

Community Enterprise Queensland (CEQ)



ANNUAL REPORT

2024–2025



DELIVERING
FOR QUEENSLAND



Queensland
Government



Community Enterprise Queensland is committed to providing accessible information and services to Queenslanders from all cultural and linguistic backgrounds. To talk to someone about this Annual Report in your preferred language, please call (07) 4050 4300 and we will arrange an interpreter to effectively communicate the report to you.

Public Availability:

ISSN: 2652-2500

This Annual Report can be accessed at www.ceqld.org.au.

Alternatively, it can be accessed by calling (07) 4050 4300 or emailing info@ceqld.org.au for a copy.

Hard copies are available to review at Reception at:

Shop 4/269-277 Mulgrave Road
Cairns QLD 4870

© Community Enterprise Queensland 2025

ABN: 42 060 262 890

Licence:

This Annual Report is licensed by the State of Queensland (Community Enterprise Queensland) under a Creative Commons Attribution (CC BY) 4.0 International Licence.



CC BY Licence Summary Statement:

You are free to copy, communicate and adapt this annual report as long as you attribute the work to the State of Queensland (Community Enterprise Queensland).

Attribution:

Content from this annual report should be attributed as:

The State of Queensland (Community Enterprise Queensland) annual report 2024-2025.

19 September 2025

The Honourable Fiona Simpson MP

Minister for Women and Women's Economic Security, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Multiculturalism

1 William Street

BRISBANE QLD 4000

Dear Minister Simpson

I am pleased to submit the Annual Report 2024–2025 and financial statements for Community Enterprise Queensland (CEQ) for presentation to the Parliament.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

This Annual Report highlights CEQ's resolve to deliver on its legislated functions and strategic plan vision, mission, goals and values, which relate to providing essential goods and services that support communities in being sustainable and healthy.

A checklist outlining the annual reporting requirements is provided in Annexure 3 of this *annual report*.

Yours sincerely



Joann Schmider

Chairperson of the Board of Management

Community Enterprise Queensland

Table of contents

1.	Introduction.....	2
1.1.	Relevant legislation & CEQ purpose.....	2
1.2.	CEQ Vision.....	2
1.3.	CEQ Mission	2
1.4.	CEQ Values.....	2
1.5.	CEQ Strategic Pillars.....	2
1.6.	Executive summary – a quick overview	2
1.7.	CEQ's impact	3
1.8.	CEQ service channels.....	4
2.	Chairperson’s report on behalf of the Board of Management.....	6
3.	Chief Executive Officer’s report.....	7
4.	Non-financial performance	8
4.1.	CEQ role and functions	8
5.	Operating environment	13
5.1.	Where CEQ operates.....	13
5.2.	Remote retail stores	13
5.3.	Supply chain.....	14
5.4.	Expanding and improving CEQ's footprint	15
5.5.	Key initiatives	16
5.6.	Threats to sustainability	18
6.	Governance – human resources.....	21
6.1.	Workforce profile	21
6.2.	Target group data.....	21
6.3.	Workforce planning & performance.....	22
7.	Governance – management and structure	25
7.1.	Summary of key activities	25
7.2.	Board of Management role.....	25
7.3.	Board of Management changes	25
7.4.	Meet the Board of Management.....	26
7.5.	Board Charter.....	29
7.6.	Board configuration	30
7.7.	Organisational structure	32
7.8.	Executive Management.....	33
8.	Financial performance	34
8.1.	Summary of financial performance	34

- 9. Governance – risk management & accountability36**
 - 9.1. Risk management 36
 - 9.2. Audit committee..... 36
 - 9.3. Compliance and audit..... 36
 - 9.4. Internal audit..... 36
 - 9.5. External scrutiny..... 37

- 10. Other reporting requirements37**

- 11. Information systems and recordkeeping38**
 - 11.1. Records governance improvements 38
 - 11.2. Roles & responsibilities 38
 - 11.3. Digital records management 38
 - 11.4. Security 38
 - 11.5. Records retention & disposal 38

- 12. Glossary39**

- 13. Annexures40**
 - 13.1. Annexure 1 – Reporting template for Government bodies (statutory bodies and other entities)..... 41
 - 13.2. Annexure 2 – Annual financial statements including independent auditor’s report 44
 - 13.3. Annexure 3 – Compliance checklist 45

1. Introduction

CEQ is a Statutory Body that delivers essential services to remote Indigenous communities within Queensland.

This report details CEQ activities and financial performance for the financial year ending 30 June 2025. It meets the requirements of the *Financial Accountability Act 2009* and is considered a key accountability document for CEQ.

CEQ's current adopted strategic plan is from 30 June 2024 to 30 June 2027.

1.1. Relevant legislation & CEQ purpose

The *Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984* includes Part 7A Community Enterprise Queensland with Section 60B setting out the prescribed CEQ Functions:

- a) to act as a commercial enterprise for the general convenience or benefit of the residents of the communities in which Community Enterprise Queensland performs its functions;
- b) to provide the communities mentioned in paragraph (a) with access to a range of food, drinks and household items essential for a healthy life at a fair price; and
- c) to apply its operating surplus or assets to promote, support and improve its services and the general welfare, including the knowledge and skills, of the Aboriginal and Torres Strait Islander residents of the communities mentioned in paragraph (a).

1.2. CEQ Vision

Caring, every day, always.

1.3. CEQ Mission

To provide essential goods and services that keep communities healthy and sustainable.

1.4. CEQ Values

- Honest
- Progressive
- Respectful
- Collaborative
- Inclusive

1.5. CEQ Strategic Pillars

- **People** – Engage and support our team to achieve greatness.
- **Nutrition and Health** – Develop food pathways to foster healthy communities.
- **Growth** – Deliver smart growth and expand our reach.
- **Governance** – Ensure robust strategic leadership for reliable regulatory performance.
- **Reputation** – Grow our support networks by caring, every day, always.
- **Optimisation** – Continually optimise organisational impact.
- **Strategic Integration** – Integrating, harmoniously, strategic initiatives to foster unified growth and resilience.

1.6. Executive summary – a quick overview

Continuing operations	2025 \$'000	2024 \$'000
Total revenue	160,560	138,599
Total expenses	154,010	132,786
Operating result	6,550	5,813
Total assets	141,207	129,253
Total liabilities	21,195	18,098
Net assets	120,013	111,155
Accounting rate of return	5%	5%
Debt ratio	15%	14%
Current (Quick) ratio	3.81	4.02

1.7. CEQ's impact

CEQ has extensive infrastructure throughout northern Queensland, from Palm Island in the south to the Boigu Island Store at Australia's northernmost point. CEQ operations are essential to remote communities through ensuring equitable access to affordable food, groceries and household goods, contributing to community survivability, and improving nutrition-related health outcomes and economic wellbeing.

CEQ provides access to fresh food, including fruit, vegetables, dairy, meat and bakery products. Additionally, CEQ provides variety products and other ancillary services.

Addressing the high cost of living and actions to support our team and customers have been the catalyst to drive multiple areas of activity over the financial year.

Pricing initiatives and weekly market price checks have become standard practice, ensuring CEQ's pricing remains competitive with major supermarkets. CEQ's fresh produce and meat flat pricing model also ensures that customers in the Outer Torres Strait Islands pay the same as those on Waibene (Thursday Island).

CEQ's engagement in the Queensland Government's Remote Communities Freight Assistance Scheme (RCFAS) during 2024-2025 saw more than \$13.6M in savings at the cash register for our customers. In the last few months of the year, CEQ geared up to roll out the Australian Government's Low-cost Essentials Subsidy Scheme (LESS) from 1 July 2025. The LESS complements the RCFAS by subsidising 63 essential products within 30 product ranges. These items are not claimed on the RCFAS.

CEQ provides meaningful employment within local communities. Over \$25M annually contributes to local economies through team member salaries.

The 2024-2025 financial year saw the expansion of CEQ's store network, welcoming an additional store to the CEQ family (Community Home and Hardware [CHH]) store in Bamaga) bringing the total number of stores in the CEQ network to 31. Additionally, we launched Wis Wei Cafes in two locations (Bamaga and Wujal Wujal), with six (6) more cafes to be launched in 2025-2026. All operations in our footprint have continued their local employment focus and real job opportunities to each community.

CEQ is a major contributor to the social fabric of the remote Indigenous communities where it has a presence. In 2024-2025, our activities impacting communities included supporting significant events like the Winds of Zenadth Cultural Festival on Waibene (Thursday Island), the Lockhart River Paytham Malkari Dance Festival and NAIDOC celebrations; local cultural and sporting events, including the Doomadgee Rodeo and the Battle of the Islands Touch Competition; school fruit donations and award nights; church events; health clinics, and local businesses.

We also continued partnering with NIAA and others on food security planning and with local governments, local disaster management groups, Health and Wellbeing Queensland, and Foodbank Queensland.

1.8. CEQ service channels

The combination of these channels contributes to our aggregate operating model. Not all stores are viable and the collective is what makes CEQ an essential service provider. The strength is in the capabilities of the group.

IBIS Channel



IBIS' origins were manifested from the work of Reverend Fred Walker, who established Papuan Industries Limited in 1905, intending to aid the people of Papua and the Torres Straits. This became the Island Industries Board, established in the 1930's by way of the *Torres Strait Islander Act 1939*, for the charitable function of advancing the welfare of the Torres Strait Islanders.

CEQ pricing is structured to deliver equity to all residents. Due to its comparative size, CEQ is an organisation with expanded purchasing power, which has allowed IBIS to remain price-competitive.

IBIS significantly contributes to the local economy, employing 300 persons within the region across 21 locations. In addition to employment, CEQ invests in infrastructure, providing a modern retail environment and experience.

ABIS Channel



The ABIS channel has similar foundation blocks to IBIS in that ABIS stores offer variety goods, general merchandise, fuel and groceries to remote communities in a triangle from Palm Island (off Townsville) to Lockhart River in the north and west to Doomadgee in the Gulf of Carpentaria.

ABIS stores are branded locally as part of a CEQ initiative, such as the Bwgcolman Store on Palm Island. "Bwgcolman" is a deliberately coined word for Palm Island's 'many tribes—one people'.

CEQ continues to positively impact ABIS stores, including expanded weekly fresh deliveries and increased product ranges, helping improve service levels.

ABIS stores like IBIS stores generate economic wealth within their communities, employing 178 persons across 6 locations.

Community Home and Hardware Channel



CHH combines CEQ-branded 'Col Jones Homewares', T.I. Hardware and Mona's Bazaar.

Col Jones and Mona's Bazaar are iconic local retail businesses (founded in 1978) in the Torres Strait and Northern Peninsula Area (NPA), supplying quality homewares, giftware, household whitegoods, electrical, furniture, and traditional island clothing. T.I. Hardware is a Mitre 10 supplier of all things hardware, servicing domestic and trade markets in the Torres Strait.

CEQ's acquisition of T.I. Hardware (2015) and Col Jones (2017) generated spin-off activity from supplying the building and construction sector in the region through an expanded product range, thereby improving service levels to disadvantaged areas and their standard of living.

With the addition of CHH Bamaga in November 2024, CEQ operates four (4) stores under the CHH banner.

Wis Wei Café



The Wis Wei Café brand has been established to provide convenient, healthy food options at our stores. These include family and individual grab-and-go meals for breakfast, lunch and dinner, freshly squeezed juice, fruit, BBQ chicken pies, sausage rolls, sandwiches, snacks, tea and coffee.

We currently have two locations (Bamaga and Wujal Wujal) with plans to expand to larger stores during 2025-2026.

eMarket



CEQ eMarket kiosks are being rolled out to provide our customers with a range of goods above the regular store offer via an online shopping portal, purchasing directly from the CEQ distribution centre.

This brings convenience to our customers, enabling them to shop online in our stores for household needs not available at their store location.

Customers can collect their purchases from within the store, and the freight is included in the purchase price, negating the need for customers to shop with online suppliers, arrange delivery themselves or pay additional freight.

Products currently offered include furniture, whitegoods, household appliances, gardening equipment, camping gear, sporting needs, bulk products and more.

We currently have three (3) eMarket kiosks (two (2) in Bamaga and one (1) on Warraber Island).

2. Chairperson's report on behalf of the Board of Management

Dear Readers,

As Chairperson of CEQ's Board of Management (BoM), I am honoured to share reflections on a year of growth, learning, and deepened connection with the communities we serve. Our store teams are the heart of CEQ, reminding us that every initiative begins with people and relationships. The lessons we have learned and the relationships we have built guide us toward a future where CEQ continues to thrive alongside the communities we serve.

We have heard our teams' call for safer workplaces, stronger cultural regard, and clearer pathways for career development and responded with the RELISH initiative. We continued to ensure our governance practices and business are culturally sensitive and inclusive of diverse communities. This year also brought change at the Board level, and we extend heartfelt thanks to Claire Alexander and Fraser Nai for their contributions. As we enter the second year of CEQ's strategic plan, we do so with confidence, humility, and a shared commitment to continuous improvement.

This year, the Board worked closely with the Management Team to advance achieving the strategic plan pillars, strengthen governance, and respond to community needs. The Board is committed to supporting initiatives that protect and *empower* our frontline teams – creating stores that are not only places of commerce, but safe and respectful community spaces. We actively look to align our practices with the Government's Indigenous commitments. In all this, we stay committed to ensuring robust systems that enable strong leadership.

In Injinoo, we partnered with the Northern Peninsula Area Regional Council to expand grocery access through a revitalised service station offering essential goods tailored to local needs. We have also listened to the call for stronger partnerships with Councils and schools. The Good Pasin (Give-back) program provides significant reinvestment in local communities, while our partnership with Foodbank ensures students receive nutritious breakfasts each school day. These connections reflect our belief that working together delivers the strongest outcomes.

We directed efforts this year towards enhancing our footprint, delivering projects that improve access, sustainability, and customer experience. Highlights included the installation of a large-scale solar system at Bamaga, the refurbishment of the Community Home and Hardware store, and upgrades to the Bamaga pharmacy building. From signage and stock trolleys to fruit bins and wet season contingency planning, CEQ continues to build infrastructure that supports resilience and wellbeing. We also made substantial investments to ease cost-of-living pressures, delivering nearly \$200,000 (March to June) in direct savings on essential items and absorbing over \$2M in wet season airfreight costs. Other initiatives included subsidised \$1 water bottles, the Savvy Seniors discount trial in Bamaga, and the Power Savvy rebate program, which saved nearly \$1M on energy-efficient appliances. To strengthen services, we enhanced security by addressing organisational threats through innovative technology and dynamic firewall policies. The year also saw a transition in our Board composition, as we welcomed Dushy Thangiah OAM to the Board in May 2025. I extend sincere thanks to our CEO and Executive Team, whose steady leadership and deep commitment have guided CEQ through another year of meaningful progress.

These initiatives demonstrate CEQ's commitment to long-term community investment, environmental responsibility, and practical innovation. We are exploring co-designed cadetships, internships, and Elder mentor roles to build local workforce pipelines and support youth development. Embedded in our approach, these practices will help deliver improved community outcomes. The measures we are implementing today are vital for the improvement of services tomorrow. With new leadership strengthening our Board, a clear vision ahead, and RELISH for all our teams, we stay focused on delivering outcomes that matter. The lessons we've learned and the relationships we're honouring give us great confidence that CEQ continues to thrive, contributing to the communities we serve.

