holders in their capacity as equity holders:					
Contributions of equity, net of transaction costs	20 (b)	–	7,175	–	7,175
Dividends provided for or paid	22	<b>(18,031)</b>	(2,214)	<b>(18,031)</b>	(2,214)
		<b>(18,031)</b>	4,961	<b>(18,031)</b>	4,961
<b>Total equity at the end of the financial year</b>		<b>73,594</b>	55,563	<b>62,000</b>	43,982

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Cash flow statements  
30 June 2009

	Notes	Consolidated		Parent entity	
		2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Cash flows from operating activities</b>					
Receipts from customers		278,452	139,966	109,397	75,333
Payments to suppliers and employees		(174,511)	(126,808)	(83,593)	(78,453)
Distributions received		1,109	1,183	1,109	1,182
Fair value gains (losses) on cash and cash equivalents		742	(207)	742	(207)
Dividends received		–	–	6,973	8,188
Interest received		111	190	111	178
Income taxes paid		(4,208)	(8,191)	(4,156)	(8,191)
Compensation received from tax consolidated group entities		–	–	6,833	8,986
<b>Net cash inflow from operating activities</b>	34	<b>101,695</b>	<b>6,133</b>	<b>37,416</b>	<b>7,016</b>
<b>Cash flows from investing activities</b>					
Payments for property, plant and equipment		(17,642)	(7,516)	(17,645)	(7,657)
Payments for intangibles		(2,784)	(6,075)	(2,784)	(6,075)
Proceeds from investments in joint venture partnerships		127	66	127	66
Payments for financial assets at fair value through profit or loss		–	(5,500)	–	(5,500)
Proceeds from sale of financial assets at fair value through profit or loss		2,000	7,175	2,000	7,175
Proceeds from sale of property, plant and equipment		62	3	62	3
Payments for investments in associates		(150)	(995)	(150)	(995)
Provision to controlled entity		–	–	64,337	–
<b>Net cash outflow from investing activities</b>		<b>(18,387)</b>	<b>(12,842)</b>	<b>45,947</b>	<b>(12,983)</b>
<b>Cash flows from financing activities</b>					
Dividends paid to shareholders		(2,214)	(7,175)	(2,214)	(7,175)
Proceeds from equity contributions		–	7,175	–	7,175
<b>Net cash outflow from financing activities</b>		<b>(2,214)</b>	<b>–</b>	<b>(2,214)</b>	<b>–</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>81,094</b>	<b>(6,709)</b>	<b>81,149</b>	<b>(5,967)</b>
Cash and cash equivalents at the beginning of the financial year		28,224	34,933	28,064	34,031
<b>Cash and cash equivalents at end of year</b>	5 & 7	<b>109,318</b>	<b>28,224</b>	<b>109,213</b>	<b>28,064</b>

The above cash flow statements should be read in conjunction with the accompanying notes.



## Notes to the financial statements

30 June 2009

### I Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes the separate financial statements for QIC Limited as an individual entity and the financial statements of the consolidated entity consisting of QIC Limited and its subsidiaries.

#### (a) Basis of preparation

QIC Limited made the transition to a Company Government Owned Corporation and changed its name from Queensland Investment Corporation on 30 September 2008 having been originally constituted on 1 July 1991 and subsequently on 1 October 1994 as a statutory Government Owned Corporation under the provisions of the *Government Owned Corporations Act 1993* and related Regulations.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Interpretations), the provisions of the *Government Owned Corporations Act 1993* and the *Corporations Act 2001*.

#### Compliance with IFRS

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRSs ensures that the consolidated financial statements and notes comply with International Financial Reporting Standards (IFRSs).

#### Early adoption of standards

The Group has elected to apply *AASB 8 Operating Segments and AASB-2007 3 Amendments to Australian Accounting Standards arising from AASB 8* to the annual reporting period beginning 1 July 2008.

This includes applying the revised pronouncement to the comparatives in accordance with *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*. None of the items in the financial statements had to be restated as the result of applying this standard.

#### Historical cost convention

These financial statements have been prepared under the historical cost convention, except for financial assets valued at fair value through profit or loss.

#### Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed.

#### (b) Principles of consolidation

##### (i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of QIC Limited ('parent entity') as at 30 June 2009 and the results of all subsidiaries for the year then ended. QIC Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding representing more than 50% of the voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

There are no minority interests in the results and equity of subsidiaries.

##### (ii) Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding representing between 20% and 50% of the voting rights. Investments in associates are accounted for in the parent entity financial statements at fair value and in the consolidated financial statements using the equity method of accounting.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

##### (iii) Joint ventures

The interest in a joint venture partnership is accounted for in the parent entity financial statements at cost and in the consolidated financial statements using the equity method of accounting. Under the equity method, the share of the profits or losses of the partnership is recognised in the income statements, and the share of movements in reserves is recognised in reserves in the balance sheets.

#### (c) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

**I Summary of significant accounting policies (continued)**

The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statements.

**(iii) Group companies**

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions)
- resulting exchange differences are not material.

**(d) Revenue recognition**

Management and performance fees are recognised on an accruals basis at agreed rates, net of the amounts of goods and services tax payable. All other revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of rebates, returns, trade allowances and duties and taxes paid.

**(e) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of the GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheets.

Cash flows are included in the cash flow statements 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.

Performance fees and rebates are recognised as revenue when they can be reliably measured and the inflow or outflow of economic benefits is considered to be probable.

**(f) Income tax**

**Income tax equivalents**

As a State trading body under the *Income Tax Assessment Act 1997*, the Group is exempt from Commonwealth income tax. However, pursuant to the *Government Owned Corporations Act 1993* and the National Tax Equivalents Regime, the Group is required to make payments to the Queensland Government, equivalent to the amount of any Commonwealth income tax for which an exemption is received.

The income tax equivalent expense (referred to as income tax) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Under AIFRS, AASB 112 *Income Taxes* uses a 'Balance Sheet approach' of calculating income tax balances. The Balance Sheet approach recognises deferred tax balances when there is a difference between the carrying value of an asset or liability and its tax base. The differences are recognised at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction.

Deferred tax assets are recognised for deductible temporary differences and unused losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Tax consolidation legislation**

QIC Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation.

The Urgent Issues Group has released guidance regarding the recognition of tax amounts under the tax consolidation regime in the AIFRS framework. *UIG 1052 Tax Consolidation Accounting* requires wholly owned controlled entities in the tax consolidated group to recognise their own tax balance directly, with the current tax liability or asset to be assumed by the parent entity via an

intercompany loan, equity contribution or distribution, depending on tax funding arrangements. Historically, the ultimate parent entity recognised all tax balances and charged each controlled entity an allocation of the current tax liability, based upon the controlled entity's contribution to Group profit.

The parent entity, QIC Limited, and the controlled entities in the tax consolidation group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, QIC Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidation group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable or payable to other entities in the Group. Details about the tax funding agreement are disclosed in note 4.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding arrangement are recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

#### Stamp duty

Under the provisions of the *Queensland Investment Corporation Act 1991*, the Group is exempted from Queensland stamp duty, but must make payments to the Queensland Government, equivalent to the amount of any stamp duty for which an exemption is received.

#### (g) Leases

The Group has not entered into any finance leases.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

#### (h) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rates used are the rates attaching to the Commonwealth Government securities at balance date.

Items of property, plant and equipment with a cost, or other value, in excess of \$1,000 (2008: \$1,000) are capitalised in the year of acquisition.

Internal and external costs directly incurred in the purchase or development of computer applications, including subsequent upgrades and enhancements, are capitalised where the costs exceed \$100,000 (2008: \$100,000). Costs incurred in planning or evaluating software proposals, or in maintaining systems after implementation are not capitalised.

Expenditure, including that on internally generated assets, is only recognised as an asset when the Group controls future economic benefits as a result of the costs incurred, it is probable that those future economic benefits will eventuate, and the costs can be measured reliably.

#### (i) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

#### (j) Cash assets

For cash flow statement presentation purposes, cash assets includes cash on hand and other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### (k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement in no more than 30 days.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. There were no doubtful amounts at 30 June 2009 (2008: \$nil).

#### (l) Investments and other financial assets

The Group classifies its investments as either financial assets at fair value through profit or loss or receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

**I Summary of significant accounting policies (continued)****(i) Financial assets at fair value through profit or loss**

This category includes those assets designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term or the asset is subject to frequent changes in fair value. Assets in this category are classified as current assets if they are either cash assets or are expected to be realised within 12 months of the balance sheet date.

Investment funds are held in the QIC Cash Fund. The QIC Cash Fund invests in short term cash securities, which it records on a fair value basis, which is market value. The average rate of return on the investment in the QIC Cash Fund was 4.42% (2008: 6.07%).

Investment funds are also held in the QIC Growth Fund. The QIC Growth Fund invests in Australian cash, equities, fixed interest and property and international fixed interest and equities. The average rate of return on the investment in the QIC Growth Fund was -8.83% (2008: -6.91%). Investments held by the QIC Growth Fund are recorded on a fair value basis.

**(ii) Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

**(m) Property, plant and equipment**

All items of property, plant and equipment have limited useful lives and are depreciated using either the straight line method or diminishing value method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives. Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed. Depreciation rates and methods are reviewed periodically for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

The estimated useful lives used to calculate the depreciation rate for each class of asset are as follows:

Computer equipment	3 – 4 years
Office equipment, furniture and fittings	3 – 15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statements. When revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

In the prior year, the effective life of a number of existing furniture and fitout assets was reduced to reflect the refurbishment of the Group's tenancy in Central Plaza Two. The financial impact of this change in respect of the 2007-2008 financial year was an increase in depreciation expense of approximately \$1.1 million.

**(n) Intangible assets****Computer software**

When computer software assets are not integrally related to associated hardware, the Group recognises them as an intangible asset where the costs are clearly identifiable, can be reliably measured and it is probable they will lead to future economic benefits that the Group controls.

The Group carries software assets at cost less amortisation and impairment losses, if any.

These assets are amortised on a straight line basis over their estimated useful lives, which are between 3 and 5 years. Software maintenance costs continue to be expensed as incurred.