With respect,



Joann Schmider, CEQ Chairperson

3. Chief Executive Officer's report

Our Team

We continued to invest significantly in our people to enhance their ability to support the communities we serve. This included the introduction of cultural wisdom resources aimed at strengthening team members' cultural capability and embedding cultural understanding throughout our organisation. We also enriched human performance and team development through a neuroscience-informed framework (RELISH) and learning journey, which will extend into the new financial year. Additional initiatives included the rollout of new team member uniforms and the refresh of our remote vehicle fleet, ensuring our teams can operate safely and efficiently in the communities they support.

Our Performance

Financial performance for the year was strong. Sales closed at \$157.2M, a 15.8% increase on the previous year. On a like-for-like basis, store sales increased by 15.7%. We finished the year with a \$6.55M surplus, a 12.7% increase on the previous year. \$3.4M was capitalised throughout the year, and \$25M was invested in local wages, demonstrating the contribution CEQ makes to local economies. Within these results, we have made a significant provision of \$2M, which will be utilised to remediate our team members who may have been impacted as a result of rostering and payment rounding over the last seven years. I'm pleased to report that we expect stage 1 of this project to be fully resolved early in the new financial year. I thank the BoM for their resolute focus on accuracy and ensuring CEQ put team members first. I thank our wider teams for their patience and dedication as we worked through award interpretations that were and remain, extremely complex.

Operational highlights

With cost-of-living pressures continuing across remote regions, CEQ remained focused on ensuring affordability and fairness for our customers throughout 2024–25. Highlights are:

- up to \$500,000 invested to bring down the price of staple items;
- \$2M invested in wet season flights over 28 weeks without raising prices;
- \$450,000 invested to keep water at \$1;
- \$750,000 in freight efficiencies, keeping costs down as our volumes increase; and

- free fruit for kids totalling \$50,000.

More than 202,000 kilograms of goods were flown in during road closures, with additional cold storage and locally sourced warehousing helping CEQ stay one step ahead for future wet seasons.

Through CEQ's community reinvestment initiative, Good Pasin (Give-back), we approved over 400 applications with a total value of nearly \$600,000. We continued our store reinvestment program, which saw cyclical store refreshes and major upgrades across four stores in the network and the official opening of Bamaga Home Hardware and the Waibene Elders Lounge.

Looking ahead

CEQ continually evaluates and improves by building capacity, reliability and resilience to meet evolving needs and expectations of the communities we serve through putting the following *ideas into action*:

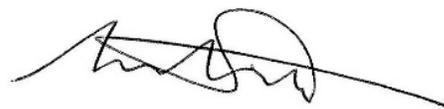
- increased fuel capacity in remote communities, with more upgrades planned;
- secured \$640,000 to increase cold storage for food security in Kowanyama and Pormpuraaw;
- systems upgrades and improvements to support future scalability;
- expansion of our eMarket facility to all stores so communities can access a much larger range of products.

As CEQ looks to the 2025–26 financial year, we remain focused on delivering value beyond the checkout and *unleashing potential* through genuine relationships, local employment, cultural respect and food security.

I would like to express my gratitude to our dedicated store, distribution centre and support office team members, my Senior Leadership Team, our BoM, community partners, service providers, suppliers and stakeholders for their support. Without our combined commitment, *courage* and belief in our vision, none of our achievements would have been possible.

Thank you once again for your support.

Caring, every day, always,



Michael Dykes, Chief Executive Officer

4. Non-financial performance

4.1. CEQ role and functions

4.1.1. Statutory obligations

On 1 September 2016, the Governor-in-Council approved amendments to the *Aboriginal and Torres Strait Islander (Justice, Land and Other Matters) Act 1984*, which included a name change from Island Industries Board (IIB) to Community Enterprise Queensland (CEQ). Another amendment was the change in financial year for CEQ/IIB to include a financial year ending 30 June.

CEQ has retained the Islanders Board of Industry and Service (IBIS) as a CEQ-registered trading name. In the Torres Strait and Northern Peninsula Area (NPA), CEQ is more commonly known by its trading name 'IBIS'.

On 1 May 2017, the State Government transferred management of its operating stores to CEQ. In consultation with communities, CEQ rebranded the previous Government/Department stores under the ABIS banner to include relevant local names.

4.1.2. CEQ objectives

The functions of CEQ are:

- (a) to act as a commercial enterprise for the general convenience or benefit of the residents of the communities in which Community Enterprise Queensland performs its functions;
- (b) to provide the communities mentioned in paragraph (a) with access to a range of food, drinks and household items essential for a healthy life at a fair price;
- (c) to apply its operating surplus or assets to promote, support and improve its services and the general welfare, including the knowledge and skills, of the Aboriginal and Torres Strait Islander residents of the communities mentioned in paragraph (a).

Examples of supporting residents—

- *encouraging the development of trade, commerce and businesses in the communities*
- *supporting trade, commerce and businesses carried out by residents of the communities*
- *providing support for educational or health initiatives, local organisations and community programs or activities*

4.1.3. Alignment with Government objectives for community

CEQ’s operations and strategic priorities strongly align with the Queensland Government’s Objectives for the community:

<i>Safety where you live</i>	<i>A better lifestyle through a stronger economy</i>
Government focus:	Government focus:
Strengthen laws, support victims, and improve community safety.	Reduce cost of living, grow regional economies, and support small business.
CEQ alignment:	CEQ alignment:
<ul style="list-style-type: none"> • CEQ contributes to community stability by ensuring consistent access to essential goods in communities. • CEQ partners with local councils and community leaders to ensure culturally safe retail environments, including alcohol management compliance. • CEQ’s presence helps reduce social stressors linked to economic insecurity, indirectly supporting safer environments. 	<ul style="list-style-type: none"> • CEQ absorbs freight costs to keep prices consistent across communities, despite geographic isolation - a direct contribution to ease cost-of-living pressures. • CEQ reinvests its surplus into store upgrades, solar infrastructure and local training programs, ensuring benefits stay in the community. • CEQ employs over 530 team members at our stores in remote communities, with 86% Indigenous representation, contributing to local economic empowerment.
<i>Health services when you need them</i>	<i>A plan for Queensland’s future</i>
Government focus:	Government focus:
Improve access to health services, especially in regional areas.	Invest in infrastructure, education, and environmental sustainability.
CEQ alignment:	CEQ alignment:
<ul style="list-style-type: none"> • CEQ ensures consistent access to fresh produce, essential groceries, and hygiene products, contributing to healthier living conditions and reduced vulnerability in communities. • CEQ collaborates with health and community services on nutrition education initiatives and creating healthier store environments. 	<ul style="list-style-type: none"> • CEQ is committed to infrastructure investments such as solar systems in multiple stores, reducing diesel reliance and supporting Queensland’s renewable energy targets. • CEQ supports local training pathways through partnerships with local training providers and schools, building long-term capability. • CEQ’s environmental sustainability commitment is evident in initiatives such as its resource recovery project.

4.1.4. Progress against strategic objectives & performance indicators

Strategic pillar & headline goal	2024-2027 Strategic Plan Objectives	2024-25 achievements & progress
<p>Governance Robust strategic leadership delivering dependable regulatory performance</p>	<ul style="list-style-type: none"> ▪ Risk ▪ Audit, compliance and procurement ▪ Legal and regulatory review/monitoring ▪ Finance, reporting and asset management ▪ Cyber risk 	<ul style="list-style-type: none"> ▪ New Strategic Risk Register and Board Risk Appetite Statement. ▪ Reviewed internal audits on payroll, inventory and the Good Pasin (Give-back) program. ▪ QAO Audit Closing Report confirmed an unmodified opinion on CEQ's financial statements. ▪ Supported the development of Climate Change Action Strategy, Long-Term Financial Plan, Cash Management Policy, Related Parties Policy and Procurement Policy review. ▪ Monitored CEQ's cybersecurity dashboard, supported phishing training, and endorsed the rollout of EFTSure and the Prism portal to strengthen digital resilience.
<p>Growth Deliver smart growth and expand our reach</p>	<ul style="list-style-type: none"> ▪ Supply chain and diversification ▪ Retail expansion and enhancement ▪ Digital and online growth ▪ Community and Indigenous focus ▪ Innovation and commercial opportunities 	<ul style="list-style-type: none"> ▪ Operation Wheel – 5-year cyclical store refresh program. ▪ Operation Station – fuel outlet safety and compliance upgrades. ▪ Store Network Expansion Strategy ▪ Accommodation projects to support team member retention and well-being in remote communities.
<p>Optimisation Continually optimise organisational impacts</p>	<ul style="list-style-type: none"> ▪ Supply chain and logistics optimisation ▪ Business systems and operational efficiency ▪ Environment (inc tenure) ▪ Space and visual merchandising ▪ Facilities and infrastructure management 	<ul style="list-style-type: none"> ▪ Digital access and capability projects e.g. eMarket kiosks (for customer online ordering) and eLearning kiosks (for team member training and development). ▪ Solar infrastructure condition and renewal. ▪ Land tenure review.
<p>Reputation Grow our support networks by caring every day</p>	<ul style="list-style-type: none"> ▪ Brand and Reconciliation Action Plan ▪ Strategic partnerships and advocacy ▪ Stakeholder feedback and improvement ▪ Community support and development programs ▪ CEQ Trust 	<ul style="list-style-type: none"> ▪ Partnered with human performance specialists to launch a program to foster team member development through a neuroscience-informed learning journey. ▪ Combined annual 'Your Say' surveys with quarterly 'Engage Check-Ins' to capture timely insights. ▪ Workplace culture and compliance, including the development of a psychosocial hazards policy and improved workplace health and safety reporting.
<p>People Engage and support our team to greatness</p>	<ul style="list-style-type: none"> ▪ Workplace culture and compliance ▪ Team and leadership development 	<ul style="list-style-type: none"> ▪ Team and leadership development, with the Workforce and Leadership

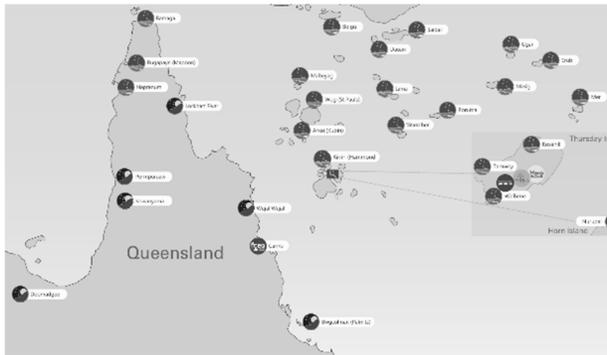
Strategic pillar & headline goal	2024-2027 Strategic Plan Objectives	2024-25 achievements & progress
	<ul style="list-style-type: none"> ▪ Cross-Cultural Capability Framework ▪ Workplace innovation and experience programs ▪ Team wellbeing 	<p>Development Strategy advancing and cadetship programs expanding.</p> <ul style="list-style-type: none"> ▪ Cross-cultural capability, supported by the rollout of cultural awareness resources. ▪ Team wellbeing, with initiatives like accommodation support and psychosocial safety measures. ▪ Strengthened strategic partnerships, including disaster relief collaboration with Foodbank Queensland and stakeholder mapping for resilience planning. ▪ Supported community development, with the Good Pasin (Give-back) program funding \$600,000 in community initiatives aligned to Closing the Gap and other key reform initiatives.
<p>Nutrition and Health Food pathways to healthy communities</p>	<ul style="list-style-type: none"> ▪ Securing methodology and systems to gather health related data ▪ Nutrition and health behavioural education and health promotion ▪ Availability and affordability ▪ Healthy store environments ▪ Health partnerships and innovation 	<ul style="list-style-type: none"> ▪ Gather + Grow Healthy Stores project partnership with Health and Wellbeing Queensland has delivered strong outcomes in store nutrition policy, socialising the importance of nutrition and creating healthier store environments. ▪ Partnered with Saltwater People to develop a health promotion campaign. ▪ Partnered with Torres Strait Regional Authority to collaboratively address a gap in community nutrition support. ▪ Partnership with Foodbank delivered 40 pallets of breakfast items to 14 schools in CEQ's footprint. ▪ Research collaboration projects including Commercial Determinants of Health Research Project (University of Queensland) and Climate Change Food Security Research Project (Monash University).
<p>Strategic Integration Integrating, harmoniously, strategic initiatives to foster unified growth and resilience</p>	<ul style="list-style-type: none"> ▪ CEO relationship (contract, position description, key performance indicators and annual review) ▪ Board capability (Board of Management support, annual calendar, development, external performance review/annual evaluation, monitor BoM conflict of interest and related parties matters, Convene, BoM expenses budget) ▪ CEQ's Strategic Plan (vision, values, statement of intent and 	<ul style="list-style-type: none"> ▪ Oversight of the Board's Risk Appetite Statement ▪ Stakeholder engagement strategies ▪ Integration of CEQ's strategic matters into operational planning and budget development

Strategic pillar & headline goal	2024-2027 Strategic Plan Objectives	2024-25 achievements & progress
	<p>future scape, the BoM's five priorities, Pillar-related matters and governance, and cross-cultural capability)</p> <ul style="list-style-type: none"> ▪ Government relationship (reporting to the Minister about the performance of CEQ's functions and the exercise of its powers including quarterly and annual reports, Government policies and initiatives including Reframing the Relationship, Closing the Gap and Local Thriving Communities/Integrated Development, and business development) <p>The subcommittee strategic matters (other strategic matters as delegated)</p>	

5. Operating environment

5.1. Where CEQ operates

CEQ operates stores across the State of Queensland. The majority of stores are located in the Torres Strait and NPA region. Other stores are across mainland Queensland, with one store off the mainland situated on Palm Island, northeast of Townsville in northern Queensland. Generally, IBIS stores align with the Torres Strait and NPA regions, while ABIS stores align with the northern and northwestern Queensland regions.



The Torres Strait is a body of water between Australia and Papua New Guinea. It is approximately 150 kilometres wide at its narrowest point. To the south is Cape York Peninsula (the northernmost continental extremity of the Australian state of Queensland), while to the north is Papua New Guinea. The Torres Strait links the Coral Sea to the east with the Arafura Sea to the west.

Several clusters of islands lie in the Strait, collectively called the Torres Strait Islands. At least 274 islands are grouped into five distinct clusters, 17 of which have present-day permanent settlements. Of these 17 islands, 14 have stores and incorporate a treaty that enables trade practices with Papua New Guinea nationals. IBIS has a store on 13 of the 14 islands.

These clusters exhibit differences in geology and formation and have individual cultural characteristics and language. As the Torres Strait Treaty outlines, thirteen inhabited islands are within the protected zone. The Treaty allows for a cooperative approach to managing the traditional movements of traditional inhabitants across the protected area.

5.2. Remote retail stores

5.2.1. IBIS stores

In the reporting period, IBIS operated a total of nineteen (19) retail convenience stores, two (2) supermarkets, a service station and five (5) small fuel outlets associated with five of the outer island stores.

The IBIS retail outlets provide a general range of consumer goods, including:

- Dry grocery
- Chilled grocery
- Frozen grocery
- Meat
- Fresh fruit and vegetables
- Large and small electrical appliances
- Variety and seasonal goods
- Fuel and power cards
- Special orders to meet individual needs.

The service station is operated independently of major fuel companies.

5.2.2. ABIS stores

Like IBIS, ABIS is a full retail operation providing essential services to remote Cape and North Queensland communities. ABIS supermarkets are located in six (6) remote or very remote communities:

- Doomadgee
- Kowanyama
- Lockhart River
- Palm Island
- Pormpuraaw
- Wujal Wujal.