**(o) Trade and other payables**

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

**(p) Employee benefits****(i) Wages and salaries, annual leave and sick leave**

Liabilities for wages, salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Remuneration includes a mix of fixed remuneration and payments for performance, attraction and retention. The majority of these payments are dependent on the satisfaction of performance conditions and are defined as 'at-risk'. The maximum at-risk amount payable varies with individual roles to the extent that each role impacts on investment and corporate performance. A liability for payments for performance, attraction and retention, measured at the amount expected to be paid when settled, is included in employee benefits payable and is expected to be settled within 12 months.

No provision for sick leave benefits has been made as benefits do not vest with employees.

### (ii) Long service leave

Long service leave benefits have been measured at the present value of the estimated future cash outflows resulting from services rendered by employees at balance date. Provisions for employee benefits which are not expected to be settled within twelve months are discounted using the rates attaching to Commonwealth Government securities at balance date, which most closely match the terms of maturity of the related liability. In determining the provision, consideration has been given to future increases in salary rates and prior experience with staff departures. Related on-costs have also been included.

### (iii) Superannuation

The Group contributes to superannuation funds for the purpose of providing benefits for employees and their dependants on retirement, disability or death. Contributions are charged as expenses when incurred.

In relation to contributions to the QSuper defined benefit plan, employer contributions for superannuation are as determined by the State Actuary. No liability is shown for superannuation benefits in the balance sheets, as the liability is held on a Whole of Government basis and reported in the Whole of Government financial statements prepared in accordance with *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

### (q) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Provisions are measured at the present value of the estimated expenditure required to settle the present obligation at the balance sheet date. The discount rates used to determine the present value are the rates attaching to Commonwealth Government securities at balance date.

### (r) Contributed equity

Ordinary shares are classified as equity.

### (s) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the financial year but not distributed at balance date.

The dividend declared by the parent entity represents 50% (2008: 50%) of consolidated operating profit after tax. This reflects the requirements of the *Government Owned Corporations Act 1993* and Queensland Treasury policies, which state that the annual dividend declared by a government owned corporation must be calculated on a Group basis.

### (t) Rounding of amounts and comparatives

Amounts in the financial report have been rounded to the nearest thousand dollars, or in certain cases, the nearest dollar. When necessary, comparative amounts for the previous period have been adjusted to facilitate valid comparison.

### (u) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The Group's and the parent entity's assessment of the impact of these new standards and interpretations is set out below.

New accounting standards and interpretations that are not expected to have an impact on the Group have not been included.

(i) *Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101* (effective from 1 January 2009).

A revised AASB 101 was issued in September 2007 is applicable for annual reporting periods beginning on or after 1 January 2009. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Group will apply the revised standard from 1 July 2009.

(ii) *AASB 2008-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective from 1 January 2009).

In July 2008, the AASB issued a number of improvements to existing Australian Accounting Standards. The Group will apply the revised standards from 1 July 2009. On initial application, the entity will need to make adjustments to disclosures for each of the amendments.

(iii) *AASB 2009-4 Amendments to Australian Accounting Standards arising from the Annual Improvements Project* (effective for annual periods beginning or after 1 July 2009).

The AASB has made amendments to *AASB 2 Share-based payment*, *AASB 138 Intangible Assets* and *AASB Interpretations 9 Reassessment of Embedded Derivatives* and *16 Hedges of Net Investment in a Foreign Operation* as a result to the IASB's annual improvements project. The Group will apply the amendments from 1 July 2009. The Group does not expect that any adjustments will be necessary as a result of applying the revised rules.

Notes to the financial statements  
30 June 2009

**2 Revenue**

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Management and performance fees	207,273	156,022	73,167	69,824
Administration fees	2,172	2,168	14,827	8,776
Distribution income	1,144	2,045	1,144	2,045
Fair value gains (losses) on financial assets at fair value through profit or loss	450	(1,611)	450	(1,611)
Interest	100	188	100	184
Dividends from controlled entities	–	–	42,606	6,973
Other	1,415	1,683	1,193	2,521
	<b>212,554</b>	<b>160,495</b>	<b>133,487</b>	<b>88,712</b>

Management and performance fees arise from fiduciary activities relating to the provision of investment management services.

**3 Expenses**

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Expenses, included in the income statements classified by nature</b>				
Employee benefits expense (note 1(p))	108,967	107,982	58,835	58,328
Professional services	10,868	9,083	9,746	8,493
Operating lease costs (note 1(g))	9,025	7,536	5,788	5,041
Depreciation and amortisation (note 11 & 13)	5,259	6,042	5,129	5,917
Information and research services	4,356	3,212	4,298	3,145
Travel	4,242	5,145	1,889	2,005
Computer operating costs	4,216	3,265	4,075	3,198
Staff development and recruitment	1,735	3,548	1,256	2,551
Communication expenses	1,174	1,204	817	835
Insurance	1,119	999	804	706
Auditors' remuneration (note 26)	141	167	57	65
Net loss on disposal of property, plant and equipment	98	10	96	10
Write down of investment in associate	–	–	694	958
Other expenses	8,110	5,779	6,586	3,872
	<b>159,310</b>	<b>153,972</b>	<b>100,070</b>	<b>95,124</b>

#### 4 Income tax expense

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>(a) Income tax expense</b>				
Current tax	13,919	6,156	14,928	4,209
Deferred tax	1,739	(4,007)	655	(2,128)
Compensation received from tax consolidated group entities	–	–	(18,213)	(5,962)
Current tax of prior periods	(4)	(3)	(2)	(20)
	<b>15,654</b>	<b>2,146</b>	<b>(2,632)</b>	<b>(3,901)</b>
<b>(b) Numerical reconciliation of income tax expense to prima facie tax payable</b>				
Profit (loss) from continuing operations before income tax expense	51,716	6,572	33,417	(6,412)
Tax expense at the Australian tax rate of 30% (2008: 30%)	15,515	1,972	10,026	(1,924)
Tax effect of amounts which are not deductible (assessable) in calculating taxable income:				
Non-deductible sundry items	17	26	18	2
Non-assessable capital gains	–	(87)	–	(87)
Entertainment	82	98	59	79
Share of net losses of associates	208	287	–	–
Write down of investments in associates	–	–	208	287
Tax offset for franked dividends and foreign income	(8)	(27)	(8)	(27)
	<b>15,814</b>	<b>2,269</b>	<b>10,303</b>	<b>(1,670)</b>
Capital losses	(151)	(119)	(151)	(119)
Difference in overseas tax rates	(5)	(1)	–	–
Non-assessable dividend income upon consolidation	–	–	(12,782)	(2,092)
Current tax of prior periods	(4)	(3)	(2)	(20)
	<b>(160)</b>	<b>(123)</b>	<b>(12,935)</b>	<b>(2,231)</b>
Income tax expense	<b>15,654</b>	<b>2,146</b>	<b>(2,632)</b>	<b>(3,901)</b>
<b>(c) Unrecognised temporary differences</b>				
Temporary differences relating to investments in associates for which deferred tax assets have not been recognised				
Share of net losses of associates	208	287	–	–
Write down of investments in associates to recoverable amount	–	–	208	287
	<b>208</b>	<b>287</b>	<b>208</b>	<b>287</b>

A deferred tax asset has not been recognised in respect of temporary differences of \$208,300 (2008: \$287,443) arising as a result of the write down of the Group's investment in an associate. The deferred tax asset will only arise in the event of disposal of the associate and no such disposal is expected in the foreseeable future.

**4 Income tax expense (continued)****(d) Tax consolidation legislation**

QIC Limited and its wholly owned Australian controlled entities implemented the tax consolidation legislation as of 1 July 2004. The accounting policy in relation to this legislation is set out in note 1(f).

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, limits the joint and several liability of the wholly owned entities in the case of a default by the parent entity, QIC Limited.

The Group has also entered into a tax funding agreement under which the wholly owned entities fully compensate the parent entity for any current tax payable assumed and are compensated

by the parent entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the parent entity under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon payment by the parent entity of those liabilities, and subject to the parent entity providing to the wholly owned entities satisfactory evidence of that payment, the wholly owned entities shall promptly pay to the parent entity that contribution amount and the parent entity shall promptly pay to the relevant wholly owned entities, amounts receivable by them under the funding arrangement (see note 29(e)).

**5 Current assets - Cash assets**

	Consolidated		Parent entity	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	1,163	1,934	1,058	1,774

**(a) Fair value**

The carrying amount for cash assets equals the fair value. The weighted average interest rate for cash was 3.67% (2008: 5.91%).

**(b) Amounts held in trust**

An amount of \$95,095 is held in trust as at 30 June 2009 (2008: \$nil). These monies are for the sole purpose of funding central marketing activities for the shopping centres managed by the Group. Any unspent funds are required to be reimbursed to the QIC Shopping Centre Fund and QIC Property Fund. Accordingly, this amount has not been recognised in the financial statements of the Group.

**6 Current assets - Receivables**

	Consolidated		Parent entity	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
<b>Net trade receivables</b>				
Management, performance and other fees receivable	55,598	44,994	25,395	31,178
<b>Net related party receivables</b>				
Receivable from controlled entities	—	—	6,514	4,034
Dividends due from controlled entities	—	—	42,606	6,973
	—	—	49,120	11,007
<b>Prepayments</b>				
Prepayments	3,957	1,738	3,334	1,646
<b>Tax sharing arrangement</b>				
Tax related amounts receivable from controlled entities	—	—	13,982	3,662
	59,555	46,732	91,831	47,493

These are non-interest bearing.

## 7 Current assets - Financial assets at fair value through profit or loss

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
At beginning of year	26,290	33,562	26,290	33,562
Revaluation (realised and unrealised)	742	(207)	742	(207)
Distributions reinvested	1,109	1,182	1,109	1,182
Additions (subscriptions)	231,951	87,086	231,951	87,086
Disposals (redemptions)	(151,937)	(95,333)	(151,937)	(95,333)
At end of year	108,155	26,290	108,155	26,290

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Investment in QIC Cash Fund	108,155	26,290	108,155	26,290

Changes in fair values of financial assets at fair value through profit or loss are recorded in the income statements (note 2).

## 8 Current assets - Current tax assets

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Income tax receivable	–	1,135	–	1,189

## 9 Non-current assets - Investments accounted for using the equity method

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Q Invest Limited - ordinary shares and cumulative participating redeemable preference shares (note 31)	21	565	–	–
Investments in joint venture partnerships (note 32)	–	961	–	–
	21	1,526	–	–

### (a) Shares in associates

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at fair value by the parent entity (refer to note 14).

### (b) Interest in joint venture partnership

The interests in Innovis Investment Partners LLC and Innovis Investment Partners Australia LP partnerships are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost by the parent entity.

Innovis Investment Partners Australia LP partnership was dissolved on 31 December 2008 with all monies returned or distributed to the partners.

**10 Non-current assets - Financial assets at fair value through profit or loss**

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
At beginning of year	4,654	6,871	4,654	6,871
Revaluations (realised and unrealised)	(292)	(1,404)	(292)	(1,404)
Distributions reinvested	35	862	35	862
Additions (subscriptions)	–	5,500	–	5,500
Disposals (redemptions)	(2,000)	(7,175)	(2,000)	(7,175)
At end of year	2,397	4,654	2,397	4,654

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Investment in QIC Growth Fund	2,397	4,654	2,397	4,654

Changes in fair values of financial assets at fair value through profit or loss are recorded in the income statements (note 2).

**11 Non-current assets - Property, plant and equipment**

Consolidated 2009	Office equipment, furniture and fittings	Computer equipment	Total
	\$'000	\$'000	\$'000
<b>Year ended 30 June 2009</b>			
Opening net book amount	9,262	1,993	11,255
Additions	13,981	3,661	17,642
Disposals	(146)	(15)	(161)
Depreciation charge (note 3)	(1,080)	(1,566)	(2,646)
Closing net book amount	22,017	4,073	26,090
<b>At 30 June 2009</b>			
Cost	23,408	10,067	33,475
Accumulated depreciation	(1,391)	(5,994)	(7,385)
Net book amount	22,017	4,073	26,090
Consolidated 2008	Office equipment, furniture and fittings	Computer equipment	Total
	\$'000	\$'000	\$'000
<b>Year ended 30 June 2008</b>			
Opening net book amount	4,850	2,198	7,048
Additions	6,218	1,329	7,547
Disposals	(1)	(3)	(4)
Depreciation charge (note 3)	(1,805)	(1,531)	(3,336)
Closing net book amount	9,262	1,993	11,255
<b>At 30 June 2008</b>			
Cost	14,198	11,074	25,272
Accumulated depreciation	(4,936)	(9,081)	(14,017)
Net book amount	9,262	1,993	11,255

## 11 Non-current assets - Property, plant and equipment (continued)

	Office equipment, furniture and fittings \$'000	Computer equipment \$'000	Total \$'000
<b>Parent 2009</b>			
<b>Year ended 30 June 2009</b>			
Opening net book amount	8,245	1,988	10,233
Additions	13,983	3,662	17,645
Disposals	(143)	(15)	(158)
Depreciation charge (note 3)	(951)	(1,565)	(2,516)
Closing net book amount	21,134	4,070	25,204
<b>At 30 June 2009</b>			
Cost	22,277	10,061	32,338
Accumulated depreciation	(1,143)	(5,991)	(7,134)
Net book amount	21,134	4,070	25,204
<b>Parent 2008</b>			
<b>Year ended 30 June 2008</b>			
Opening net book amount	3,636	2,125	5,761
Additions	6,294	1,393	7,687
Disposals	(1)	(3)	(4)
Depreciation charge (note 3)	(1,684)	(1,527)	(3,211)
Closing net book amount	8,245	1,988	10,233
<b>At 30 June 2008</b>			
Cost	13,048	11,068	24,116
Accumulated depreciation	(4,803)	(9,080)	(13,883)
Net book amount	8,245	1,988	10,233

## 12 Non-current assets - Deferred tax assets

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>The balance comprises temporary differences attributable to:</b>				
<i>Amounts recognised in profit or loss</i>				
Employee benefits provided for or payable	11,648	13,289	5,257	5,823
Capital project related costs	462	2	462	2
Software licence fees	304	–	304	–
Capital tax losses	270	119	270	119
Depreciation and amortisation	211	1,495	194	1,477
Accrued expenses	188	160	30	67
Sundry items	1,256	503	1,008	488
Net deferred tax assets	14,339	15,568	7,525	7,976

## 13 Non-current assets - Intangible assets

Consolidated and Parent 2009		Computer software \$'000	Total \$'000
<b>Year ended 30 June 2009</b>			
Opening net book amount		8,797	8,797
Additions		2,784	2,784
Disposals		–	–
Amortisation charge (note 3)		(2,613)	(2,613)
Closing net book amount		8,968	8,968
<b>At 30 June 2009</b>			
Cost		25,058	25,058
Accumulated amortisation		(16,090)	(16,090)
Net book amount		8,968	8,968
Consolidated and Parent 2008		Computer software \$'000	Total \$'000
<b>Year ended 30 June 2008</b>			
Opening net book amount		5,437	5,437
Additions		6,075	6,075
Disposals		(9)	(9)
Amortisation charge (note 3)		(2,706)	(2,706)
Closing net book amount		8,797	8,797
<b>At 30 June 2008</b>			
Cost		23,165	23,165
Accumulated amortisation		(14,368)	(14,368)
Net book amount		8,797	8,797

#### 14 Non-current assets - Other assets

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Investments in associates	–	–	21	565
Shares in subsidiaries	1	1	1	1
Interests in joint venture partnerships	–	–	–	961
	<b>1</b>	<b>1</b>	<b>22</b>	<b>1,527</b>

#### 15 Current liabilities - Payables

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Employee benefits payable	28,283	32,912	11,195	13,850
Accounts payable	4,459	4,303	3,211	3,679
Accrued expenses	8,229	9,022	6,803	8,059
Dividends	18,031	2,214	18,031	2,214
Amounts due to controlled entities	–	–	63,097	31,215
	<b>59,002</b>	<b>48,451</b>	<b>102,337</b>	<b>59,017</b>

These are non-interest bearing.

#### 16 Current liabilities - Provisions

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Employee benefits	8,772	8,525	4,657	4,109
Other provisions	93	32	93	32
	<b>8,865</b>	<b>8,557</b>	<b>4,750</b>	<b>4,141</b>

#### 17 Current liabilities - Current tax liabilities

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Income tax payable	8,605	–	8,522	–

**18 Non-current liabilities - Deferred tax liabilities**

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>The balance comprises temporary differences attributable to:</b>				
<i>Amounts recognised in profit or loss</i>				
Prepayments	774	–	490	–
Financial assets at fair value through profit or loss	–	282	–	282
UK capital allowances	29	40	–	–
Receivables	1	6	1	5
Net deferred tax liabilities	<b>804</b>	328	<b>491</b>	287

**19 Non-current liabilities - Provisions**

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Employee benefits	4,247	4,365	1,940	2,196
Provision to controlled entity	–	–	64,337	–
Provisions to associated entities	64,337	–	–	–
Other provisions	1,235	628	783	310
	<b>69,819</b>	4,993	<b>67,060</b>	2,506

**(a) Movements in provisions**

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

Consolidated - 2009	Provisions to		Total \$'000
	associated entities \$'000	Other provisions \$'000	
<b>Non-current</b>			
Carrying amount at start of year	–	628	628
Charged/(credited) to the income statement	–	(72)	(72)
- additional provisions recognised	64,337	740	65,077
- movements to current	–	(61)	(61)
Carrying amount at end of year	64,337	1,235	65,572

## 19 Non-current liabilities - Provisions (continued)

Consolidated - 2008	Other provisions \$'000	Total \$'000
<b>Non-current</b>		
Carrying amount at start of year	2,153	2,153
Charged/(credited) to the income statement	(178)	(178)
- additional provisions recognised	557	557
- movements to current	(32)	(32)
- transferred to employee benefits	(1,872)	(1,872)
Carrying amount at end of year	628	628

Parent entity - 2009	Provision to controlled entity \$'000	Other provisions \$'000	Total \$'000
<b>Non-current</b>			
Carrying amount at start of year	–	310	310
Charged/(credited) to the income statement	–	(72)	(72)
- additional provisions recognised	64,337	606	64,943
- movements to current	–	(61)	(61)
Carrying amount at end of year	64,337	783	65,120

Parent entity - 2008	Other provisions \$'000	Total \$'000
<b>Non-current</b>		
Carrying amount at start of year	2,025	2,025
Charged/(credited) to the income statement	(178)	(178)
- additional provisions recognised	367	367
- unused amounts reversed	(32)	(32)
- transferred to employee benefits	(1,872)	(1,872)
Carrying amount at end of year	310	310

During the year, the Group received a mid-term instalment of the performance fee of \$64.3 million net of GST. As this instalment is fully refundable if the performance criteria are not met over the entire 12 year period, it has been recorded as a non-current provision in the balance sheets.

Notes to the financial statements  
30 June 2009

**20 Contributed equity**

	2009 No. of Shares	Parent 2008 No. of Shares	2009 \$'000	Parent 2008 \$'000
<b>(a) Share capital</b>				
Ordinary shares				
Fully paid	<b>30,300,000</b>	30,300,000	<b>37,475</b>	37,475

**(b) Movements in ordinary share capital:**

Date	Details	Number of shares	Issue price	\$'000
1 July 2007	Opening balance	30,300,000	\$1.00	30,300
27 February 2008	Proceeds from reinvestment of dividend			7,175
30 June 2008	Closing balance	30,300,000	\$1.24	37,475
1 July 2008	Opening balance	30,300,000	\$1.24	37,475
30 June 2009	Closing balance	30,300,000	\$1.24	37,475

**(c) Capital risk management**

The parent entity's and Group's capital management objectives are to ensure sufficient capital resources to support business and operating requirements and risks and to continue to provide a return to the State of Queensland and benefits for other stakeholders.

In addition, the Group seeks to maintain a sufficient capital base to safeguard the ability to continue as a going concern.