Like IBIS stores, these stores provide fresh and healthy food, drinks and other supermarket products. Stores tailor their ranges to give local communities the best fresh produce and encourage nutritious food choices. Several stores cater to general merchandise such as whitegoods, drapery, manchester, furniture, power cards and fuel and domestic gas bottles.

5.3. Supply chain

Supplying goods and services across the channels involves a vast supply chain stretching over 3,000 kilometres. The distribution of fresh, chilled, and frozen food presents major challenges, especially when navigating complex logistics across rail, road, sea, and air.

The IBIS supply chain involves multiple touch points. Goods generally travel first from Brisbane to Cairns by rail (approximately 1,750 kilometres). They are then re-palleted or containerised in Cairns. They are then shipped to Nurupai (Horn Island) (more than 1,000 kilometres), where they are reloaded and shipped to landing barges that finally transport the goods to the island stores (up to 300 kilometres).

CEQ is proud to work with over sixty (60) local produce suppliers who bring locally grown products directly to Cairns, providing fresher products at a lower price.

Many challenges further compound the cost of supplying this service and ensuring that:

- All food products are safe.
- The cold chain for all temperature-sensitive products is unbroken.
- The goods arrive in sound condition - undamaged by mishandling and uncontaminated by other products that are co-shipped with them and/or by seawater.
- All food products are reasonably date-coded to allow for the extended shipping period.
- Fresh food products are reasonably date-coded to ensure a supply of fresh products to the communities for the duration between deliveries.

There are different supply runs and challenges for mainland ABIS stores. In particular, during the wet season, the stores at Doomadgee, Kowanyama, and Pompuraaw require essential goods to be freighted by aircraft. This adds a significant cost and strain to the store operations, as well as risks viability should the cut-off period be extended. Other stores are serviced by rail and then palletised for trucking to their final destinations. Palm Island is different as goods are palletised and barged (sea freight). Associated freight costs incurred in the transportation are subsequently reflected in product pricing.

The CEQ store is often the only food provider in a community. A supply chain failure can be catastrophic, as food cannot be delivered to communities where and when they need it. Failure in the supply chain can be caused by natural disasters, breakdowns, or high or shallow tides, preventing supply barges from docking at the islands. Poor port access to some communities further compounds the supply of goods.

CEQ actively participates in disaster management planning with the State and Local governments. With management plans in place, CEQ is prepared for significant weather events.

Far North and Western Queensland experienced substantial flooding throughout 2024-2025, with some stores cut off from road freight by twenty-seven (27) weeks. CEQ maintained stock and fresh food supplies in our remote Doomadgee, Pompuraaw and Kowanyama stores through weekly chartered air freight. CEQ recorded one hundred and thirty (130) flights and moved approximately 203 tonnes of air freight at a total cost of \$2M. CEQ absorbed these costs and did not pass them on to communities through price increases. Learnings from this year are that we will need to be ready for the wet season sooner, be prepared to run longer, and require additional storage solutions at these locations.

Our Cairns Distribution Centre (DC) underwent a significant transformation during the last financial year by installing new racking infrastructure. This overhaul has streamlined operations, improved stock handling, and increased storage capacity, positioning us for future growth and responsiveness.

5.4. Expanding and improving CEQ's footprint

A major focus in 2024-2025 was implementing standardised store formats to better utilise space and streamline operations. The introduction of Express, Local, and Supermarket formats allowed the team to tailor store offerings to community needs while enabling consistent planning, equipment use, and layout design across the CEQ network. This initiative supports the broader goal of creating more efficient, healthier and customer-friendly retail environments.

The Operation Wheel program, a five-year cyclical refresh initiative, made significant progress. Several stores, including Doomadgee Supermarket, Waibene Supermarket, and Mona's Bazaar, underwent extensive refurbishments. These upgrades included new signage, flooring, store layouts, and the rollout of tested innovations such as the Wis Wei Café, Deadly Deals, and eMarket kiosks. These enhancements are designed to improve the customer experience and ensure that each store remains vibrant and responsive to community needs.

The team also completed the transformation of the old IBIS Bamaga store into the new Community Home and Hardware store. This project has created a welcoming retail space that caters to both locals and tourists, offering a wide range of home and outdoor goods. In addition, the old store on Nurupai (Horn Island) was successfully converted into two modern accommodation units—one for visiting CEQ team members and one for the local rental market—demonstrating an effective repurposing of existing assets.

Sustainability was a key theme during the period, highlighted by the successful installation of CEQ's first large-scale solar system at the Bamaga Supermarket. Featuring 130 panels and a 151kWp PV array, the system became operational in March 2025. Since then, it has generated over 38 MWh of electricity, reducing power consumption by an average of 22%, and avoided more than 15 tons of CO₂ emissions. This project marks a significant step toward energy independence and environmental responsibility for CEQ.

We made further progress on environmental sustainability with the purchase of 20 purpose-built recycling storage containers, funded by the Queensland Government under the Regional and Remote Recycling Modernisation Fund. 14 have already been delivered to store locations to support better waste separation and recycling of cardboard and plastic wrap.

CEQ also supported community-led initiatives, such as expanding grocery access in Injinoo. In collaboration with Northern Peninsula Area Regional Council, the team upgraded the local service station to include a broader grocery range tailored to community needs. This project, funded through the Good Pasin (Give-back) program, is a strong example of how CEQ works in partnership with local councils to improve food security in remote areas.

Innovation has remained central to the team's work during the reporting period. The Innovation Hub at the Cairns Support Office was instrumental in testing and refining new ideas before rolling them out across the network. Initiatives such as Free Fruit for Kids, clear plastic fruit bins, and new stock trolleys have been well received and are now in place at multiple stores. The team also managed upgrades to the Cairns Support Office itself, including internal renovations and the addition of outdoor seating to support team member wellbeing.

Mona's Bazaar, a beloved retail destination on Waibene, underwent a full refresh this year. The project preserved the store's cultural identity while introducing a new logo, signage, and modern fixtures. The result is a vibrant and welcoming space that continues to serve both locals and tourists with a unique mix of gifts, Islander clothing, souvenirs, and crafts.

Plans are underway for further store refurbishments, new retail concepts, and continued exploration of acquisition opportunities.

5.5. Key initiatives

5.5.1. Cost of living

CEQ recognises that the biggest issue facing the people of the Torres Strait, NPA and remote Indigenous communities is the rising cost-of-living. CEQ has pricing policies to mitigate against margin increases on essential goods. CEQ continues to manage price increases on everyday essential items through margin reductions and our Good Pasin (Give-back) program to reduce the impact of cost-of-living increases on community residents.

CEQ has committed (through policy development) to providing healthy food choices at a fair price while operating the business sustainably. Items outside the healthy food choices category are still priced competitively against other local competitors. In all instances, CEQ strives to offer the best value for the communities it serves.

CEQ's fuel pricing structure is designed to cross-subsidise the Outer Island communities, enabling us to hold their sell price under \$3/litre. CEQ remains the cheapest fuel service in the Torres Strait, which supports families and their fishing practices.

Competitive and market alignment price checks (CEQ vs. major retailers) are carried out weekly on fresh produce and monthly on meat. CEQ prices remain significantly lower than those of other remote independent retailers in Queensland.

Throughout the year, CEQ continued to highlight the importance of investing in road and sea freight infrastructure to help lower the freight cost burden for our customers and our team members.

From March to June 2025, we launched a Price Support Initiative, directly reinvesting to deliver lower prices to our customers.

We welcomed the increase to 20% to the Queensland Government's Remote Communities Freight Assistance Scheme (from 5.2%), meaning CEQ was able to further reduce freight-related cost-of-living pressures in the Northern Peninsula Area, Torres Strait and Gulf Region. This resulted in \$13.6M being applied to registers in CEQ IBIS and ABIS Stores in 2024-2025. The increase is truly an excellent outcome for families in communities.

The Ergon Retail PowerSavvy White Goods Rebate was extended until 30 June 2025. CEQ

was able to provide our customers with \$1M in savings on their purchases of white goods.

CEQ is committed to working with other entities, the Queensland and Australian Governments, and their agencies to raise community living standards.

The cost of living was and remains a significant challenge for those who live in remote locations and those who operate businesses in remote locations.

5.5.2. Nutrition and health strategy

CEQ is committed to nutrition and health initiatives and continued to progress the implementation of its Nutrition and Health Strategy, focusing on aligning store environments with community aspirations for better health.

In December 2025, CEQ finished the Gather + Grow Healthy Stores Project in partnership with Health and Wellbeing Queensland (HWQld). During the project, 25 CEQ stores participated in the study, with a total of 91 store assessments and action plans completed, along with 211 in-store and community awareness activities carried out.

CEQ, through Good Pasin (Give-back) and in collaboration with Health and Wellbeing Queensland, proudly supported its first Nutrition and Health Cadet, empowering them to lead future First Nations preventative health and nutrition initiatives. During their engagement, the cadet gained valuable experience, demonstrated exceptional community engagement and is now pursuing a career as a Dietitian at Queensland University of Technology.

CEQ's Nutrition and Buying Teams collaborated to review and update the infant food range, prioritising iron-rich, low-sugar options to support healthy development for First Nations babies and young children. This initiative marks the start of broader in-store health campaigns aimed at guiding families toward more nutritious choices from the very beginning.

CEQ and TSRA launched the "Healthy Kaikai, Healthy Living" initiative in early 2025, recruiting a Community Nutritionist to co-design a suite of preventative nutrition and lifestyle programs with community, health services, councils and other key stakeholders in the Torres Strait. This partnership responds directly to community feedback for more local activities such as healthy cooking classes and lifestyle programs to be available on their islands.

We also commenced two collaborative research projects, which aimed to discover new ways in which remote retail can improve the health of people and planet. These include the Commercial Determinants of Health Research Project (University of Queensland) and Climate Change Food Security Research Project (Monash University).

5.5.3. Community engagement, donations and sponsorship

The Engagement Team is a critical conduit for gathering consumer feedback and generating insights that inform improvements to product offerings, digital platforms, and service delivery—ensuring responsiveness to the evolving needs of our customer base. At the same time, the team is committed to embedding culturally responsive practices, upholding community authority in decision-making, and promoting transparency and accountability across all partnerships to align with the expectations of regional Indigenous communities.

Customer satisfaction remains a central priority, and we are committed to ensuring that the voices of the communities we serve are meaningfully integrated into organisational practice and decision-making processes. The ongoing review of our real-time HappyOrNot customer feedback from kiosks in all stores assists with this. Over 91,500 responses were received in the last financial year.

CEQ's Good Pasin (Give-back) program evolved into a formalised community reinvestment initiative. Over this year, CEQ provided \$600,000 in financial and in-kind assistance to not-for-profit organisations, individuals and businesses through the program, demonstrating our support of the communities in which we operate. This impact is outlined below.

To support the growth and development of young individuals, CEQ continued its commitment to student wellbeing through our School Fruit donations and Free Fruit for Kids in Stores initiative. In partnership with Foodbank, we delivered pallets of essential goods for their School Breakfast Program. This year, CEQ also proudly supported a range of school activities, including Kowanyama School's language class, graduations and senior formals, Transition to High School sessions, athletics carnivals and cultural camps.

CEQ actively supported economic development initiatives to empower individuals, businesses, and organisations to thrive for example, a small catering business in Bamaga. In partnership with the Northern Peninsula Area Regional Council, we also contributed to the refurbishment of the Injinoo Store.

CEQ is proud to sponsor a wide range of Council-organised community events that foster connection and celebration. These include Christmas parties, New Year's festivities, the Mapoon Barra Bash, the Pormpuraaw Community Fishing Competition, NAIDOC Week celebrations and awards. These events enriched community members' lives and attracted visitors, boosting local tourism and the economy.

CEQ continued to support cultural development initiatives that celebrate and preserve Aboriginal and Torres Strait Islander heritage. We supported a range of vibrant cultural festivals, including Winds of Zenadth, Palm Island Spring Fair, Napranum Ruchook Cultural Festival, the Lockhart River Paytham Malkari Dance Festival and the Doomadgee Rodeo. We continue to proudly support commemorations of significant anniversaries such as Mabo Day, Coming of the Light, and NAIDOC Week.

CEQ's continued support for Sorry Business in communities has brought comfort to families as they gather to honour and remember their loved ones during times of loss without the burden of financial stress.

We provided support to men's and women's groups in Lockhart River, Wujal Wujal, and Kowanyama, creating safe spaces for connection and healing. This year's International Women's Day events were especially powerful, celebrating the essential contributions of women in communities.

Our presence at the Pormpuraaw Youth Summit was met with great enthusiasm, highlighting the importance of empowering youth in shaping the future. Meanwhile, the newly established Elders Lounge in Waibene offers a peaceful and welcoming space for Elders to relax, connect, and enjoy community life.

Recognising the role sports and cultural events play in community engagement, we backed major events such as the Battle of the Islands Touch Competition, Doomadgee United Football Team, the Indigenous Rugby League Carnival, and local volleyball competitions. We're thrilled to be supporting junior sports teams for the 2025 season, including the Palm Island Junior Barracudas, Doomadgee Junior Dragons, and AFL Cape York.

CEQ continues to support everyday wellbeing through price support initiatives—such as subsidising \$1 water bottles (amounting to \$450,000 this financial year) and Savvy Senior discounts—to help ease the cost-of-living and ensure essential items remain accessible to everyone.

5.6. Threats to sustainability

CEQ's most challenging issue is ensuring sustainability while continuing to grow the business and provide value to customers. Significant factors impacting our sustainability are:

1. Supply chain dependability
2. Climate change and environmental impacts
3. Supply chain price increases
4. Manufacturer and supplier price increases
5. Labour costs, retention and attraction
6. Maintenance costs
7. Remote cost-of-living pressures
8. Insurance
9. Power
10. Tenure
11. Size of catchment

5.6.1. Supply chain dependability

Significant disruptions to delivery schedules and stock reaching our stores were experienced throughout the year due to weather events, limited fleet availability from repeated vessel and equipment breakdowns, safety compliance matters, barge landing problems, and staffing issues. Concerns about supply chain temperature being compromised required stock write-offs.

Additionally, non-deliveries resulted in many of our stores facing delays in receiving stock, with some needing to receive the full complement and waiting for the next delivery. Due to failed deliveries, some communities were close to running out of fuel.

The impact of delivery issues is far-reaching. Communities do not have access to fresh groceries, and if they run out of fuel, this also affects their livelihoods. CEQ faces significant costs from additional freight increases, shrinkage losses and extra wages for team members who must unload deliveries outside of business hours.

5.6.2. Climate change and environmental impacts

The Climate Change Risk Assessment (CCRA) as part of CEQ's Climate Change Action Strategy highlights the potential impacts of extreme weather events on CEQ's operational activities. Identifying 22 inherent physical risks, with storm surges and increased intense downpours assessed as serious risks, underscores the importance of CEQ adopting and implementing adaptive measures. Ten inherent risks were identified for transitional risks, which have been incorporated into CEQ's strategic planning to mitigate potential changes to long-term regulatory, technological and market landscapes. This will also mitigate risks to our business operations, assets, supply chains and the communities we support. It will also ensure compliance with legislative requirements.

CEQ has prioritised 'quick win' actions to support its progress towards enhancing and strengthening our business resilience, meeting our environmental objectives, ensuring ongoing community services, and improving our sustainability performance.

Additional environmental projects conducted by CEQ over the year include installation of CEQ's first large-scale solar system at the Bamaga Supermarket.

Our Good Pasin (Give-back) program supports CEQ's Resource Recovery Project, aimed at reducing landfill waste and safeguarding the delicate ecosystems surrounding our island stores. We also had the opportunity to contribute to community-led cleanup days on Mer, Friday, and Warraber Islands.

5.6.3. Supply chain price increases

Freight constitutes eleven per cent (11%) of CEQ's turnover due to the length of the supply chain and associated costs in delivering goods and services. Unlike most retail practices elsewhere in Australia, suppliers do not deliver goods for free into CEQ stores.

A significant milestone this year was the comprehensive supply chain review, which identified key areas for efficiency improvements. Through strategic contract renegotiation of our sea and road freight contracts, stock facilitation, and consolidation modelling, we achieved substantial cost savings while enhancing delivery reliability. These savings have been reinvested into our operations and passed on to our customers, reinforcing our commitment to affordability.

5.6.4. *Manufacturer and supplier price increases*

CEQ was not immune to manufacturer price increases during 2024-2025. The Board, in the understanding of rising costs-of-living, held back manufacturer increases on key lines, thereby offering them at lower margins to our customers. Continued price increases from manufacturers threaten sustainability as goods procured (COGS) account for 80% of expenditure on Supplies and Services.

5.6.5. *Labour costs, retention and attraction*

The retention and attraction of team members to the CEQ business threaten sustainability. CEQ has implemented several initiatives to aid in the retention and attraction of skilled team members in the retail sector, such as a team member assistance scheme. Additionally, CEQ provides internal training to grow existing team members into highly skilled workers. This is discussed further in the workforce planning and profile section.

5.6.6. *Maintenance*

Ongoing maintenance costs significantly impacts the CEQ business because of the extreme climatic conditions in communities and the tyranny of distance. Store maintenance is critical for grocery retailing, affecting everything from customer and team member comfort to food safety and public health risks.

Maintaining plant and equipment in remote locations that have aggressive climatic conditions is expensive and a challenge because of:

- Corrosion.
- Lack of local tradespeople to attend to maintenance issues.
- Cost-effective transport options.

CEQ has worked extensively on preventative maintenance programs over the last eight (8) years, with benefits in reducing reactive maintenance and early capital replacement. Internally, CEQ has increased our general repairs and maintenance and has put together a refresh team to visit our stores on a rotational basis to improve their general condition and presentation.

Fleet replacement has been a priority this financial year, with five (5) communities receiving replacement vehicles. A new vehicle purchase policy has been implemented, focusing on safety, resale, and sustainability. Electric or hybrid cars will be purchased where possible.

A store refresh team was appointed to bolster business development activities, and our maintenance team has been expanded.

5.6.7. *Remote cost-of-living pressures*

The financial pressures on families leave less disposable income for food consumption, fuel, transport, rent, and power. CEQ is acutely aware of the environment and demographic in which we supply goods and services and strives to ensure that customers have choices under our healthy food choices and pricing approaches.

5.6.8. *Insurance*

CEQ experiences increasing annual premiums well above CPI, which are absorbed into our operating costs.

5.6.9. *Power*

Due to the extensive refrigeration requirements of CEQ operations, power consumption is keenly monitored. To reduce overheads and CEQ's carbon footprint, CEQ installs solar panels and energy-saving devices where possible. CEQ has had to install backup on-site generators in some locations to provide uninterrupted food security.

5.6.10. *Tenure*

The ABIS stores operated by CEQ require investment to improve their condition, and secure tenure is required for the CEQ Board to approve the investment. Tenure in many IBIS stores is also insecure, and CEQ is working through the process with the relevant stakeholders. Some progress has been made on lease matters within the Torres Strait.

CEQ acknowledges the critical roles of Registered Native Title Body Corporates (RNTBCs/PBCs) and local governing authorities (LGAs). We continue to demonstrate our willingness to find workable solutions to a complex and sensitive tenure resolution framework and one that provides clarity and certainty for all stakeholders within our locations in support of the essential service we provide to these communities. Developing a tenure resolution framework that addresses both Native Title and Trustee processes requires careful consideration and collaboration with key Indigenous stakeholders.

Equitable agreements can be structured with good faith negotiations to deliver economic opportunities to Indigenous communities while upholding Indigenous connection to Country.

Connection to Country, cultural traditions, and views on the commercial use of traditional lands will be central in shaping the framework and agreements.

5.6.11. Size of catchment

The cost of doing business on a small scale in communities is significantly higher than in areas with larger populations. This is reflected in the price of goods and services provided. Despite a static to declining market, CEQ has experienced growth in its grocery business. This is based upon CEQ's dedicated pricing policy and providing increased lines and quality goods at value.

6. Governance – human resources

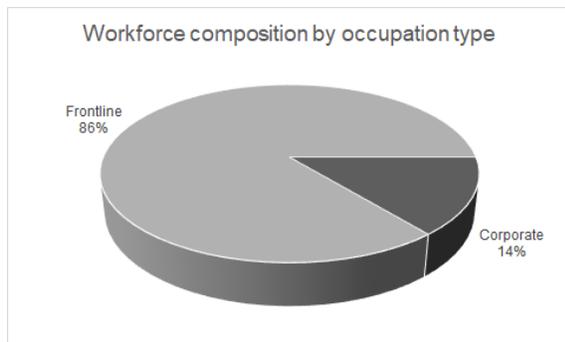
6.1. Workforce profile

6.1.1. Team totals

CEQ is a not-for-profit statutory body employing 617 team members (headcount) on 30 June 2025.

6.1.2. Occupation types

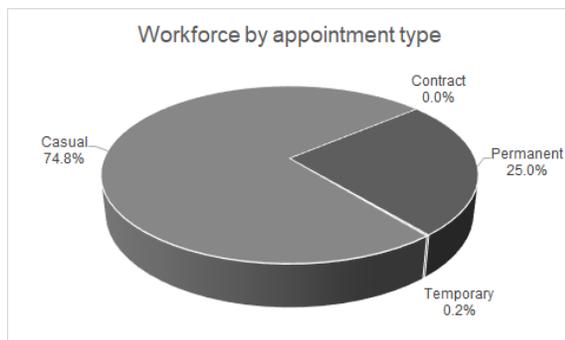
Occupation types by FTE	Percentage of total headcount (%)
Support functions	14
Stores	86



6.1.3. Appointment type

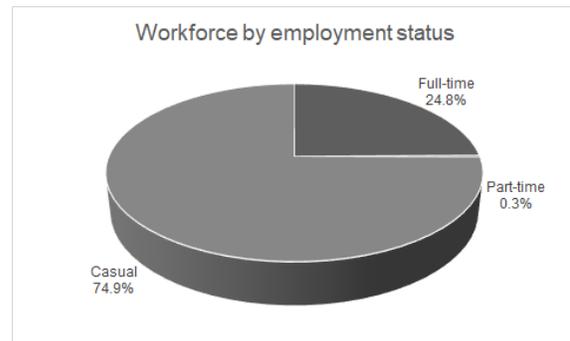
Appointment type by FTE	Percentage of total headcount (%)
Permanent	25
Temporary	0.2
Casual	74.8
Contract	0

Of its 617 team members, 153 of CEQ's total workforce at the end of the financial year were permanent.



6.1.4. Employment status

Employment status by headcount	Head-count	Percentage (%)
Full-time	153	24.8
Part-time	2	0.3
Casual	462	74.9

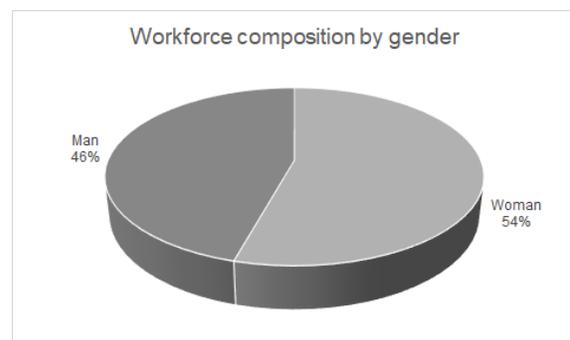


From an FTE perspective, CEQ had 272 FTEs at the end of the reporting period.

6.2. Target group data

6.2.1. Gender

Gender (where data is available)	Number (Headcount)	Percentage of total workforce headcount (%)
Female	335	54
Male	282	46
Non-binary	N/A	N/A
Another term	N/A	N/A
Not disclosed	N/A	N/A



6.2.2. Diversity

Diversity Groups*	Number (Head-count)	Percentage of total workforce headcount (%)
Women	335	54
Aboriginal Peoples and Torres Strait Islander Peoples	470	76
People with disability	N/A	N/A
Culturally and Linguistically Diverse	N/A	N/A

6.2.3. Women in leadership roles

Women in Leadership Roles	Women (Head-count)	Women as percentage of total leadership cohort headcount (%)
Store Manager/ Assistant Store Manager	28	47
Regional Manager	4	67
Manager (Cairns Support Office)	10	59
General Manager	1	25
Board of Management	6	67

6.3. Workforce planning & performance

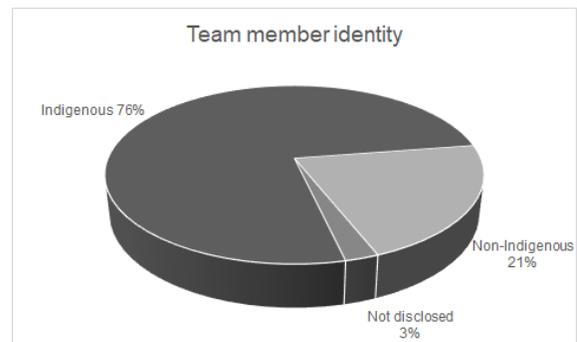
CEQ ensures fair and equitable workforce engagement and opportunities fairly without regard to race, age, sex, marital status or any other proscribed factor. This commitment is highlighted in the CEQ Anti-Discrimination Policy, Code of Conduct and Cultural Awareness Manual.

6.3.1. Diversity

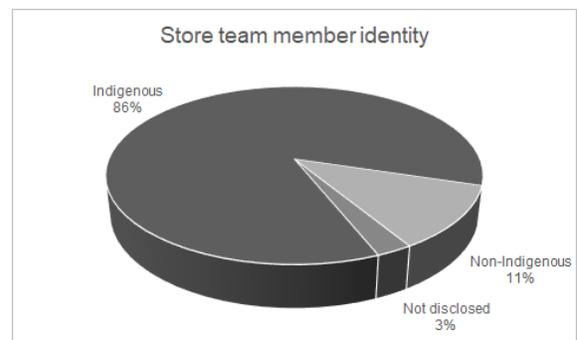
CEQ is committed to fostering Indigenous employment. The launch of the Cultural Wisdom Resource and the development of CEQ's cross-cultural capability matrix have ensured cultural responsiveness and equitable opportunities into CEQ's practices.

As of 30 June 2025, Indigenous representation was 86% within its remote store operations. From a leadership perspective, 60% of the Board of Management identified as Indigenous up until April 2025, when the terms of Claire Alexander (non-Indigenous) and Fraser Nai (Indigenous) came to an end.

Team member identity-total	Headcount	Percentage (%)
Indigenous	470	76
Non-Indigenous	132	21
Not disclosed	15	3



Store team member identity	Headcount	Percentage (%)
Indigenous	455	86
Non-Indigenous	61	11
Not disclosed	14	3



Local team member retention

Attracting and retaining team members in community stores is an ongoing challenge. In this regard, CEQ has heightened its focus by devoting a strategic pillar to “People” in its strategic plan. A critical activity is CEQ’s migration plan to demonstrate to team members the benefits of permanent employment over casual employment.

We continued to hold CEQ recruitment booths at various community events to promote career choices and opportunities within CEQ. We continued conversations with local organisations such as My Pathway, Rise, Gur A Baradharaw Kod Torres Strait Sea and Land Council (GBK), Busy at Work, and local schools regarding potential partnerships.

CEQ’s vision for team members is for local Indigenous people to view retail as a career and assume senior management roles. This is achieved by investing in team members through training and development and associated mentoring programs. Training and education form part of the organisation’s most significant strategic imperatives.

However, this investment comes at a cost due to the remote nature of the communities and the availability of certified trainers prepared to work in remote locations. CEQ has successfully promoted local team members to store and regional management positions.

One of CEQ’s imperatives is for Store Managers to be able to assume a management role in any organisation. The practices that have been adopted at a store level are those that will be accepted in mainstream retail outlets. This also forms the basis of the mentoring program that has continued to be enacted during the year as part of CEQ’s succession plan.

Recognising and rewarding team members is integral to CEQ’s workplace culture. Team member Annual Partnership Plans continued to facilitate honest and constructive feedback and allowing individual career development. We partnered with People HQ to launch the Thrive Program within CEQ to enrich team member development and leadership capabilities through a neuroscience-informed learning journey.

Locally operated stores

The unique management model implemented in IBIS retail operations has existed for over a decade. The uniqueness of this model lies not only in local community members managing the grocery outlets but also ensures that most of our team members are Indigenous.

The IBIS model, now the CEQ model, not only guarantees employment opportunities and a clearly defined career pathway but also provides a voice for Indigenous people regarding the business’s operations. CEQ’s mentoring, training, and development model provides existing Managers with business acumen and the ability to role model standards and practices for future aspiring Store Managers.

CEQ recognises that our IBIS and ABIS operations are at varying levels of business maturity and that we must tailor our model to meet the needs of team members and customers.

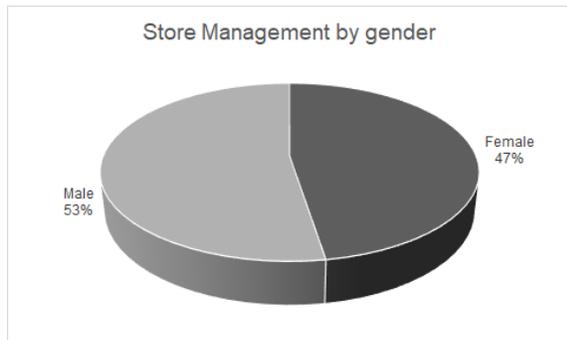
This model has recently been implemented in the merged ABIS stores, with five (5) Indigenous team members appointed to Supervisory positions. Our local Supervisor position is the pipeline to future Store Managers.

CEQ, over the last reporting period, experienced an average employee turnover rate of 49%.

6.3.2. Gender equity

CEQ supports gender diversity within its workplace demonstrated by the composition of our workforce in the 2024-25 financial year:

- 54% per cent of all team members identify as female.
- From a management perspective, there are 59 managers in store operations, of which 47% identify as female.
- From a leadership perspective, 66% of the Board of Management identify as female.



6.3.3. Early retirement, redundancy and retrenchment

No redundancy/early retirement/retrenchment packages were paid during the period.

6.3.4. Training

CEQ invests heavily in training, with the current training strategy encompassing:

- Food and Safety Compliance
- Risk Mitigation
- Employment Compliance
- Business Acumen
- Work Health and Safety

Positive training outcomes are achieved through a structured program that encompasses:

- Mentoring and regular store visits from experienced team members in various disciplines.
- Lunch box sessions.
- Task analysis and task observations.
- Forklift and truck licences.
- Certified training includes retail, first aid, customer service, food safety accreditation, and workplace health and safety.
- Respect at work.

CEQ employs qualified training officers and undertakes workplace health and safety and food and store audits.

Team member development is identified through current performance review processes.