Capital levels are monitored and assessed on a regular basis to ensure that these objectives are met.

The parent entity and Group are not currently subject to any legal or other regulatory requirement to have a capital base of any specific size.

With the exception of payables, provisions and income tax liabilities incurred in the normal course of business, the parent entity and Group do not undertake borrowings or hold debt.

**21 Retained profits**

	2009 \$'000	Consolidated 2008 \$'000	2009 \$'000	Parent entity 2008 \$'000
Balance 1 July	<b>18,088</b>	15,876	<b>6,507</b>	11,232
Net profit (loss) for the year	<b>36,062</b>	4,426	<b>36,049</b>	(2,511)
Dividend (note 22)	<b>(18,031)</b>	(2,214)	<b>(18,031)</b>	(2,214)
Balance 30 June	<b>36,119</b>	18,088	<b>24,525</b>	6,507

**22 Dividends**

	2009 \$'000	Parent entity 2008 \$'000
<b>(a) Ordinary shares</b>		
Final dividend for the year ended 30 June 2009 being 50% (2008: 50%) of consolidated operating profit after tax recognised as a payable (note 15)	<b>18,031</b>	2,214

## 23 Financial risk management

The Group's activities expose it to a variety of financial risks; market risk (including currency risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group uses different methods to measure different types of risk to which it is exposed. For the purposes of financial

statements disclosures, these methods include sensitivity analysis in the case of foreign exchange and price risks and aging analysis for credit and liquidity risks.

The responsibility for operational risk management resides with each of the business units within the Group and is supported by a central compliance and risk management group, which ensures consistency and oversight in line with policies approved by the Board of Directors.

The Group and parent entity hold the following financial instruments:

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Financial assets</b>				
Cash assets	1,163	1,934	1,058	1,774
Receivables	59,555	46,732	91,831	47,493
Financial assets at fair value through profit or loss	110,552	30,944	110,552	30,944
	<b>171,270</b>	<b>79,610</b>	<b>203,441</b>	<b>80,211</b>
<b>Financial liabilities</b>				
Payables	59,002	48,451	102,337	59,017
	<b>59,002</b>	<b>48,451</b>	<b>102,337</b>	<b>59,017</b>

### a) Market risk

Market risk is the risk of loss arising from movements in market variables, including observable variables such as interest rates, exchange rates and equity markets, and indirectly observable variables such as volatilities and correlations. Market risk for the Group primarily arises from foreign exchange risk in relation to an intercompany loan from the parent entity to a foreign subsidiary and price risk in relation to investments in unit trusts held by the Group.

#### (i) Foreign exchange risk

The Group and the parent entity operate internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to British pounds.

Foreign exchange risk arises from when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis.

Losses in value may result from translating the Group's capital invested in overseas operations into Australian dollars at balance date (translation risk) or from adverse foreign currency exchange rate movements on specific cash flow transactions (transaction risk).

The Group does not hedge the capital invested in overseas operations, thereby accepting the foreign currency translation risk on invested capital.

### 23 Financial risk management (continued)

The Group's exposure to foreign currency risk at the reporting date was as follows:

	<b>30 June 2009</b>	30 June 2008
	<b>GBP</b>	GBP
	<b>£'000</b>	£'000
Cash assets	<b>45</b>	62
Receivables	<b>201</b>	65
Trade payables	<b>(316)</b>	(201)
Net exposure	<b>(70)</b>	(74)

The carrying amounts of the parent entity's financial assets and liabilities are denominated in Australian dollars except as set out below:

	<b>30 June 2009</b>	30 June 2008
	<b>GBP</b>	GBP
	<b>£'000</b>	£'000
Receivables	<b>2,806</b>	1,929
Net exposure	<b>2,806</b>	1,929

#### Foreign currency sensitivity

The sensitivity of the Group's financial instruments held at 30 June 2009 (and in the prior year) to movements in the British pound with all other variables held constant has been assessed and is not material. The Group's exposure to other foreign exchange movements is not material.

#### (ii) Price risk

The Group is exposed to price risk. This arises from investments in unit trusts held by the Group and classified on the balance sheet as financial assets at fair value through profit or loss. The Group is not exposed to any other price risk. Price risk incorporates market risk, interest rate risk and foreign exchange risk in respect of investments in unit trusts.

Based on the non-current financial assets at fair value through profit or loss held at 30 June 2009, had the price increased by 27% (2008: 21%) with all other variables held constant, the Group's profit for the year would have been \$649,228 higher (2008: \$983,692). Conversely, if the price had decreased by 12% (2008: 13%), this would have decreased Group profit for the year by \$288,546 (2008: \$586,639).

A sensitivity analysis was conducted on the impact of a movement in the unit price of the company's investments in current financial assets at fair value through the profit or loss held at 30 June 2009 (and in the prior year), with all other variables held constant, which indicated that the price risk is not material.

There is no significant price risk in respect of cash assets, receivables or payables.

**(b) Credit risk**

Credit risk refers to the loss that the Group would incur if a debtor fails to perform under its contractual obligations. The carrying amount of financial assets recognised in the balance sheet represents the Group's and parent entity's maximum exposure to credit risk as at reporting date.

The Group seeks to limit its exposure to credit risk by dealing with reputable wholesale investment clients and by ensuring that a high percentage of clients pay their management fees via unit redemption on a monthly basis within an agreed timeframe. Where the Group has a significant concentration of credit risk, this is only in relation to clients that are part of the Queensland Government.

The following details an aging analysis of trade receivables.

	Days overdue			
	0 - 30 \$'000	31 - 60 \$'000	61 - 90 \$'000	Over 90 \$'000
Consolidated				
2009	54,998	252	105	243
2008	43,938	370	495	191
Parent entity				
2009	24,795	252	105	243
2008	30,122	370	495	191

No collateral is held over these balances. The Group has not provided against these as there has not been a significant change in credit quality and these amounts are still considered recoverable.

**(c) Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its cash outflows as they fall due because of lack of liquid assets.

The Group invests its working capital in the QIC Cash Fund which is highly liquid.

The following table details the parent entity's and Group's remaining contractual maturity for its financial liabilities, on an undiscounted basis.

	2009			2008		
	Less than 1 year \$'000	> 1 year \$'000	Total \$'000	Less than 1 year \$'000	> 1 year \$'000	Total \$'000
	Consolidated					
Payables	59,002	–	59,002	48,451	–	48,451
Parent entity						
Payables	102,337	–	102,337	59,017	–	59,017

**(d) Fair value estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The Group's holding in financial assets held at fair value through profit and loss is limited to units in unit trusts managed by QIC

Limited. The fair value of units in unit trusts is based on the closing exit price of the trust at the reporting date.

The carrying value of cash assets, receivables and payables are assumed to approximate their fair values due to their short term nature.

## 24 Key management personnel disclosures

Key management personnel disclosures are made in accordance with *Minimum Remuneration Disclosure Requirements* issued by Queensland Treasury.

Key management personnel includes both directors and executives who have authority and responsibility for planning, directing and controlling the activities of the Group.

### (a) Directors

The following persons were directors of QIC Limited for the whole of the current and prior financial years, except where indicated otherwise below:

#### (i) Chairman – non-executive

T C Rowe AM

#### (ii) Deputy Chairman – non-executive

K D MacDonald

#### (iii) Non-executive directors

B C Bowton (from 24 April 2008)

L T Gearing (from 24 April 2008)

D H Harrison

M M Micalizzi

B K Morris

M L Newman AC

J G Allpass (to 30 September 2008)

I Brusasco AM (to 30 September 2008)

### (b) Executives

Executives are appointed by the Board. The Group Chief Executive is also appointed by the Board with the prior written approval of the Shareholding Ministers. During the current and prior financial year, the following persons were executives with the greatest authority for the strategic direction and management of the Group ('executives'):

D F McTaggart, Group Chief Executive

B G Holzberger, Chief Executive, QIC Asset Management (to 10 March 2009)

M A Cottier, Chief Financial Officer

D A Mundie, General Manager, Operations

M A Sugden, General Manager, Client Services

Ms S J Buckley, formerly General Manager, Global Fixed Interest and Mr J W Christensen, formerly General Manager, Alternative Investment Strategies satisfied the definition of key management personnel until 1 March 2008, at which time the Group was restructured. These employees now occupy the position of Managing Director, Active Management, which does not meet the definition of key management personnel.

Mr J R Gethin Jones General Manager, Global Equities was an executive until his resignation effective 14 December 2007.

### (c) Remuneration of directors and executives

Principles used to determine the nature and amount of remuneration

#### (i) Directors' fees

The Governor in Council of the State of Queensland determines the Group's directors' fees. Directors receiving directors' fees personally also receive the statutory superannuation contributions. All directors are reimbursed for reasonable expenses incurred while conducting business on behalf of the Group. Directors are not entitled to performance based incentive payments and retirement benefits.

#### (ii) Remuneration for executives

The Human Resource and Remuneration Committee, consisting of four non-executive directors and the Group Chief Executive, reviews the level of remuneration paid to all executives. The Committee met eight times during the year. Analysis and advice is obtained from external consultants to ensure that remuneration is benchmarked against market rates for comparable roles.

A number of salary surveys are utilised to assess market rates and trends. The primary survey utilised is conducted by the Financial Institutions Remuneration Group. This survey has approximately

100 member organisations in the finance industry, including many in the investment management industry. Remuneration is reviewed at least annually to endeavour to ensure executive pay is competitive with the funds management industry.

Remuneration for executives includes a mix of fixed remuneration, at risk performance incentives which are subject to performance targets, and at risk retention payments which are subject to period of service targets. Non-monetary benefits are incorporated into remuneration on a salary sacrifice basis and typically include motor vehicles and car parking, including the fringe benefits tax on these benefits.

The Group's policy does not provide for any redundancy payment for staff on individual contracts of employment. The Group's contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for the termination. The Group may at its discretion provide retrenchment payments consistent with industry practice.

The Human Resource and Remuneration Committee refers its recommendations relating to remuneration to the QIC Limited Board for consideration and, where appropriate, consults with the Shareholding Ministers.