CEQ continued to offer the Queensland Government 'Skilling Queenslanders for Work' program in the last year. The funding supports our training team and funds the wages for up to eight (8) new team members for a six (6) months program to complete a Certificate I in Retail.

6.3.5. Team member wellbeing

Team member wellbeing initiatives introduced this year have included:

- Pulse Survey to accompany the annual Engagement Survey
- Development of a Wellbeing Calendar with events promoted throughout the year and time to pause, check in with each other, and share wellbeing initiatives and activities
- Evolution of our Team Member of the Month process, with online Values cards now available so more team members are recognised for living the values
- Introduction of the RELISH program to support all team members in understanding their needs, the needs of others and building aligned, healthy, supportive and productive teams
- Completion of the People at Work survey to assess the Psychosocial Hazards and Risks in the workplace
- Completion of the CEQ Psychosocial Risk Management Plan

7. Governance – management and structure

7.1. Summary of key activities

The model developed by CEQ strives to represent best practices in retail service delivery in remote Indigenous communities through:

1. Delivery of compliant, safe, high-quality food at the lowest possible prices;
2. Operating in a fiscally responsible manner;
3. Providing a source of significant employment for Indigenous Australians (CEQ is one of the largest employers in the Torres Strait), with 86% of team members being Indigenous Australians in remote store operations;
4. Presenting a low-cost, fit-for-purpose model delivering an effective and efficient essential service in a highly remote environment;
5. Arms-length government reporting standards;
6. Complying with best practice consumer retailing and meeting all legislative and regulatory requirements, and operating commercially on a 'not for loss' basis;
7. Managing risk to all stakeholders via a system of risk management – integrated across the organisation through a comprehensive risk management program and accredited food safety program; and
8. Sound governance in that CEQ:
 - Acts legitimately by complying with all required legislation.
 - Actively manages risk via the Risk Framework and Enterprise Risk Register.
 - Observes due process in all business activities (i.e. with documented policies and procedures) and respecting the rights of all stakeholders.
 - Meets and exceeds its publicly declared standards of performance in the economic use of resources, supply of outputs and achievement of desired economic, social and environmental outcomes.

7.2. Board of Management role

CEQ's Board of Management has primary responsibility to:

- Set the strategic direction.
- Set the risk appetite.
- Monitor business performance.

The Board is committed to ethical behaviour and works within its charter. The Board, as part of its role, monitors the business and reviews policies, business plans, budgets, and capital expenditure.

The Board:

- Sets delegation limits for the executive to work within.
- Uses a committee structure to aid in monitoring compliance matters.
- Evaluates the performance of the CEO.

7.3. Board of Management changes

Ms Claire Alexander and Mr Ted (Fraser) Nai both completed their terms with the Board on 6 April 2025.

We welcomed the appointment of one (1) new Board of Management Members in May 2025, Ms Dushyanthi (Dushy) Thangiah OAM. Our newer Board Members will continue to accompany the CEO on various upcoming store and community visits to further their understanding of our organisation.

7.4. Meet the Board of Management

Board Members are:

Ms Claire Alexander

Independent Board Member

Chairperson – Governance Pillar Subcommittee

Member – Strategic Integration Pillar Subcommittee

Ms Claire Alexander is a Non-Executive Director and Executive Manager with recognised strategic financial management and development expertise. Ms Alexander brings over 30 years of experience in public and private sectors, including serving hospitals, Local Governments, and major infrastructure projects as an experienced Chair of Audit, Risk and Finance Committees.

A Certified Practising Accountant (CPA), Ms Alexander graduated from Griffith University in 1995 with a Bachelor of Business in Accounting, then received a Master's degree in Business Administration (MBA) from the University of New England in 2004. Ms Alexander was also awarded the Public Practice Certificate CPA Australia in 2012.

Ms Alexander brings to CEQ a deep understanding of financial management in regional areas. She is currently a Board member of the Southwest Hospital & Health Service. She is also contracted as a strategic financial consultant to the Maranoa Regional Council, Mount Isa City Council and Murweh and Torres Shire Councils.

Start Date	End Date	Member since
07/04/2022	06/04/2025	2022

Mr Ted (Fraser) Nai

Independent Board Member

Member – People & Reputation Pillars Subcommittee

Member – Nutrition & Health Pillar Subcommittee

Fraser Nai is an identified Traditional Owner of Masig Island and a former Councillor of Torres Strait Island Regional Council (TSIRC). He has a long track record in public service, including being a Board Member of the Torres and Cape Hospital Health Service and a member of the Prime Minister's Indigenous Advisory Council.

Acknowledged by TSIRC as an Emerging Leader in 2018, Fraser received the 'Councillor of the Year' award in 2019 for his ability to influence change through leadership and deliver on the Council's vision for the region.

Fraser is involved in tourism initiatives across the Torres Strait. Fraser has an extensive tourism network in Queensland, including being a committee member on the First Nations Tourism Working Group for the Queensland Tourism Industry Council (QTIC) and the Tropical North Queensland First Nations Tourism Action Plan with Tropical Tourism North Queensland (TTNQ).

Fraser brings his experience in strategic leadership, communications, facilitation and negotiation to CEQ.

Start Date	End Date	Member since
07/04/2022	06/04/2025	2022

Mr Mislam Sam

Independent Board Member

Chairperson – Growth & Optimisation Pillar Subcommittee

Member – Strategic Integration Pillar Subcommittee

Mr Sam has notable business experience and leadership within the Indigenous sector. He has served over ten years as a Director in Indigenous corporations and sporting associations.

Mr Mislam Sam was the Mayor of the Palm Island Aboriginal Shire Council and is the Executive Manager for Economic Development and Workforce Culture at the Palm Island Community Company. Mr Sam also operates Klub Kuda Palm Island Budget Accommodation on Palm Island, which he has progressively grown into a prosperous business over the past ten years.

Before his role in Council, Mr Sam also had over ten years' experience working within the State Government in Aboriginal and Torres Strait Islander Policy, Education, and Training in Townsville and Palm Island.

Mr Sam is a continuing CEQ Board Member since 2017 and is now serving his third term, with his previous tenure expiring in May 2024.

Start Date	End Date	Member since
06/06/2024	05/06/2028	2017

Dr Mark Wenitong

Independent Board Member

Chairperson – Nutrition & Health Pillar Subcommittee

Member – Strategic Integration Pillar Subcommittee

Dr. Mark Wenitong, a Kabi Kabi man from Southeast Queensland, is one of Australia's first Aboriginal doctors and an influential figure in Indigenous health.

His work focuses on policy, health service planning, and translating research into practice, particularly in primary health care and the cultural determinants of health. He currently serves as the Director of Research Knowledge Translation for the Lowitja Institute and chairs the Queensland Health State-wide Aboriginal and Torres Strait Islander Clinical Network. Dr. Wenitong is also a National Mental Health Commissioner and has extensive experience in public health, having worked with the Apunipima Cape York Health Council, Wuchopperen Health Service and NACCHO.

Dr. Wenitong has received numerous awards, including the National Public Health Award for Aboriginal and Torres Strait Islander Health. He has also contributed to national and international health initiatives, including in East Timor, and has studied at prestigious institutions like Johns Hopkins and Harvard.

Start Date	End Date	Member since
10/10/2019	07/12/2027	2019

Mr Christopher Edwards

Independent Board Member

Member - Governance Pillar Subcommittee

Christopher Edwards is a seasoned capital delivery specialist and Managing Director at Asia Pacific - Mace Group, where he oversees strategy, design, contracting, procurement, and construction for capital and infrastructure projects across various industries.

He serves on the regulatory boards of the Queensland Building and Construction Commission, Aviation Australia, Racing Queensland, and the Professional Engineers of Queensland, where he chairs the Risk and Audit Committee. He is also a member of the Queensland Government's Ministerial Construction Council Committee.

A graduate of the Australian Institute of Company Directors (AICD) and the Project Management Institute, Christopher has over 25 years of leadership experience in capital projects, particularly in North Queensland and the Torres Strait.

Recognised as a Fellow of AICD in 2010, he brings strong governance, project, and program leadership to CEQ, focusing on operational and transformational success in large, complex programs.

Start Date	End Date	Member since
07/12/2023	07/12/2027	2023

Ms Carrie Starkings

Independent Board Member

Member – Growth & Optimisation Pillar Subcommittee

Member – People & Reputation Pillars Subcommittee

Member – Nutrition & Health Pillar Subcommittee

Carrie is an FMCG business consultant with experience in Australia, Europe, Africa, South America and Asia. FMCG stands for Fast-Moving Consumer Goods, which include packaged foods, beverages, cleaning supplies, and other low-cost household items.

With extensive professional experience in commercial strategy, marketing, stakeholder management, complex supply chains, negotiation, and retail insight, Carrie is passionate about supporting the community, charitable organisations, and food trends.

Carrie has a Bachelor of Science degree (Winemaking & Viticulture) from the University of Western Sydney.

Start Date	End Date	Member since
07/12/2023	07/12/2026	2023

Ms Tracey Groves

Independent Board Member

Member - Governance Pillar Subcommittee

Member – Growth & Optimisation Pillar Subcommittee

Member – Strategic Integration Pillar Subcommittee

Tracey Groves is a Non-Executive Director and Executive General Manager with an extensive and diverse career spanning over thirty years in corporate and Board governance.

Tracey holds a Master's degree in Business Administration (MBA) from the University of Western Australia and is a Graduate of the Australian Institute of Company Directors (GAICD).

Tracey combines strategic acumen, cultural diversity, and a collaborative mindset. She offers valuable insights and drives positive change, allowing her to navigate the complexities of a complex business landscape and seize emerging opportunities.

Ms Groves brings to CEQ deep experience in infrastructure, logistics, and retail across diverse and remote footprints, with recent expertise in remote Northern Australia.

Start Date	End Date	Member since
07/12/2023	07/12/2026	2023

Ms Clara Tamu

Independent Board Member

Member – Nutrition & Health Pillar Subcommittee

Clara, an Indigenous woman from Warraber (Sue) Island in the Torres Strait, has a diverse professional background. She began her career at 16 with IBIS retail stores and later worked for the Department of Aboriginal & Islanders Affairs, Queensland Health, and the Waibene Hospital Board. With over 20 years in the health sector, she also served as a Medic in the Army Reserve.

Clara was elected to the Torres Strait Island Regional Council (TSIRC), serving 11 years under the Community Services Act and one term under the Local Government Act.

She has volunteered with Mura Kosker, supporting women in domestic violence and child safety, and worked on social security matters. Clara has also held roles with My Pathways as Cluster Manager and Housing Manager and managed CDEP, Capital Works, and Housing for Warraber Island Community Council.

Start Date	End Date	Member since
07/12/2023	07/12/2027	2023

Ms Leah Cameron

Independent Board Member

Deputy Chairperson, CEQ Board

Chairperson – People & Reputation Pillars Subcommittee

Member - Governance Pillar Subcommittee

Member – Growth & Optimisation Pillar Subcommittee

Member – Strategic Integration Pillar Subcommittee

Leah, a Trawlwoolway (Palawa) woman from Tasmania, is a prominent figure in the legal profession and a strong advocate for social change across government and corporate Australia. She founded Marrawah Law in 2013, which is now one of Australia's largest Indigenous-owned law firms and is recognised in Doyle's Guide and Chambers.

Leah's expertise spans property law, native title, and cultural heritage, focusing on providing commercial law services to government, corporates, and Indigenous businesses. Today, Leah provides strategic and technical guidance and advice to manage clients' projects, transactions, and processes.

Her accolades include Indigenous Legal Practitioner of the Year, a top 20s entrepreneur under 40, and multiple awards from Supply Nation. Leah serves on the Australian Heritage Council, the Tasmanian Aboriginal Corporation, and Aboriginal Enterprises in Mining, Exploration, and Energy. She is committed to growing the Indigenous business sector, supporting women in business, and promoting a collaborative approach to legal practice that benefits all stakeholders.

Start Date	End Date	Member since
07/04/2022	06/04/2026	2022

Ms Dushyanthi (Dushy) Thangiah OAM

Independent Board Member

Dushyanthi Thangiah is the CEO of Yumba-Meta Limited, an organisation that provides access to housing and support services particularly for Aboriginal and Torres Strait Islander people, she serves the most marginalised people of the Townsville region. She has worked in the housing and homelessness sector for over 30 years, representing on many advisory panels and boards and is regularly called upon to inform policy formulation and program implementation.

A Registered Justice of the Peace, Dushy first qualified as a Management Accountant from the Chartered Institute of Management Accountants (London), before completing a Graduate Certificate in Housing Management and Policy from Swinburne University Melbourne in 2009. She became Graduate of the Australian Institute of Company Directors in 2015. Her suite of achievements has been recognised resulting in her receiving numerous accolades for her work including 2019 Telstra Business Women’s National award for Purpose and Social Enterprise and the Order of Australia Medal in 2023.

Start Date	End Date	Member since
01/05/2025	30/04/2029	2025

Ms Joann Schmider

Chairperson, CEQ

Chairperson – Strategic Integration Pillar Subcommittee

Member – People & Reputation Pillars Subcommittee

Member – Nutrition & Health Pillar Subcommittee

Joann Schmider is an Atherton Tablelands rainforest Mamu woman who has lived in northwest, north and southeast Queensland and Canberra, and now in Tropical North Queensland since 2005. She brings 40 years of experience across social, cultural, economic, and environmental Indigenous-related interests, specifically in connecting policy, programming, resourcing, and outcomes with Indigenous and broader community networks, non-government entities, government, and academia. She has qualifications in education and training, community development, leadership, research, government, and governance (including

GAICD). Since 1985, Joann has served on committees and boards, providing social justice, including reconciliation and development roles. Joann’s ongoing interests are culture and heritage for all, more substantial public and industry recognition of Aboriginal and Torres Strait Islander contributions, and First Nations peoples’ opportunities in development, including community services and regional development.

Start Date	End Date	Member since
07/04/2022	07/12/2027	2022

7.5. Board Charter

The Board’s Charter contains procedures for assessing independence and any disclosure of interests that should be assessed by the Board. Board Members are required at each meeting to declare any material personal interest or conflict.

7.6. Board configuration

In accordance with section 60 of the *Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984*, the CEQ Board is comprised of at least five (5), but not more than ten (10) members appointed by the Minister.

For the 2024/2025 financial year, the Board had the following subcommittees that reported to it regularly:

7.6.1. Subcommittees

Governance Pillar Subcommittee (GPS)

The GPS was established by the CEQ Board of Management in April 2024 as part of a broader governance restructure to align with CEQ's strategic pillars. Its purpose is to provide strategic oversight and assurance across key areas, including risk, audit, compliance, legal and regulatory review, finance, asset management, and cyber risk.

Chairperson: Claire Alexander

Members: Chris Edwards

Tracey Groves

Leah Cameron

Growth & Optimisation Pillar Subcommittee (GOPS)

This subcommittee supports the Board of Management in delivering smart growth and extend our reach, while continually optimise organisational impacts. Its mandate includes strategic oversight across supply chains, retail expansion, digital growth, infrastructure, and operational efficiency. It operates as a review body, providing recommendations to the Board while respecting management's operational responsibilities.

Chairperson: Mislam Sam

Members: Carrie Starkings

Tracey Groves

Leah Cameron

People & Reputation Pillars Subcommittee (PRPS)

This subcommittee is focused fostering a thriving workplace culture, strengthening organisational capability, and deepening trust with the communities we serve.

Chairperson: Leah Cameron

Members: Fraser Nai

Carrie Starkings

Joanne Schmider

Nutrition & Health Pillar Subcommittee (NHPS)

To improve health outcomes for the communities CEQ serves—through thoughtful collaboration in preventative health, strategic innovation and a shared belief in the power of creating healthy food environments that support healthy choices which can transform lives.

Chairperson: Mark Wenitong

Members: Clara Tamu

Carrie Starkings

Fraser Nai

Joann Schmider

Strategic Integration Pillar Subcommittee (SIPS)

The SIPS integrates harmoniously strategic initiatives to foster unified growth and resilience. It ensures that CEQ's strategic direction is cohesive, future-focused, and aligned with both internal priorities and external expectations.

Chairperson: Joann Schmider

Members: Claire Alexander

Mark Wenitong

Leah Cameron

Tracey Groves

Mislam Sam

7.6.2. Reporting requirements

CEQ's reporting information in the required Government bodies reporting template is contained in Annexure 1.

7.6.3. Meeting attendance 1 July 2024 – 30 June 2025

Member	Board	GPS	GOPS	PRPS	NHPS	SIPS	Total Attended
Clarita (Claire) Alexander	4	5				1	10
Leah Nicole Cameron	4	3	1	3		2	13
Christopher Edwards	4	4					8
Tracey Groves	5	5	4			0	14
Ted (Fraser) Nai	4			2	3		9
Mislam Sam	5		3			1	9
Joann Schmider	5			4	3	1	13
Carrie Starkings	4		4	4	4		16
Clara Tamu	5				3		8
Dushyanthi Thangiah	1						1
Mark Wenitong	4				4	0	8

The Board subcommittees are committees of review only, with any resolutions requiring ratification by the full Board.

7.6.4. Payments to Board Members

Payments to the CEQ Board are in accordance with the Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies, being:

- Chairperson (Annual Fees): \$55,000
- Member (Annual Fees): \$27,500
- Sub-Committee Chairperson (Annual Fees): \$3,250
- Sub-Committee Member (Annual Fees): \$2,500.

Family Name	Given Name	Board and Committee Positions	Payments
Alexander	Clarita (Claire)	Independent Board Member GPS Chairperson SIPS Member	\$28,151.73
Cameron	Leah Nicole	CEQ Deputy Chairperson PRPS Chairperson GPS Member GOPS Member SIPS Member	\$41,046.65
Edwards	Christopher	Independent Board Member GPS Member	\$30,345.99
Groves	Tracey	Independent Board Member GPS Member GOPS Member SIPS Member	\$32,874.74

7.8. Executive Management

Mr Anthony (Tony) Flint

General Manager of Operations

Tony has over 25 years of retail experience in mainstream and remote communities. Tony also has three years of experience in training and mentoring roles in remote communities.

Certificate IV in Training & Assessment; Certificate IV in Retail.

Appointed 2017.

Mr Fred Gela

General Manager of Nutrition, Health and Engagement

Genealogical connections and bloodline Peidu and Samsep Erub, Kaurareg, Ngela Solomons, Gaidai Parama PNG, Butchulla Fraser Island. Fred is a former CEQ Board Member and the former Mayor of TSIRC, with 19 years of experience in public service advocating at the national, state, regional and local levels, brokering and delivering positive life-changing outcomes for Aboriginal and Torres Strait Islander people.

Advanced Diploma in Business Administration; Certificate II in Housing; Advanced Diploma Local Government.

Appointed 2020.

Ms Casey Kelly

General Manager of Merchandise and Supply

Casey has over 22 years of retail experience in mainstream and remote locations, Casey is also experienced in the nuances of logistics and supply to remote retail stores.

Certificate IV in Retail Management; Certificate III in Retail Operations

Appointed 2017.

Mr Randal Crabbe

General Manager of Business Development

Randall has over 40 years in mainstream corporate, independent and remote retail.

Diploma in Management; Certificate IV in Retail Management; Certificate IV in Project Management.

Appointed 2010.

Mr David Pollack

General Manager of Corporate Services (finished May 2025)

David has extensive experience in service provision across finance, human resources, transport, asset management and information technology within the private and public sectors.

Bachelor of Business, Accounting, Diploma of Advanced Management Practice.

Ms Chiley Luangala

Acting General Manager of Corporate Services (commenced May 2025)

Chiley's track record spans across local government leadership, strategic corporate governance and financial management. She has over 15 years of experience managing complex portfolios encompassing finance, digital transformation, risk management and community development.

Master of Science (M.Sc.) Strategic Business Management; Certified Practising Accountant (CPA); Chartered Global Management Accountants (CIMA); Diploma of Asset Management; Diploma of Local Government Administration; Diploma of Project Management. Currently studying a Bachelor of Laws (Criminology & Justice).

Mr Michael Dykes

Chief Executive Officer

Michael is passionate about being involved with a community-based organisation and brings extensive experience in senior leadership for many large retail organisations worldwide.

Most recently, Michael worked with the Arnhem Land Progress Association (ALPA) in the Northern Territory and Queensland, serving some of Australia's most remote communities.

Henley Business School – Retail Executive; Diploma of Design Thinking; AICD Member; Past Board Director for Manapan Furniture, Island & Cape Retail.

Appointed financial year 2022/23.

8. Financial performance

In accordance with the *Financial Accountability Act 2009* and *Financial and Performance Management Standard 2019*, the following applies:

- The financial records of the statutory body have been properly maintained throughout the year ended 30 June 2025 in compliance with prescribed requirements; and
- The risk management and internal compliance and control systems of the statutory body relating to financial management have been operating efficiently, effectively and economically throughout the financial year.

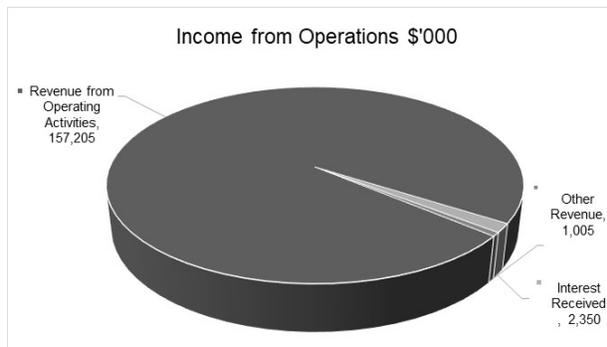
There were several key highlights for the business over the financial year. These highlights included:

- Strong sales results across several stores;
- Weathering the storms and additional air freight costs associated with a particularly challenging and long wet season;
- Completion of capital works; and
- Delivering on CEQ’s commitment to provide goods and services at affordable prices.

8.1. Summary of financial performance

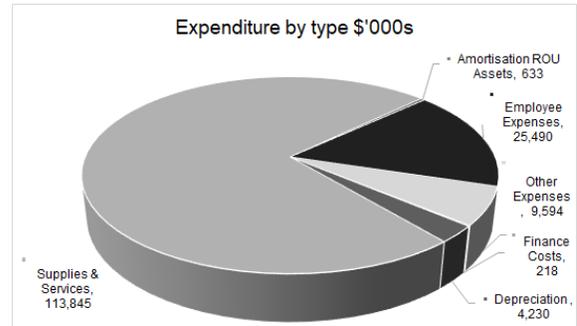
8.1.1. Operating result

CEQ continues to perform strongly year on year. From an operating result perspective (excluding capital revaluations), CEQ produced a net result of \$6.55M. Strong revenue figures of \$160.6M backed this. This revenue figure is up on the previous year. Income was distributed in the following manner:



Note: Other Revenue includes property rentals and grants.

Expenses were distributed in the following manner:

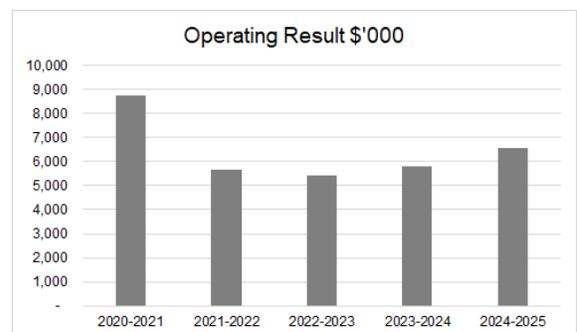


74% of CEQ expenses are Supplies and Services, being \$113.8M. Employee expenses are the next major expense category at \$25.5M, or 17% of total expenses.

Major lines in other expense items and supplies and services include:

Expense Items > \$400K	\$'000
Board meeting expenses	451
Consultants and contractors	686
Lease expenses	685
Telephone and communications	590
Travel	1,300
Electricity	2,226
Events sponsorship	601
Insurance	929
Rates	481
Repairs and maintenance	4,456

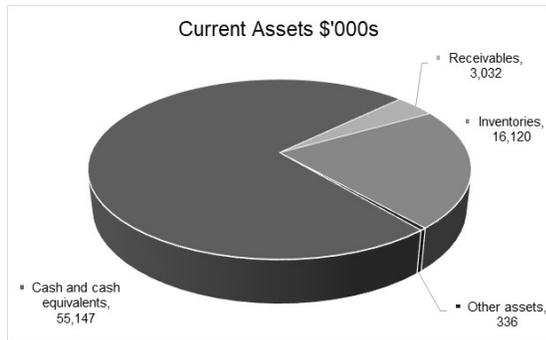
8.1.2. Net result over time



The net result of \$6.55M is 4.1% of turnover and in accordance with the business's established norms. Note that financial years 2021 and 2022 are COVID-19 stimulated results.

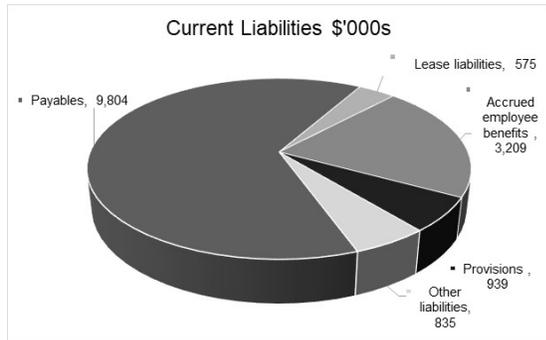
8.1.3. Balance sheet - assets

Current assets are \$74.6M, of which \$55.1M is cash and cash equivalents.



8.1.4. Balance sheet - liabilities

At the end of the financial year, CEQ had current liabilities of \$15.4M, of which \$10.2M was Accounts Payable.



8.1.5. Non-current balance sheet items

The total non-current assets were \$66.57M, of which \$61.3M was Property, Plant and Equipment. The total non-current liabilities were \$5.8M, of which \$5.6M were lease liabilities in accordance with accounting standards.

8.1.6. Financial ratios at a glance

Ratio	2025	2024
Liquidity (Quick) – working capital	3.81	4.02
Efficiency – gross profit margin	29%	30%
Efficiency – operating profit margin	4.2%	4.3%
Return on asset	5.5%	5.2%

CEQ continues to exhibit a strong balance sheet (low debt) coupled with stable returns. Due to the community service obligation of CEQ, commercial returns are kept intentionally low due to the targeted pricing of goods and services.

8.1.7. Capital expenditure

CEQ invested heavily in capital expenditure during the financial year. The table below identifies capital expenditure in the current and previous years.

Year	Capital Expenditure \$'000
2020-21	4,128
2021-22	4,174
2022-23	1,840
2023-24	10,515
2024-25	3,448

Note: Excludes Work in Progress.

Capital expenditure for the financial year was delivered in the following manner

Capital expenditure by asset class: \$'000	
Buildings	1,283
Plant and equipment	2,165
Total Capital Expenditure	3,448

Note: Motor vehicles are classified as Plant and Equipment in the Financial Statements.

9. Governance – risk management & accountability

9.1. Risk management

The risk management function of CEQ lies with the Governance Pillar Subcommittee. Subcommittee members, the role, key achievements and remuneration of this subcommittee are outlined in sections 7.6.1, 7.6.4 and 4.1.4.

9.2. Audit committee

The audit and compliance function of CEQ lies with the Governance Pillar Subcommittee. Membership, the role, key achievements and remuneration of this subcommittee are outlined in sections 7.6.1, 7.6.4 and 4.1.4. This subcommittee met at least once a quarter during the reporting period.

9.3. Compliance and audit

Compliance, risk and mitigation are at the forefront of CEQ operations. CEQ has several overarching management documents and processes to aid compliance across active risk types; these documents are:

- Financial Management Practice Manual Control Document
- Human Resources Induction Process
- Human Resources Corporate Manual
- CEQ Code of Conduct
- Cultural Awareness Resource
- Operational Plan
- Operations Manual (Retail Computer System Manual)
- Administration Manual (Computerised Administration Manual)
- Enterprise Risk Register
- Board of Management Risk Appetite Statement
- Business Continuity Plan
- Climate Change Action Strategy
- WHS Policy
- Food Safety Plan
- Work Health and Food Safety audits
- External Audit Program (QAO)
- Internal Audit Program

Together with other legislative requirements, CEQ complies with the requirements of the *WHS Act Qld 2011*, *WHS Regulations 2011*, *Safe Food Act 2006* and the Food Safety Standards of the Australia New Zealand Food Standards Code. All CEQ stores have the same compliance requirements integrated into their operations where appropriate.

9.4. Internal audit

During the financial year, Grant Thornton (a provider of independent assurance, tax and advisory services) was engaged as CEQ's Internal Auditor. The role and function of Internal Audit at CEQ is to:

- Provide a risk-weighted Internal Audit Plan for a three-year rolling period.
- Undertake audits in accordance with that plan.

Specifically, Internal Audit is required to:

- Assess the internal control environment and whether systems are controlled and working effectively.
- Assess whether financial, managerial and operating information is accurate, reliable and timely.
- Assess team members' actions comply with policies, procedures and applicable laws and regulations.
- Assess whether resources are acquired economically, used efficiently and adequately protected.
- Assess whether major programs, plans and objectives are achieved.
- Report on systems of quality and provide recommendations for continuous improvement.
- Review management responses to significant legislative and regulatory requirements impacting CEQ for completeness.
- Report on observations or suggestions about any matters arising from audits or related matters that should be brought to the Board's attention.

The Internal Audit Plan was developed based on CEQ's enterprise risk register. During the financial year, a wide-ranging review was completed on Good Pasin (Give Back) and Inventory.

Grant Thornton has internal quality processes that are reviewed to ensure no conflicts of interest. Grant Thornton confirmed that they do not have, or are likely to acquire, engagements that may give rise to any actual or perceived conflict of interest with any services required in connection with the CEQ engagement.

9.5. External scrutiny

In accordance with the provisions of the *Auditor-General Act 2009* and the *Financial Accountability Act 2009*, the Queensland Audit Office (QAO) is CEQ's external auditor. The QAO is responsible for providing Queensland's Parliament with assurances on the adequacy of CEQ's discharge of its financial and administrative obligations.

9.5.1. Ethical behaviour

As a public sector entity, CEQ must have its Code of Conduct endorsed by the responsible authority described by the Act. Approval was sought on 14 July 2011, and endorsement was granted on 24 October 2011.

Existing team members are trained to understand the *Public Sector Ethics Act 1994* and the CEQ Code of Conduct. New team members are provided with the Code of Conduct as part of the induction process and it is made available to all team members on the CEQ intranet.

CEQ's values and six strategic pillars in its strategic plan align with the public sector ethics principles and reinforces ethical behaviour, demonstrating workplace culture alongside Code of Conduct compliance.

9.5.2. Human rights

CEQ respects, protects and promotes the human rights of all Queenslanders. It has built a culture that preserves human rights by maintaining policies and procedures to highlight them, ensuring that human rights are central to its work in line with the *Human Rights Act 2019 (Qld)*.