#### (iii) Compensation - Key management personnel:

	Consolidated		Parent entity	
	2009	2008	2009	2008
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	4,880	6,241	4,725	6,061
Long-term employee benefits	120	68	120	68
Post-employment benefits	277	437	271	434
Termination benefits	37	345	37	345
Total	5,314	7,091	5,153	6,908

Key management personnel compensation includes the remuneration of directors and executives specified at note 24 for the periods indicated, including at-risk performance incentives and retention payments.

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24 Key management personnel disclosures (continued)

(iv) Compensation - Directors:

Directors		Board and Board Committees						Total primary	Post-employment	Total
Name	Position	Audit & Risk		HR & Rem.	Debt Mgmt	Product	Subsidiary Companies	Cash salary and fees	Super-annuation	\$'000
		Directors' fees	Committee fees	Committee fees	Committee	Dev't				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Reporting Period</b>	<b>I July 2008 - 30 June 2009</b>									
T C Rowe AM	Chairman	105	—	9	—	9	28	151	9	160
K D MacDonald	Deputy Chairman	40	—	14	—	9	9	72	—	72
J G Allpass <sup>(3)</sup>	Director	10	2	—	3	2	—	17	2	19
B C Bowton <sup>(2)</sup>	Director	61	—	—	9	9	—	79	7	86
I Brusasco AM <sup>(3)</sup>	Director	10	—	2	—	—	2	14	—	14
LT Gearing <sup>(2)</sup>	Director	61	7	9	—	9	—	86	8	94
D H Harrison	Director	40	9	9	—	—	—	58	2	60
M M Micalizzi	Director	40	14	—	9	9	—	72	4	76
B K Morris	Director	40	9	—	10	—	—	59	5	64
M L Newman AC	Director	61	—	—	—	14	—	75	7	82
P Forbes <sup>(1)</sup>	Director	—	—	—	—	—	40	40	4	44
C Hirst AO <sup>(1)</sup>	Director	—	—	—	—	—	20	20	2	22
P R Jenkins <sup>(1)</sup>	Director	—	—	—	—	—	56	56	—	56
	I July 2008 - 30 June 2009									
Total remuneration	June 2009	468	41	43	31	61	155	799	50	849
<b>Previous Period</b>	<b>I July 2007 - 30 June 2008</b>									
T C Rowe AM	Chairman	101	—	9	—	9	27	146	4	150
K D MacDonald	Deputy Chairman	38	—	13	—	9	9	69	—	69
J G Allpass <sup>(3)</sup>	Director	38	9	—	13	9	—	69	6	75
B C Bowton <sup>(2)</sup>	Director	15	—	—	2	2	—	19	2	21
I Brusasco AM <sup>(3)</sup>	Director	38	—	9	—	—	9	56	—	56
LT Gearing <sup>(2)</sup>	Director	15	—	2	—	2	—	19	2	21
D H Harrison	Director	38	9	9	—	—	—	56	—	56
M M Micalizzi	Director	38	13	—	9	9	—	69	3	72
B K Morris	Director	38	9	—	—	—	—	47	4	51
M L Newman AC	Director	59	—	—	—	13	—	72	6	78
P Forbes <sup>(1)</sup>	Director	—	—	—	—	—	38	38	1	39
C Hirst AO <sup>(1)</sup>	Director	—	—	—	—	—	38	38	2	40
P R Jenkins <sup>(1)</sup>	Director	—	—	—	—	—	59	59	—	59
	I July 2007 - 30 June 2008									
Total remuneration	June 2008	418	40	42	24	53	180	757	30	787

Notes:

<sup>(1)</sup> Directors of QIC Limited subsidiary companies only. <sup>(2)</sup> Appointed 24 April 2008. <sup>(3)</sup> Resigned 30 September 2008.

#### (v) Compensation - Executives:

Base consists of base salary package and leave entitlements paid and provided.

Executives		Primary	Post-employment		Termination benefits	Total remuneration (excluding at-risk performance incentive)
Name	Position	Base \$'000	Non-monetary benefits \$'000	Superannuation \$'000	\$'000	\$'000
<b>Reporting Period</b>		<b>1 July 2008 - 30 June 2009</b>				
D F McTaggart	Group Chief Executive	594	24	51	–	669
	Chief Executive, QIC Asset Management					
B G Holzberger <sup>(1)</sup>		381	–	31	37	449
M A Cottier	Chief Financial Officer	259	8	46	–	313
D A Mundie	General Manager, Operations	251	20	47	–	318
M A Sugden	General Manager, Client Services	274	–	52	–	326
Total remuneration	1 July 2008 - 30 June 2009	1,759	52	227	37	2,075
<b>Previous Period</b>		<b>1 July 2007 - 30 June 2008</b>				
D F McTaggart	Group Chief Executive	527	27	72	–	626
	Chief Executive, QIC Asset Management					
B G Holzberger <sup>(1)</sup>		458	1	81	–	540
	General Manager, Global Fixed Interest					
S J Buckley <sup>(3)</sup>		256	18	47	–	321
	General Manager, Alternative Investment Strategies					
J W Christensen <sup>(3)</sup>		215	–	62	–	277
M A Cottier	Chief Financial Officer	247	7	45	–	299
J R Gethin-Jones <sup>(2)</sup>	General Manager, Global Equities	190	5	8	345	548
D A Mundie	General Manager, Operations	213	30	43	–	286
M A Sugden	General Manager, Client Services	248	4	49	–	301
Total remuneration	1 July 2007 - 30 June 2008	2,354	92	407	345	3,198

Notes:

<sup>(1)</sup> Resigned 10 March 2009. <sup>(2)</sup> Resigned 14 December 2007. <sup>(3)</sup> Until 1 March 2008, at which time the QIC group was restructured. These employees now occupy the position of Managing Director, Active Management, which does not meet the definition of key management personnel.

#### (d) Other transactions with key management personnel

Aggregate amounts are presented below of each of the following types of transactions with key management personnel of QIC Limited and the consolidated entity, either in its own capacity or as trustee of the trusts as listed in note 27.

#### (i) Directors of QIC Limited

The Chairman, Mr T C Rowe AM, is a director of Australian Securities Exchange Ltd. A director, Mr M L Newman AC, is the former Chairman of Australian Securities Exchange Ltd and ASX Markets Supervision Pty Limited. QIC Limited and certain of its subsidiaries have utilised the services of Australian Securities

Exchange Ltd, including the transacting of securities on the Australian Securities Exchange and subscription to information services. These transactions occur on normal commercial terms and conditions.

The Chairman, Mr T C Rowe AM, is the Chairman of BrisConnections Management Company Limited. Trusts for which QIC Limited is trustee invest in BrisConnections Investment Trust and BrisConnections Holdings Trust. These transactions occurred on normal commercial terms and conditions. No other transactions have occurred between the Group and BrisConnections Management Company Limited.

**24 Key management personnel disclosures (continued)**

The Chairman, Mr T C Rowe AM, is a member of the Board of Guardians of the Future Fund. During the year, QIC Limited has provided funds management services to the Future Fund on normal commercial terms and conditions.

The Deputy Chairman, Mr K D MacDonald, was a Partner of Allens Arthur Robinson until 31 December 2007 and is now a consultant employed by Allens Arthur Robinson. Allens Arthur Robinson has provided legal services to QIC Limited and certain of its subsidiaries. These transactions occur on normal commercial terms and conditions.

The Deputy Chairman, Mr K D MacDonald, is a director of Q Invest Limited. QIC Limited holds 50% of the shares in Q Invest Limited. During the year, QIC Limited provided investment management services to Q Invest Limited, on normal commercial terms and conditions. QIC Limited also provides accounting, payroll and information technology services to Q Invest Limited. These services are provided on a cost recovery basis.

A former director, Mr J G Allpass, was a director of Macquarie Bank Ltd until 19 July 2007. Macquarie Bank Ltd has provided transactional and settlement services to QIC Limited. These transactions occur on normal commercial terms and conditions.

QIC Limited and certain of its subsidiaries (in a trustee capacity) are members of a consortium led by Macquarie Bank Ltd to purchase and manage a specific infrastructure investment. The resulting transactions occur on normal commercial terms and conditions.

A former director, Mr I Brusasco AM, is a director of Pharmall Pty Ltd. A trust for which QIC Limited, is trustee has rented floor space to Pharmall Pty Ltd, on normal commercial terms and conditions.

A former director, Mr I Brusasco AM, is Chairman of the Board of Workcover Queensland. Workcover Queensland has provided workers' compensation insurance to QIC Limited and certain of its subsidiaries for several years on normal commercial terms and conditions. QIC Limited also receives management fees from Workcover Queensland in relation to investment management services on normal commercial terms and conditions.

A director, Ms M M Micalizzi, is a member of the Sunsuper Audit, Risk and Compliance Committee. QIC Limited has provided investment management services to Sunsuper. These transactions occur on normal commercial terms and conditions.

A director, Ms LT Gearing, was a director of Stockland Corporation Limited until 31 December 2008. QIC Limited holds 50% of the issued units in the Martin Place Property Trust, a registered managed investment scheme. The remaining 50% of issued units in this scheme are held by Stockland Corporation Limited and the responsible entity of the scheme is Stockland Trust Management Limited (a subsidiary of Stockland Corporation Limited). Stockland Trust Management Limited provides administrative and accounting services to QIC Limited in relation to the Martin Place Property Trust. These transactions occur on normal commercial terms and conditions.

**(ii) Executives of the Group**

Dr D F McTaggart, Group Chief Executive, is Governor of the Queensland Community Foundation. QIC Limited provides sponsorship to the Queensland Community Foundation.

Dr D F McTaggart is a director of Q Invest Limited. QIC Limited receives directors' fees from Q Invest Limited. Details of other transactions undertaken with Q Invest Limited are outlined in the previous section.

Dr D F McTaggart is a director of Telesso Technologies Limited. Trusts for which QIC Limited subsidiaries are trustee have an investment in Telesso Technologies Limited. QIC Limited receives directors' fees in relation to Dr D F McTaggart's services.

Mr B G Holzberger, an executive to 10 March 2009, is a director of MAP Funds Management Limited. QIC Limited has provided investment management services to MAP Funds Management Limited. These transactions occur on normal commercial terms and conditions.

Aggregate amounts of each of the above types of transactions with key management personnel of QIC Limited and the consolidated entity, either in its own capacity or as trustee of the trusts are listed on the opposite page.

	2009 \$'000	2008 \$'000
<b>Amounts recognised as revenue</b>		
Management and performance fees	10,206	11,914
Rent	801	765
Information technology services	754	1,142
Fitout contribution	–	472
Accounting and payroll services	449	323
Directors' fees	78	63
	12,288	14,679

	2009 \$'000	2008 \$'000
<b>Amounts recognised as expenses</b>		
Brokering, transaction and settlement fees	10,947	8,572
Professional services	874	1,315
Workers' compensation coverage	115	70
Sponsorships	80	88
Administrative and accounting services	39	32
Subscriptions	2	2
	12,057	10,079

**25 Employee benefits****Performance and retention remuneration**

The majority of the Group's employees are sourced from the various financial markets and investment sectors in which the Group participates. It is important that the Group's employment practices are competitive within these markets. Effective remuneration strategies are an essential element in the Group's ability to attract and retain investment professionals and other

key employees and to ensure their effectiveness in achieving agreed performance benchmarks. Performance and retention remuneration payments are focused on senior employees whose roles and contribution are identified as critical to the continued success of the Group.

In accordance with good corporate governance, the following summarises payments of this type.

	Consolidated	
	2009	2008
Aggregate amounts for performance and retention of employees (\$'000)	<b>25,797</b>	30,375
Aggregate remuneration (including the amounts above) for employees to whom such amounts are paid, payable or provided (\$'000)	<b>74,666</b>	74,345
Number of employees who receive payments for performance and retention purposes	<b>256</b>	239

The following categories of employees are eligible to participate in these payments:

- Executives (includes Group Chief Executive, Chief Financial Officer, Managing Directors and General Managers)
- Leading specialist staff with primary direct responsibility for investment or client outcomes
- Senior specialist staff with significant direct responsibility for investment or client outcomes
- Other investment professionals involved in management of portfolios or client outcomes
- Senior non-investment professionals

These payments are dependent on the satisfaction of performance conditions and are defined as 'at-risk'. The maximum at-risk amount payable varies with individual roles to the extent that each role impacts on investment and corporate performance. The components of the calculation reflect business objectives and are drawn from the following as appropriate:

- Total alpha: active return from investment activities
- Sector alpha: active return from investment activities for specific portfolios
- Investment objectives: outcomes assessed against investment objectives scorecards
- Corporate retention and growth targets: a number of factors including industry feedback, new and retained funds under management, business unit targets and alpha/total return outcomes
- Individual out-performance: employee ratings through the performance management program

**26 Remuneration of auditors**

During the year the following fees were paid or payable for services provided by the external auditors.

	Consolidated		Parent entity	
	2009	2008	2009	2008
	\$	\$	\$	\$
<i>Audit services</i>				
<i>Queensland Audit Office</i>				
Audit and review of financial reports	<b>115,537</b>	112,372	<b>57,137</b>	65,372
<i>KPMG</i>				
Audit and review of financial reports	<b>25,490</b>	54,298	–	–
Total remuneration for audit services	<b>141,027</b>	166,670	<b>57,137</b>	65,372

## 27 Contingencies

### (a) Trustee obligations

At 30 June 2009, QIC Limited or its controlled entities were Trustee of:

Canberra Centre (No.2) Investment Trust	QIC Global Macro Fund	QIC North America Diversified Property Fund
Canberra Centre Investment Trust	QIC Global Strategy Trust No. 1	QIC North Asia Property Fund
Eastland Shopping Centre Trust	QIC Global Strategy Trust No. 2	QIC NZ Power Trust No. 1
General Fund No. 2	QIC Global Strategy Trust No. 2A	QIC NZ Power Trust No. 2
Innovis Investments Australia Fund	QIC Global Strategy Trust No. 2B	QIC NZ Power Trust No. 3
Melton Property Trust	QIC Grand Central Trust	QIC NZ Power Trust No. 4
QIC US Infrastructure Fund No. 3	QIC Growth Fund	QIC Office Property Fund
QIC 141 Queen Street Trust	QIC Growth Fund No.2	QIC Private Equity Fund No. 1
QIC 80 Collins Street Trust	QIC Hedged International Equities Fund	QIC Private Equity Fund No. 2
QIC Active Currency Trust	QIC Helensvale Trust	QIC Property Fund
QIC Active Large Companies Fund	QIC Hi Yield Trust	QIC Property Securities Fund
QIC Active Small Companies Fund	QIC High Growth Fund	QIC Retail (No. 2) Fund
QIC Asia Diversified Property Fund	QIC Implemented Australian Equities Fund	QIC Ringwood Trust
QIC Asia Property Fund	QIC Industrial Trust	QIC Robina Trust
QIC Asia Retail Property Fund	QIC International Equities Absolute Return Fund	QIC Section 63 Trust
QIC Australian Equities Fund	QIC International Equities Focus Fund	QIC Shopping Centre Fund
QIC Australian Fixed Interest Fund	QIC International Equities Fund	QIC Stable Fund
QIC Australian Venture Capital Fund	QIC International Equities Small Companies Fund	QIC Strategy Fund No. 1
QIC Brisbane Airport Infrastructure Trust	QIC International Property Development Trust	QIC Strategy Fund No. 2
QIC Cash Deposit Fund	QIC International Property Fund	QIC Tactical Return Fund
QIC Cash Enhanced Fund	QIC January 1999 Trust	QIC Tollroad Investment Fund No. 1
QIC Cash Fund	QIC Logan Hyperdome (No. 2) Trust	QIC Treasury Infrastructure Fund
QIC Castle Towers Trust	QIC Logan Hyperdome Trust	QIC UK Retail Fund
QIC Central Plaza 1 Trust	QIC March 2001 Trust	QIC US Infrastructure Fund No. 1
QIC Colonial Centre Trust	QIC Merry Hill (Jersey) Trust No. 1	QIC US Infrastructure Fund No. 2
QIC Coomera Trust	QIC Merry Hill (Jersey) Trust No. 2	QIC US Infrastructure Fund No. 3
QIC Diversified Fixed Interest Fund	QIC Merry Hill (Jersey) Trust No. 3	QIC US Power Trust No. 1
QIC Diversified Infrastructure Fund No. 1	QIC Merry Hill (Jersey) Trust No. 4	QIC US Power Trust No. 2
QIC Diversified Infrastructure Fund No. 2	QIC Merry Hill (Jersey) Trust No. 5	QIC Westpoint Trust
QIC Emerging Markets Equities Fund	QIC Merry Hill (Jersey) Trust No. 6	Queensland Biocapital Fund No. 1
QIC Europe Retail Fund	QIC Merry Hill (Jersey) Trust No. 7	Queensland Biocapital Fund No. 2
QIC GFI Alpha Fund	QIC Merry Hill Retail Trust	Queensland Investment Trust No. 1
QIC Global Credit Fund	QIC MLC Centre Trust	Queensland Investment Trust No. 2
QIC Global Credit Opportunities Fund		Watergardens Trust

In their capacity as Trustee, the parent entity and its controlled entities are potentially liable for liabilities of the Trusts. However, under the Trust Deeds, the parent entity or its controlled entities are entitled to be indemnified out of the assets of the Trusts against any losses or outgoings sustained in their role as Trustee, provided the Trustee has acted within the terms of the Trust Deeds.

In addition, the parent entity operates discrete portfolios on behalf of particular clients. The investments comprising each portfolio are owned by each particular client. In accordance with client agreements governing discrete portfolios, clients are obligated to provide funds to the parent entity to cover any losses or outgoings sustained in operating their particular portfolio(s).

The directors have assessed the recoverable amounts of the assets of the Trusts and concluded that the Trusts have excess assets over liabilities and accordingly the Group has not recorded any liability in its financial statements.

Funds managed by the Group in a Trustee capacity in either trusts or discrete portfolios totalled \$64 billion at 30 June 2009 (2008: \$82.9 billion). These figures exclude cross holdings between Trusts.

## 27 Contingencies (continued)

### (b) Subsidiary and associate undertakings

In accordance with an eligible undertaking dated 27 February 2006, QIC Limited irrevocably agrees to pay QIC Retail Pty Ltd an amount up to \$8 million (in aggregate) on written demand pursuant to an Australian Financial Services Licence.

In accordance with an eligible undertaking dated 27 February 2006, QIC Limited irrevocably agrees to pay QIC Properties Pty Ltd an amount up to \$5 million (in aggregate) on written demand pursuant to an application for an Australian Financial Services Licence.

In accordance with an eligible undertaking dated 27 November 2006, QIC Limited irrevocably agrees to pay QIC Private Capital Pty Ltd an amount up to \$10 million (in aggregate) on written demand pursuant to an Australian Financial Services Licence.

In accordance with a deed poll dated 27 February 2004, QIC Limited has agreed to indemnify each of its subsidiaries for all liabilities incurred by the subsidiary to third parties, arising from the provision of financial services to wholesale clients in respect of dealing (including arranging for a person to deal) and providing financial product advice.

In accordance with the QIC (UK) Management Limited lease of 21 Holborn Viaduct, London, QIC Limited irrevocably agrees to pay the lessor any outstanding rent and make good on any damages to the premises for the term of the lease, expiring 1 February 2017.

QIC Limited has provided a guarantee to adequately fund 50% of Q Invest Limited, to ensure that Q Invest Limited can meet its obligations under Australian Securities and Investments Commission licensing requirements.

QIC Limited has provided an undertaking to adequately fund a subsidiary, Queensland BioCapital Funds Pty Ltd, to ensure that it can pay its expenses as and when they become due and payable.

### (c) Potential claim

A client has issued the parent entity with a letter of demand in relation to investment management services provided during the period. The matter is subject to confidentiality obligations and ongoing review and legal advice. No provision has been made in relation to the claim as it is not possible to reliably estimate the financial affect, if any, of the claim at this stage.