This commitment is highlighted in the CEQ Code of Conduct, Recruitment and Selection Policy, Anti-Discrimination Policy, Procurement Policy and Procedure, Information Privacy Policy and Bullying Policy.

For example, CEQ will not undertake procurement that is incompatible with human rights or that fails to consider human rights. CEQ in its procurement shall give consideration to:

- the inherent dignity and worth of all human beings; and
- the special importance for the Aboriginal peoples and Torres Strait Islander peoples of Queensland, as Australia's first people, with their distinctive and diverse spiritual, material and economic relationship with the lands, territories, waters, coastal seas and other resources with which they have a connection under Aboriginal tradition and Ailan Kastom.

During the reporting period, CEQ received no human rights complaints.

9.5.3. Modern Slavery Act 2018

CEQ is committed to ensuring that our suppliers' employees are provided with good working conditions and treated with dignity and worth. CEQ customers expect high service levels and expect CEQ to act ethically in its behaviours. CEQ requires supplier contracts to include statements on both their employee(s) and supplier chain demonstrating compliance with the *Modern Slavery Act 2018*.

10. Other reporting requirements

The data for several annual reporting requirements has been provided below in lieu of the Open Data Portal.

10.1.1. Overseas travel

Neither Board Members nor team members undertook any overseas travel.

10.1.2. Consultancies

During this financial year, the following consultants were engaged to provide a range of services:

Consultancy Category	Expenditure (\$'000s)
Consultants – Management including Legal	281
Consultants - Communications	89
Consultants - Finance/accounting	22
Consultants - Professional/technical	293
Total	686

10.1.3. Queensland Language Services Policy

CEQ did not engage any interpreters in the 2024-25 financial year.

10.1.4. Charter of Victims' Rights

CEQ did not receive any complaints against it under the Charter of Victims' Rights in the 2024-2025 financial year.

10.1.5. s60V Minister's power to give direction

CEQ received no directions during the reporting period.

11. Information systems and recordkeeping

As a Queensland Government agency, CEQ must adhere to the accountability requirements of the *Public Records Act 2003*, Queensland State Archives (QSA) Standards and the Council of Australasian Archives and Records Authorities (CAARA) framework.

11.1. Records governance improvements

In the 2024-25 financial year, CEQ commenced Project Papertrail to uplift its records management practices and systems in line with contemporary information governance principals and to meet its compliance obligations under the legislation.

The project aligns with the Governance Pillar Subcommittee's objective of advancing a document management systems strategy, including focusing on a paperless environment, and is planned for completion in 2026-2027.

11.2. Roles & responsibilities

Management of the record keeping function is the responsibility of the Risk and Compliance Manager and all team members are responsible for adhering to the organisation's record keeping practices.

Team members are made aware of their compliance roles and responsibilities at initial induction training.

11.3. Digital records management

A majority of CEQ's record keeping systems are digital using Microsoft365 (including Azure), Sharepoint and Pronto Cloud. Project Papertrail will explore system enhancements and/or additional records management that will provide additional capabilities for mobility, security, compliance and collaboration.

11.4. Security

CEQ is committed to ensuring that information in its recordkeeping systems remain secure. In order to prevent unauthorised access or disclosure, we have suitable physical, electronic and managerial procedures in place to safeguard and secure information and protect it from misuse, interference, loss, unauthorised access, modification and disclosure. This includes the Palo Alto security and network platform. CEQ aligns itself with the Government-recommended 'Essential 8' security framework and adopts a 'Zero Trust' network architecture to help protect against cyber threats.

Our dedicated IT department assists to ensure the integrity of our digital systems through the CEQ Data Security and Backup Strategy.

There were no information security breaches in the financial year.

11.5. Records retention & disposal

Records are retained and disposed of in accordance with the General Retention and Disposal Schedule [QRDS] and Information Standard 31: Retention and Disposal of Public Records.

12. Glossary

Acronym	Description
ABIS	Aboriginal Business Industry and Service
AICD	Australian Institute of Company Directors
BoM	Board of Management
CEO	Chief Executive Officer
CEQ	Community Enterprise Queensland
CHH	Community Home and Hardware
COAG	Council of Australian Governments
COGS	Cost of Goods Sold
CPRM	Community, Public Relations and Marketing Committee
PWCS	People, Workplace Culture and Safety Committee
FAA	<i>Financial Accountability Act 2009</i>
FAICD	Fellow of the Australian Institute of Company Directors
FARG	Finance, Audit, Risk and Governance Committee
FMPM	CEQ Financial Management Practice Manual
FMCG	Fast-Moving Consumer Goods
FTE	Full Time Equivalent
GAICD	Graduate of the Australian Institute of Company Directors
GBK	Gur A Baradharaw Kod Torres Strait Sea and Land Council
GOPS	Growth & Optimisation Pillar Subcommittee
GPS	Governance Pillar Subcommittee
IBIS	Trading name - Islanders Board of Industry and Service of the IIB
IIB	Island Industries Board
ILUA	Indigenous Land Use Agreement
LGA	Local Government Authority
MBA	Masters Degree in Business Administration
NACCHO	The National Aboriginal Community Controlled Health Organisation
NAIDOC	National Aborigines and Islanders Day Observance Committee
NHPS	Nutrition & Health Pillars Subcommittee
NPA	Northern Peninsula Area, Cape York
PBC	Prescribed Body Corporate
PRPS	People & Reputation Pillars Subcommittee
SIPS	Strategic Integration Pillar Subcommittee
TSC	Torres Shire Council
TSIRC	Torres Strait Island Regional Council

13. Annexures

13.1. Annexure 1 – Reporting template for Government bodies (statutory bodies and other entities)

Reporting template for Government bodies (statutory bodies and other entities)

Name of Government body	Community Enterprise Queensland
Act or instrument	Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984 (Part 7A & Section 60B)
Functions	<p>a) To act as a commercial enterprise for the general convenience or benefit of the residents of the communities in which Community Enterprise Queensland performs its functions;</p> <p>b) to provide the communities mentioned in paragraph (a) with access to a range of food, drinks and household items essential for a healthy life at a fair price;</p> <p>c) to apply its operating surplus or assets to promote, support and improve its services and the general welfare, including the knowledge and skills, of the Aboriginal and Torres Strait Islander residents of the communities mentioned in paragraph (a).</p>
Achievements	<p>Key achievements by strategic pillar:</p> <p>Governance:</p> <ul style="list-style-type: none"> • New Strategic Risk Register and Board Risk Appetite Statement. • Reviewed internal audits on payroll, inventory and the Good Pasin (Give-back) program. • QAO Audit Closing Report confirmed an unmodified opinion on CEQ's financial statements. • Supported the development of Climate Change Action Strategy, Long-Term Financial Plan, Cash Management Policy, Related Parties Policy and Procurement Policy review. • Monitored CEQ's cybersecurity dashboard, supported phishing training, and endorsed the rollout of EFTSure and the Prism portal to strengthen digital resilience. <p>Growth & Optimisation:</p> <ul style="list-style-type: none"> • Operation Wheel – 5-year store refresh program. • Operation Station – fuel outlet safety and compliance • Store Network Expansion Strategy • Accommodation projects to support team retention and well-being in remote communities. • Digital access and capability projects e.g. eMarket kiosks (for customer online ordering) and eLearning kiosks (for team member training and development). • Solar infrastructure condition and renewal. • Land tenure review. <p>Reputation & People:</p> <ul style="list-style-type: none"> • Partnered with People HQ to launch the Thrive Program to foster team member development through a neuroscience-informed learning journey. • Combined annual 'Your Say' surveys with quarterly 'Engage Check-Ins' to capture timely insights. • Workplace culture and compliance, including the development of a psychosocial hazards policy and improved workplace health and safety reporting. • Team and leadership development, with the Workforce and Leadership Development Strategy advancing and cadetship programs expanding. • Cross-cultural capability, supported by the rollout of cultural awareness resources. • Team wellbeing, with initiatives like accommodation support and psychosocial safety measures. • Finalised the IBIS History Book as part of CEQ's 120-year anniversary celebrations. • Strengthened strategic partnerships, including disaster relief collaboration with Foodbank and stakeholder mapping for resilience planning. • Supported community development, with the Good Pasin (Give-back) program funding \$600,000 in community initiatives aligned to Closing the Gap and other key reform initiatives. <p>Nutrition and Health</p> <ul style="list-style-type: none"> • Gather + Grow Healthy Stores project partnership with Health and Wellbeing Queensland has delivered strong outcomes in store nutrition policy, socialising the importance of nutrition and creating healthier store environments. • Partnered with Saltwater People to develop a health promotion campaign. • Partnered with Torres Strait Regional Authority to collaboratively address a gap in community nutrition support. • Partnership with Foodbank delivered 40 pallets of breakfast items to 14 schools in CEQ's footprint. • Research collaboration projects including Commercial Determinants of Health Research Project (University of Queensland) and Climate Change Food Security Research Project (Monash University).
Financial reporting	<ul style="list-style-type: none"> • CEQ's financial statements are prepared in compliance with section 38 of the Financial and Performance Management Standard 2019, and the Australian Charities and Not-for-profits Commission Act 2012, and the Australian Charities and Not-for-profits Commission Regulations

	<p>2022. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2024.</p> <ul style="list-style-type: none"> CEQ is a not-for-profit entity and its general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities. 				
<p>Remuneration NB: If there is a very large pool of members (e.g. for a Tribunal), do not include each member in the list below, instead provide details for the different types of members e.g. for ordinary sessional members</p>					
Position	Name	Meetings/sessions attendance	Approved annual, sessional or daily fee	Approved sub-committee fees if applicable	Actual fees received
Independent Board Member GPS* Chairperson SIPS* Member	Clarita (Claire) Alexander	10	<p>Payments to the CEQ Board are in accordance with the Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies, being:</p> <ul style="list-style-type: none"> Chairperson (Annual Fees): \$55,000 Member (Annual Fees): \$27,500 Sub-Committee Chairperson (Annual Fees): \$3,250 Sub-Committee Member (Annual Fees): \$2,500. 		\$28,151.73
CEQ Deputy Chairperson PRPS* Chairperson GPS Member GOPS* Member SIPS Member	Leah Nicole Cameron	13			\$41,046.65
Independent Board Member GPS Member	Christopher Edwards	8			\$30,345.99
Independent Board Member GPS Member GOPS Member SIPS Member	Tracey Groves	14			\$32,874.74
Independent Board Member PRPS Member NHPS* Member	Ted (Fraser) Nai	9			\$25,576.73
Independent Board Member GOPS Chairperson SIPS Member	Mislam Sam	9			\$36,162.24
CEQ Chairperson SIPS Chairperson PRPS Member NHPS Member	Joann Schmider	13			\$66,335.15
Independent Board Member GOPS Member PRPS Member NHPS Member	Carrie Starkings	16			\$35,403.48
Independent Board Member NHPS Member	Clara Tamu	8			\$30,345.99
Independent Board Member	Dushyanthi Thangiah	1			\$ 4,615.36
Independent Board Member NHPS Chairperson SIPS Member	Mark Wenitong	8	\$35,533.39		
No. scheduled meetings/sessions	24				
Total out of pocket expenses	Nil				

*** Legend**

GPS: Governance Pillar Subcommittee

GOPS: Growth & Optimisation Pillar Subcommittee

PRPS: People & Reputation Pillars Subcommittee

NHPS: Nutrition & Health Pillars Subcommittee

SIPS: Strategic Integration Pillar Subcommittee

13.2. Annexure 2 – Annual financial statements including independent auditor's report

Community Enterprise Queensland

**Financial Statements
For the year ended 30 June 2025**

**Community Enterprise Queensland
Financial Statements
For the Year Ended 30 June 2025**

Contents	Page No.
STATEMENT OF COMPREHENSIVE INCOME	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF CHANGES IN EQUITY	3
STATEMENT OF CASH FLOWS	4
NOTES TO THE FINANCIAL STATEMENTS	5
MANAGEMENT CERTIFICATE	28
INDEPENDENT AUDITORS REPORT	29

General Information

These financial statements cover Community Enterprise Queensland, formerly known as the Island Industries Board.

Community Enterprise Queensland (CEQ) is a statutory body established under the *Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984*.

The statutory body is controlled by the State of Queensland which is the ultimate parent.

The corporate support office and principal place of business of the statutory body is:

269 Mulgrave Road
WESTCOURT QLD 4870

A description of the nature of the statutory body's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the statutory body's financial statement please call the General Manager Corporate Services on (07) 4050 4300.

Amounts shown in these financial statements may not add to the correct sub-totals due to rounding.

**COMMUNITY ENTERPRISE QUEENSLAND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

		2025	2024
Operating Result		\$'000	\$'000
Income	Note		
Revenue	3(a)	157,205	135,886
Interest		2,350	1,995
Grants and other contributions	3(b)	479	254
Rental income		492	424
Gains on disposal of assets		34	40
Total Income		160,560	138,599
Expenses			
Supplies and services	4	113,845	98,532
Employee expenses	5	25,490	21,096
Depreciation on property, plant and equipment (PPE)	10	4,230	3,828
Amortisation of right-of-use assets (ROU)	12	633	597
Other expenses	6	9,594	8,530
Finance/borrowing costs	12	218	203
Total Expenses		154,010	132,786
Operating result for the year		6,550	5,813
Other Comprehensive Income			
<i>Items that will not be reclassified subsequently to Operating Result</i>			
Increase in asset revaluation surplus	15	2,308	2,961
Total items that will not be reclassified to operating result		2,308	2,961
Total Other Comprehensive Income		2,308	2,961
Total Comprehensive Income		8,858	8,774

The accompanying notes form part of these statements.

**COMMUNITY ENTERPRISE QUEENSLAND
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025**

		2025	2024
		\$'000	\$'000
	Note		
Current assets			
Cash and cash equivalents	7	55,147	46,825
Receivables	8	3,032	2,089
Inventories	9	16,120	14,254
Other assets		336	424
Total current assets		74,635	63,592
Non-current assets			
Property, plant and equipment	10	61,330	60,294
Right-of-use assets	12	5,242	5,367
Total non-current assets		66,572	65,661
Total assets		141,207	129,253
Current liabilities			
Payables	11	10,199	9,983
Lease liabilities	12	575	453
Accrued employee benefits	13	2,814	853
Provisions	14	939	839
Other liabilities		835	149
Total current liabilities		15,362	12,277
Non-current liabilities			
Lease liabilities	12	5,561	5,624
Provisions	14	272	197
Total non-current liabilities		5,833	5,821
Total liabilities		21,195	18,098
Net assets		120,013	111,155
Equity			
Accumulated surplus		85,310	78,760
Asset revaluation surplus	15	34,703	32,395
Total equity		120,013	111,155

The accompanying notes form part of these statements.

**COMMUNITY ENTERPRISE QUEENSLAND
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025**

	Accumulated Surplus	Asset Revaluation Surplus (Note 15)	TOTAL
	\$'000	\$'000	\$'000
Note			
Balance as at 1 July 2023	<u>72,946</u>	<u>29,435</u>	<u>102,382</u>
Operating result	5,813	-	5,813
Other comprehensive income			
- Increase in asset revaluation surplus	-	2,961	2,961
Total comprehensive income for the year	<u>5,813</u>	<u>2,961</u>	<u>8,774</u>
Balance as at 30 June 2024	<u>78,759</u>	<u>32,396</u>	<u>111,155</u>
Balance as at 1 July 2024	<u>78,759</u>	<u>32,396</u>	<u>111,155</u>
Operating result	6,550	-	6,550
Other comprehensive income			
- Increase in asset revaluation surplus	-	2,308	2,308
Total comprehensive income for the year	<u>6,550</u>	<u>2,308</u>	<u>8,858</u>
Balance as at 30 June 2025	<u><u>85,310</u></u>	<u><u>34,703</u></u>	<u><u>120,013</u></u>

The accompanying notes form part of these statements.