### (d) Litigation

A building contractor has commenced litigation against the parent entity, in its capacity as Trustee of the QIC Westpoint Trust, claiming additional payments and other damages from the QIC Westpoint Trust. In its capacity as Trustee, the parent entity has lodged a cross claim against the building contractor for its claimed losses and damages. No provision has been made for future litigation costs or the outcome of the litigation, positive or negative.

Litigation is in progress against the parent entity and certain of its controlled entities, in their capacity as Trustee, in relation to other disputes pertaining to property development and management activities. The parent entity and its controlled entities have disclaimed liability and are defending the actions. It is not possible to reliably estimate the financial effects, if any.

### (e) Performance fees

A performance fee is potentially payable by the QIC Shopping Centre Fund to the Group where certain performance criteria are achieved over a 12 year period ending in 2014. If the performance criteria are not met over the entire 12 year period, no performance fee is payable.

At year end, based on performance to date, management's judgement is that there remains a significant degree of uncertainty over whether the performance targets will be achieved for the 12 year period. Achievement of these targets is influenced by a number of factors over which the Group has no control, including the underlying performance of the commercial property market, movements in interest rates and other risk factors.

On this basis, the amount of the performance fee can not yet be reliably measured and the inflow of economic benefits is not yet considered to be probable. Accordingly, the performance fee has not been recognised as income by the Group for the year ended 30 June 2009.

## 28 Commitments

The Group leases various offices under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated. The Group also has a number of contractual commitments associated with project work in progress.

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Commitments in relation to non-cancellable operating leases and project related contractual arrangements are payable as follows:				
Within one year	12,729	10,193	11,860	9,859
Later than one year but not later than five years	35,272	33,458	32,884	31,321
Later than five years	43,495	50,378	42,119	48,464
	<b>91,496</b>	<b>94,029</b>	<b>86,863</b>	<b>89,644</b>

## 29 Related party transactions

### (a) Parent entity

The ultimate parent entity within the Group is QIC Limited. The company is a Queensland Government Owned Corporation, with all shares held by Shareholding Ministers on behalf of the State of Queensland. All State of Queensland controlled entities meet the definition of related parties of QIC Limited.

### (b) Subsidiaries

Interests in subsidiaries are set out in note 30.

### (c) Key management personnel

Disclosures relating to key management personnel are set out in note 24.

### (d) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<i>Sales of goods and services</i>				
Administration fees from controlled entities	–	–	12,655	6,608
Administration fees from associates	1,093	1,332	1,093	1,332
Directors' fees from associates	71	57	71	57
Investment management and performance fees from other related parties - State of Queensland	72,673	46,073	31,134	28,893
Other goods and services from other related parties – State of Queensland	74	91	74	91

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**29 Related party transactions (continued)**

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<i>Purchases of goods and services</i>				
Purchase of goods and services from other related parties - State of Queensland	9,438	4,535	7,399	3,007
Service fees paid to controlled entities	–	–	8,765	11,976
<i>Payment of income tax</i>				
Other related parties - State of Queensland	4,156	8,191	4,156	8,191
<i>Payment of dividends</i>				
Other related parties - State of Queensland	2,214	7,175	2,214	7,175
<i>Tax consolidation reimbursements</i>				
Amounts payable by subsidiaries under the tax sharing and funding agreement	–	–	6,833	8,986
<i>Dividend revenue</i>				
Controlled entities	–	–	42,606	6,973
<i>Superannuation contributions</i>				
Contributions to superannuation funds on behalf of employees	7,363	6,118	4,104	3,599

**(e) Outstanding balances arising from sales/purchases of goods and services**

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<i>Current receivables (sales of goods and services)</i>				
Controlled entities	–	–	6,514	4,034
Other related parties - State of Queensland	15,100	8,837	2,973	8,837
<i>Current receivables (tax consolidation reimbursements)</i>				
Wholly-owned tax consolidated entities	–	–	13,982	3,662
<i>Current receivables (dividends)</i>				
Controlled entities	–	–	42,606	6,973
<i>Current payables (purchases of goods and services)</i>				
Controlled entities	–	–	63,097	31,215
Other related parties - State of Queensland	305	230	167	230
<i>Current payables (dividends)</i>				
Other related parties - State of Queensland	18,031	2,214	18,031	2,214
<i>Non-current provisions</i>				
Controlled entities	–	–	64,337	–

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

**(f) Terms and conditions**

Outstanding balances are unsecured and are repayable in cash.

### 30 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding	
			2009 %	2008 %
Canberra Centre Investments Pty Ltd	Australia	Ordinary	100	100
Eastland Property Holdings Pty Ltd	Australia	Ordinary	100	100
Pacific Echo Pty Limited	Australia	Ordinary	100	100
Innovis Investments Pty Ltd	Australia	Ordinary	100	100
QBF No. 1 Pty Ltd	Australia	Ordinary	100	100
QBF No. 2 Pty Ltd	Australia	Ordinary	100	100
QIC (UK) Management Limited	United Kingdom	Ordinary	100	100
QIC Asia Real Estate Investments Pty Ltd	Australia	Ordinary	100	100
QIC Coomera Pty Ltd	Australia	Ordinary	100	100
QIC Developments Pty Ltd	Australia	Ordinary	100	100
QIC Helensvale Pty Ltd	Australia	Ordinary	100	100
QIC Hi Yield Pty Ltd	Australia	Ordinary	100	100
QIC Infrastructure Management Pty Ltd	Australia	Ordinary	100	100
QIC Infrastructure Management No. 2 Pty Ltd	Australia	Ordinary	100	–
QIC International Real Estate Investments Pty Ltd	Australia	Ordinary	100	100
QIC Logan Hyperdome Pty Ltd	Australia	Ordinary	100	100
QIC Merry Hill Pty Ltd	Australia	Ordinary	100	100
QIC North America Investments Pty Ltd	Australia	Ordinary	100	100
QIC North Asia Real Estate Investment Pty Ltd	Australia	Ordinary	100	100
QIC Office Pty Ltd	Australia	Ordinary	100	100
QIC Private Capital Pty Ltd	Australia	Ordinary	100	100
QIC Properties Pty Ltd	Australia	Ordinary	100	100
QIC Property Investments (Jersey) No. 1 Limited	Jersey	Ordinary	100	100
QIC Property Investments (Jersey) No. 2 Limited	Jersey	Ordinary	100	100
QIC Property Management Pty Ltd	Australia	Ordinary	100	100
QIC Real Estate Funds Pty Ltd	Australia	Ordinary	100	100
QIC Real Estate Pty Ltd	Australia	Ordinary	100	100
QIC Retail Pty Ltd	Australia	Ordinary	100	100
QIC Retail (No. 2) Pty Ltd	Australia	Ordinary	100	100
QIC Ringwood Pty Ltd	Australia	Ordinary	100	100
QIC Robina Pty Ltd	Australia	Ordinary	100	100
QIC Strategy No. 1 Pty Ltd	Australia	Ordinary	100	–
QIC Strategy No. 1A Pty Ltd	Australia	Ordinary	100	–
QIC Strategy No. 2 Pty Ltd	Australia	Ordinary	100	–
QIC Strategy No. 2A Pty Ltd	Australia	Ordinary	100	–
QIC Toowoomba Pty Ltd	Australia	Ordinary	100	100
QIC Westpoint Pty Ltd	Australia	Ordinary	100	100
QPC Investments No. 1 Pty Ltd	Australia	Ordinary	100	100
Queensland BioCapital Funds Pty Ltd	Australia	Ordinary	100	100
Watergardens Pty Limited	Australia	Ordinary	100	100



### 32 Interests in joint ventures

The parent entity had a 50% interest in the Innovis Investment Partners Australia Limited Partnership, which was a resident in Australia and the principal activity of which was investment management. Innovis Investment Partners Australia LP partnership was dissolved on 31 December 2008 with all monies returned or distributed.

The parent entity has a 50% interest in the Innovis Investment Partners LLC, which is resident in the United States of America and the principal activity of which is investment management.

The interests in both partnerships are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost by the parent entity (refer to note 9). Information relating to the joint venture partnerships is set out below.

#### (a) Joint venture partnership

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
<b>Carrying amount of investment in partnership</b>				
Innovis Investment Partners Australia Limited Partnership	—	845	—	—
Innovis Investment Partners LLC (31 December year end)	—	116	—	—
	—	961	—	—

	Consolidated	
	2009 \$'000	2008 \$'000
<b>Share of partnerships' assets and liabilities</b>		
Current assets	—	—
Non-current assets	—	961
Total assets	—	961
Current liabilities	—	—
Non-current liabilities	—	—
Total liabilities	—	—
Net assets	—	961

	Consolidated	
	2009 \$'000	2008 \$'000
<b>Share of partnerships' revenue, expenses and results</b>		
Revenues	(834)	1,208
Expenses	—	(201)
Profit before income tax	(834)	1,007

### 33 Events occurring after the balance sheet date

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material nature likely, to affect

significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Notes to the financial statements  
30 June 2009

**34 Reconciliation of profit after income tax to net cash inflow from operating activities**

	Consolidated		Parent entity	
	2009 \$'000	2008 \$'000	2009 \$'000	2008 \$'000
Profit (loss) for the year	<b>36,062</b>	4,426	<b>36,049</b>	(2,511)
Distribution income reinvested	<b>(35)</b>	(862)	<b>(35)</b>	(862)
Fair value losses on non-current financial assets at fair value through profit or loss	<b>292</b>	1,404	<b>292</b>	1,404
Depreciation and amortisation	<b>5,259</b>	6,042	<b>5,129</b>	5,917
Net loss on sale of non-current assets	<b>98</b>	10	<b>96</b>	10
Partnership distributions	–	–	<b>834</b>	(1,007)
Write down of investment in associates	–	–	<b>694</b>	958
Share of profits (losses) of partnerships	<b>834</b>	(1,007)	–	–
Share of losses of associates	<b>694</b>	958	–	–
Change in operating assets and liabilities:				
Increase in receivables	<b>(12,823)</b>	(16,445)	<b>(44,338)</b>	(15,859)
Decrease (increase) in current tax assets	<b>1,135</b>	(1,135)	<b>1,189</b>	(1,189)
Decrease (increase) in deferred tax assets	<b>1,229</b>	(4,319)	<b>451</b>	(2,142)
(Decrease) increase in payables	<b>(5,265)</b>	15,094	<b>27,503</b>	22,261
Increase in provisions	<b>65,134</b>	2,561	<b>826</b>	657
Increase (decrease) in current tax liabilities	<b>8,605</b>	(905)	<b>8,522</b>	(905)
Increase in deferred tax liabilities	<b>476</b>	311	<b>204</b>	284
Net cash inflow from operating activities	<b>101,695</b>	6,133	<b>37,416</b>	7,016

Directors' declaration  
30 June 2009

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**Directors' declaration**

In the directors' opinion:

- (a) the financial statements and notes set out on pages 39 to 78:
  - (i) comply with Australian Accounting Standards and Interpretations;
  - (ii) are in accordance with the *Corporations Act 2001* and the *Corporations Regulations 2001*;
  - (iii) give a true and fair view of the financial position of the parent entity's and consolidated group's financial position as at 30 June 2009 and of their performance for the financial year ended on that date;
  - (iv) the financial report complies with International Financial Reporting Standards as disclosed in note 1(a); and
- (b) there are reasonable grounds to believe that the parent 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 directors.



**T C Rowe AM**  
Chairman of the Board



**M M Micalizzi**  
Chairman of the Audit and Risk Management Committee

Brisbane  
31 August 2009

# Independent Auditor's Report to the members of QIC Limited

## 30 June 2009

### Matters relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of QIC Limited for the financial year ended 30 June 2009 included on QIC Limited's website. The directors are responsible for the integrity of QIC Limited's website. I have not been engaged to report on the integrity of QIC'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 QIC Limited, to confirm the information included in the audited financial report presented on this website.

### Report on the Financial Report

I have audited the accompanying financial report of QIC 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 of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

### The Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility 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. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

### 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*.

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 from 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 appropriateness 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.

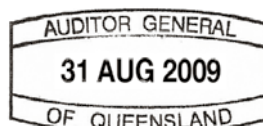
### Auditor's Opinion

In my opinion –

- (a) the financial report of QIC Limited is in accordance with the *Corporations Act 2001*, including –
  - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Reporting Standards as disclosed in Note 1(a).



G G POOLE FCA  
Queensland Audit Office  
Auditor-General of Queensland Brisbane



## Glossary

Term	Definition
<b>Absolute return</b>	The 'absolute return' is the 'actual return'. It is the rate of return on money invested, usually expressed as a percentage.
<b>Active management</b>	An approach to managing investments that aims to achieve returns above a set benchmark. Decisions about asset allocation and stock selection within the portfolio are reviewed regularly, taking into account market conditions.
<b>Active return</b>	The difference between the return achieved by the investment manager and the return achieved by the market movements of the assets included in the fund's benchmark.
<b>Alpha</b>	The rate of return (ROR) earned by a security or a portfolio in excess of or below the ROR of the benchmark for that security or portfolio. A positive alpha means the investment outperformed the benchmark ROR. A negative alpha indicates that the investment underperformed the benchmark ROR.
<b>Asset allocation</b>	The distribution of investments by an investment manager among various asset classes or sectors (the major asset classes are shares, property, fixed interest and cash). Asset allocation may be referred to as 'strategic' or 'neutral' (where the asset mix is appropriate to the long-term liabilities of the fund) or 'tactical' (where the asset allocation reflects the manager's view of likely short-term market movements). Also see 'Dynamic asset allocation'.
<b>Benchmark</b>	A standard used for comparison. For example, the S&P/ASX 200 Accumulation Index is a benchmark that measures the price movement of selected companies listed on the Australian Stock Exchange. For those interested in monitoring investment performance, benchmarks are used as a measure for comparing a portfolio's return against a similar portfolio of securities.
<b>Beta</b>	A measure of how the return of a security or portfolio fluctuates with the market. The market has a beta of 1. Therefore, you would expect the returns of a security (or portfolio) with a beta of 1.2 to be around 20% more volatile than the market. That is, if the market rises by 1%, the security may rise by 1.2%. Conversely, if the market falls by 1%, the security may fall by 1.2%. Similarly, you would expect the returns of a security (or portfolio) with a beta of 0.5 to be half as volatile as the market.
<b>Bond</b>	A fixed-term security, usually issued by government or semi-government authorities, that pays a fixed rate of interest during its life and repays the principal at maturity.
<b>Counterparty risk</b>	The risk that parties to a contract (counterparties) will fail to honour their obligations under the contract.
<b>Custodian</b>	A separate entity that holds assets on behalf of trustees. The custodian has the title to the fund's assets, but the power of investment management remains with the trustees. A custodian provides administrative efficiency. QIC uses a number of custodians.
<b>Derivatives</b>	Financial instruments, such as futures and options, whose value is derived from underlying physical assets. Funds use derivative instruments: <ul style="list-style-type: none"> <li>– to offset the risk of price variations of securities</li> <li>– as an alternative to purchasing/selling the physical security</li> <li>– to benefit from any opportunities for profit that may exist in the market from time to time</li> <li>– to manage currency risk and asset allocation.</li> </ul>
<b>Diversification</b>	Investing in a variety of assets or through a number of managers to spread the risk. In popular terms, diversification means 'not having all your eggs in one basket'.
<b>Dynamic Asset Allocation</b>	An asset allocation strategy that constantly adjusts the mix of assets in a portfolio as markets rise and fall and as the economy strengthens and weakens.
<b>Equities</b>	Also referred to as 'shares'. Investments in Australian and/or international companies that represent an ownership stake, or share, of a particular company. Generally, these securities are listed on stock exchanges for those who buy and sell equities. While equities are often more volatile in their returns than fixed interest and cash investments, they also tend to experience higher returns in the long term.

## Glossary (continued)

Term	Definition
<b>Fixed interest</b>	One of the four major asset classes, fixed interest securities include bonds, bank bills, floating rate notes and negotiable certificates of deposit. Interest rates on these securities may be floating but are usually fixed. The holder is paid a fixed value on a fixed future date. Predetermined interest payments may also be made throughout the life of the security.
<b>Fund</b>	A trust individually constituted under, or governed by, the Trust Deed.
<b>Fund manager</b>	Also known as an 'investment manager'. Invests and manages the assets of others.
<b>Hedging</b>	An investment made to reduce the risk of adverse price movements in a security by taking an offsetting position in a related security, such as an option or futures contract.
<b>Implemented management</b>	Managing investments by allocating them to selected managers who are experts in particular markets. Implemented management involves careful selection and monitoring of the managers to ensure funds meet their investment objectives.
<b>Investment horizon</b>	The period of time that money is to be invested (e.g. six months, one year, ten years).
<b>Investment manager</b>	See 'Fund manager'.
<b>Liquidity</b>	The liquidity of an asset relates to how quickly it can be converted to cash.
<b>Long short</b>	A portfolio construction model that can hold a negative (short) position in a stock as well as an overweight/underweight position.
<b>Outperformance</b>	Financial jargon for fund performance above the benchmark or above the targeted return. Its opposite is underperformance.
<b>Overweight</b>	Refers to a greater proportion than that included in the benchmark. Its opposite is 'underweight', which refers to a lesser proportion than that included in the benchmark.
<b>Portfolio</b>	Combined holding of more than one stock, bond, commodity, cash equivalent, or other asset by an individual or institutional investor. Refers to the mix of assets held for a single product/client.
<b>Rebalancing</b>	The adjustment of a portfolio over time to better reflect its underlying strategy.
<b>SCI</b>	Statement of Corporate Intent. An annual performance agreement between QIC and our Shareholding Ministers.
<b>Stocks</b>	Individual securities within a portfolio.
<b>Underweight</b>	See 'Overweight'.
<b>Unit pricing</b>	A daily process of assigning a value to the units within a managed fund. The value of a unit reflects the value of the underlying assets in the fund.
<b>Wholesale market</b>	The larger of the two investment markets (the other being the retail market). The wholesale market involves large investments by institutions such as companies and superannuation funds.

## Contact details

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QIC values open and honest communication and likes to keep people informed. For more information or to make any comments simply contact us using the details below:

### **Brisbane**

Level 5 Central Plaza Two  
66 Eagle Street  
GPO Box 2242  
Brisbane Qld 4001  
Australia  
Tel 61 7 3360 3800  
Fax 61 7 3360 3979  
[www.qic.com](http://www.qic.com)

### **Sydney**

Level 12 56 Pitt Street  
PO Box R1413  
Royal Exchange NSW 1225  
Australia  
Tel 61 2 9347 3300  
Fax 61 2 9347 3399

### **Melbourne**

Level 46 80 Collins Street  
Melbourne Victoria 3000  
Australia  
Tel 61 3 8681 4900  
Fax 61 3 8681 4901

### **London**

Level 9 Mid City Place  
71 High Holborn  
London WC1V 6EA  
United Kingdom  
Tel 44 20 7092 8200  
Fax 44 20 7092 8201

## **Important information**

QIC Limited (ACN) 130 539 123 ("QIC") is a company government owned corporation constituted under the Queensland Investment Corporation Act 1991 (Qld). QIC is regulated by State Government legislation pertaining to government owned corporations in addition to the Corporations Act 2001 ("Corporations Act"). QIC does not hold an Australian financial services (AFS) licence and certain provisions (including the financial product disclosure provisions) of the Corporations Act do not apply to QIC. QIC its subsidiaries, associated entities, their directors, employees and representatives ("the QIC Parties") do not warrant the accuracy or completeness of the information contained in this document ("the Information"). To the extent permitted by law, the QIC Parties disclaim all responsibility and liability for any loss or damage of any nature whatsoever which may be suffered by any person directly or indirectly through relying on the Information, whether that loss or damage is caused by any fault or negligence of the QIC Parties or otherwise. The Information is not intended to constitute advice and persons should seek professional advice before relying on this information. QIC owns the copyright in all Information, or has a licence or agreement to use that copyright where it is owned by someone else. You may only reproduce the Information for personal or non-commercial use, and it must not be distributed or transmitted to any other person, or used in any other way (except to the extent permitted by law).