**COMMUNITY ENTERPRISE QUEENSLAND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025	2024
	\$'000	\$'000
Cash flows from operating activities		
<i>Inflows:</i>		
Receipts from customers	154,976	135,107
GST input tax credits from ATO	8,489	7,871
GST collected from customers	9,746	8,591
Grants and other contributions	479	254
Interest receipts	2,350	1,995
<i>Outflows:</i>		
Employee expenses	(23,218)	(20,974)
Supplies and services	(122,614)	(105,775)
GST paid to suppliers	(8,464)	(8,030)
GST remitted to ATO	(9,726)	(8,458)
Net cash provided by operating activities	19 <u>12,018</u>	<u>10,581</u>
Cash flows from investing activities		
<i>Inflows:</i>		
Sales of property, plant and equipment	34	72
<i>Outflows:</i>		
Payments for property, plant and equipment	10 <u>(2,958)</u>	<u>(4,504)</u>
Net cash used in investing activities	<u>(2,924)</u>	<u>(4,432)</u>
Cash flows from financing activities		
<i>Outflows:</i>		
Lease payments	19 <u>(772)</u>	<u>(714)</u>
Net cash used in financing activities	<u>(772)</u>	<u>(714)</u>
Net increase in cash and cash equivalents	8,322	5,435
Cash and cash equivalents at beginning of financial year	46,825	41,390
Cash and cash equivalents at end of financial year	7 <u>55,147</u>	<u>46,825</u>

The accompanying notes form part of these statements.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

NOTES TO THE FINANCIAL STATEMENTS

Note:	Page No.
1. Basis of Financial Statement Preparation	6
2. Objectives	7
3. Revenue	7
4. Supplies and Services	8
5. Employee Expenses	8
6. Other Expenses	9
7. Cash and Cash Equivalents	10
8. Receivables	10
9. Inventories	11
10. Property, Plant and Equipment and Depreciation Expense	12
11. Payables	15
12. Right-of-use Assets and Lease Liabilities	15
13. Accrued Employee Benefits	18
14. Provisions	18
15. Asset Revaluation Surplus by Class	18
16. Fair Value Measurement	19
17. Financial Risk Disclosures	21
18. Commitments	22
19. Reconciliation of Operating Results to Net Cash Flows Provided by Operating Activities	23
20. Contingent Assets and Liabilities	23
21. Future Impact of Accounting Standards Not Yet Effective	23
22. Related Parties	24
23. Taxation	27
24. Climate Risk Disclosure	27

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

1. Basis of Financial Statement Preparation

a) General Information

Community Enterprise Queensland ("CEQ") is a statutory body established under the *Aboriginal and Torres Strait Islander Communities (Justice, Land and Other Matters) Act 1984* and controlled by the State of Queensland, which is the ultimate parent.

The corporate support office and principal place of business is 269 Mulgrave Road, Westcourt QLD 4870.

b) Compliance with Prescribed Requirements

CEQ has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*, and the *Australian Charities and Not-for-profits Commission Act 2012*, and the *Australian Charities and Not-for-profits Commission Regulations 2022*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2024.

CEQ is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

There were no new standards adopted during the year.

c) Presentation

(i) Currency and Rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required. Due to rounding, totals may not add exactly.

(ii) Comparatives

Comparative information reflects the audited financial statement for year ended 30 June 2024.

(iii) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Board of Management at the date of signing the Management Certificate.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2. Objectives

The objective of CEQ is to act as an enterprise providing essential services for the general convenience of the Torres Strait region and mainland communities where CEQ has a presence. CEQ provides communities with access to a range of food, drinks and household items essential for a healthy life at a fair price. CEQ goals include promoting, supporting and improving services and the general welfare (including knowledge and skills) of the community members where it operates. CEQ achieves its goals through market channels being IBIS grocery (including fuel sales), ABIS grocery and Community Home & Hardware.

3. Revenue

a) Operating Activities

	2025	2024
	\$'000	\$'000
Sale of goods	141,103	132,705
Remote Communities Freight Assistance Scheme	13,618	1,171
Rebates	1,721	1,476
Commissions received	3	0
Other	760	534
Total	157,205	135,886

	2025	2024
	\$'000	\$'000
Sale of Goods by Market Channels including Freight Assistance		
IBIS – Islanders Board of Industry and Service	92,644	80,333
ABIS – Aboriginal Business, Industry and Service	47,960	41,278
CHH – Community Home and Hardware	14,117	12,265
Total	154,721	133,876

Accounting Policy – Sale of Goods

Revenue from the sales of goods is recognised on transfer of the goods to the customer, which is the sole performance obligation.

The Queensland Rural and Industry Development Authority (QRIDA) oversees The Remote Communities Freight Assistance Scheme, that aims to alleviate the financial burden of freight costs on essential goods that are otherwise passed on to consumers in remote North Queensland communities. To achieve this, eligible purchases by consumers at qualified and authorised businesses receive discount assistance as a form of subsidy, which QRIDA subsequently reimburses to the enterprise. CEQ recognises the discount assistance as revenue in the reporting period in which the discount is realised.

b) Grants and other contributions

	2025	2024
	\$'000	\$'000
Revenue from contracts with customers		
State Government Grants	479	254
Total	479	254

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

Accounting Policy – Grants and other contributions

CEQ has three grant arrangements with the Queensland Government and its related entities.

The Gather + Grow project relates to funding of activity-based services.

The Queensland Recycling Modernisation Fund (QRMF) was established in response to the Council of Australian Governments' (COAG) decision to transform Australia's waste and recycling industry, by allocating financial resources specifically for the enhancement and expansion of recycling container infrastructure. The QRMF, serves as a dedicated financial mechanism to drive the transformation of waste management practices and promote sustainable recycling initiatives across the state of Queensland.

The Department of Trade, Employment and Training of the Queensland State Government provide paid employment opportunities to disadvantaged Queenslanders. All three grants have been duly recognised as bearing specific performance obligations within the framework of a legally binding grant agreement.

4. Supplies and Services

	2025	2024
	\$'000	\$'000
Inventories consumed	109,150	94,019
Bank fees and charges	316	295
Board meeting expenses	451	162
Consultants and contractors	686	683
Employee recruitment/training/relocation expenses	105	267
Employee uniforms	57	42
Freight	170	166
Lease expenses*	685	671
Legal fees	115	115
Postage	12	9
Stationery	209	147
Telephone and communications	590	858
Travel	1,300	1,098
Total	113,845	98,532

Lease expenses

*Lease expenses relate to leases of low value assets, short-term and variable lease payments. Refer to Note 12 for disclosures.

5. Employee Expenses

	2025	2024
	\$'000	\$'000
Employee Benefits		
Wages and salaries	22,780	18,620
Employer superannuation contributions	2,335	1,968
Termination benefits	40	-
Other employee benefits	53	215
Employee Related Expenses		
Workers' compensation premium	81	91
Other employee related expenses	200	202
Total	25,490	21,096

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

5. Employee Expenses (continued)

During the 2024-25 year there were three special payments – ex gratia included in employee termination benefits.

The number of employees as at 30 June including both full-time employees and part-time employees measured on a full-time equivalent basis is:

Number of employees	272	260
Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.		

Accounting Policy – Worker’s Compensation Premiums

CEQ pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers’ compensation insurance is not an employee benefit but is recognised separately as an employee related expense.

Accounting Policy – Wages and Salaries

Wages and salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. As CEQ expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

CEQ disclosed a liability related to underpayment of wages to employees due to payroll software miscalculating time worked by rounding off and payment of overtime penalty rates for ordinary hours of work performed outside the roster conditions prescribed in the General Retail Industry Award 2020 (the Award). As a result, total Wages and salaries include accrued payroll remediation expenses of \$1.97m at 30 June 2025 recognised in Note 5.

Accounting Policy – Sick Leave

Prior history indicates that on average, sick leave taken at each reporting period is less than the entitlement accrued. This is expected to continue in future periods. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Accounting Policy – Superannuation

The default fund of CEQ is QSuper, the superannuation plan for Queensland Government employees. Employees have the right to choose to have their employer contributions paid to other qualifying funds and some employees have exercised this right. Contributions are expensed in the period in which they are paid or payable. CEQ’s obligation is limited to the superannuation guarantee charge.

Key management personnel and remuneration disclosures are detailed in Note 22(a).

6. Other Expenses

	2025	2024
	\$'000	\$'000
Advertising	91	51
Audit fees*	117	98
Bad debts	24	11
Electricity	2,226	2,059
Equipment hire	55	41
Events sponsorships	602	643
Insurance	929	697
Licences and fees	127	168
Net loss from disposal of property, plant and equipment	0	45
Rates	481	443
Repairs and maintenance	4,456	3,808
Security	0	2
Trade expenses	294	303
Vehicle operating expenses	191	161
Total	9,594	8,530

Audit Fees

*Total audit fees quoted by the Queensland Audit Office relating to the financial statements are \$116,500 (2024: \$112,510).

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

7. Cash and Cash Equivalents

	2025	2024
	\$'000	\$'000
Cash at bank and on hand	20,980	14,259
QTC working capital facility	2	2
QTC cash fund	34,165	32,564
Total	<u>55,147</u>	<u>46,825</u>

Cash deposited with the Queensland Treasury Corporation earned interest at rates of 4.64% (2024: 4.82%) on the cash fund facility and 3.85% (2024 4.35%) on the working capital facility.

Accounting Policy – Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions. Cash and cash equivalents also include investments with short periods to maturity that are readily convertible to cash and that are subject to a low risk of change in value.

8. Receivables

	2025	2024
	\$'000	\$'000
Trade debtors	1,434	1,653
Less: Loss allowance	<u>(45)</u>	<u>(21)</u>
	<u>1,389</u>	<u>1,632</u>
GST Payable	(799)	(779)
GST Receivable	<u>805</u>	<u>831</u>
	<u>6</u>	<u>52</u>
Other	1,637	405
Total	<u>3,032</u>	<u>2,089</u>

Accounting Policy – Receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at the nominal amounts due at the time of sale or service delivery. Settlement of these amounts is required within 30 days from statement date.

Other debtors generally arise from transactions outside the usual operating activities of CEQ and are recognised at their assessed values. Terms are a maximum of three months, no interest is charged and no security is obtained.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. Receivables (continued)

Impairment of Receivables

Accounting Policy – Impairment of Receivables

The loss allowance for trade and other debtors reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information, including forecast economic changes expected to impact CEQ's debtors along with relevant industry and statistical data where applicable.

Where CEQ has no reasonable expectation of recovering an amount owed by a debtor, the debt is written-off by directly reducing the receivable against the loss allowance. This occurs when the debt is over 120 days past due and CEQ has ceased enforcement activity. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Disclosure – Credit Risk Exposure of Receivables

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security and there are no other credit enhancements relating to CEQ's receivables.

CEQ uses a provision matrix to measure the expected credit losses on their trade debtors. The calculations reflect historical observed default rates using credit losses experienced on past sales transactions during the last 3 years preceding 30 June 2025. The historical default rates are then adjusted by reasonable and supportable forward-looking information for expected changes in macroeconomic indicators that affect the future recovery of those receivables. For CEQ, a change in the unemployment rate is determined to be the most relevant forward-looking indicator for the receivables. Actual credit losses over the 3 years preceding 30 June 2025 have been correlated against changes in the unemployment rate. Based on those results, the historical default rates are adjusted based on expected changes to that indicator.

CEQ has not recognised any loss allowance under AASB 9 for receivables from another Government agency on the basis that Queensland Treasury's expectation that the impairment would be negligible and therefore immaterial.

Set out below is the credit risk exposure on the CEQ's trade debtors (excluding receivables from other Government agencies).

Impairment of Receivables

	2025			2024		
	Gross Receivables	Loss Rate	Expected Credit Losses	Gross Receivables	Loss Rate	Expected Credit Losses
	\$'000	%	\$'000	\$'000	%	\$'000
Overdue						
Less than 30 days	977	0.39	3	1,000	0.39	4
30 to 60 days	354	1.18	4	203	1.18	2
60 to 90 days	38	4.39	2	38	4.39	2
Greater than 90 days	65	55	36	56	24.02	13
Total overdue	1,434		45	1,297		21

9. Inventories

	2025	2024
	\$'000	\$'000
Inventories on hand	14,785	12,726
Inventories in transit	1,335	1,528
Total	16,120	14,254

Accounting Policy - Inventories

Inventories held for sale are valued at the lower of cost or net realisable value.

Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing location, except for training costs which are expensed as incurred.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

9. Inventories (continued)

Net realisable value is determined on the basis of CEQ's normal selling pattern.

Expenses associated with marketing, selling and distribution are deducted to determine net realisable value.

CEQ conducts stocktakes throughout the reporting period. Where a stocktake is not conducted at the end of the reporting period, a provision for expected shrinkage is made based on previously achieved stocktake shrinkage results.

Under current arrangements with CEQ's suppliers, the risks and rewards of ownership of inventory transfer to CEQ at the time the inventory is dispatched from the suppliers' warehouse. Accordingly, goods in transit have been brought to account as at 30 June 2025.

10. Property, Plant and Equipment and Depreciation Expense

(a) Closing Balances and Reconciliation of Carrying Amount

2025	Land	Buildings	Plant &	Work in	Total
	Fair Value Level 2 \$'000	Fair Value Level 3 \$'000	Equipment Cost \$'000	Progress Cost \$'000	
Gross	8,350	84,851	21,202	1,204	115,607
Less: Accumulated depreciation	-	(39,460)	(14,818)	-	(54,278)
	8,350	45,391	6,385	1,204	61,330
<i>Represented by movement in carrying amount:</i>					
Carrying amount at 1 July 2024	8,350	44,352	5,897	1,694	60,294
Acquisitions	-	144	-	2,814	2,958
Transfers between asset classes	-	1,139	2,165	(3,304)	-
Net revaluation increments / (decrements) in asset revaluation surplus	-	2,308	-	-	2,308
Depreciation expense	-	(2,553)	(1,676)	-	(4,230)
Carrying amount at 30 June 2025	8,350	45,391	6,385	1,204	61,330
2024	Land	Buildings	Plant &	Work in	Total
	Fair Value Level 2 \$'000	Fair Value Level 3 \$'000	Equipment Cost \$'000	Progress Cost \$'000	
Gross	8,350	79,203	19,510	1,695	108,758
Less: Accumulated depreciation	-	(34,851)	(13,613)	-	(48,465)
	8,350	44,352	5,897	1,695	60,294
<i>Represented by movement in carrying amount:</i>					
Carrying amount at 1 July 2023	7,300	35,623	5,730	8,085	56,738
Acquisitions	380	-	-	4,124	4,504
Disposals	-	-	(81)	-	(81)
Transfers between asset classes	-	8,775	1,740	(10,515)	-
Net revaluation increments / (decrements) in asset revaluation surplus	670	2,291	-	-	2,961
Depreciation expense	-	(2,336)	(1,492)	-	(3,828)
Carrying amount at 30 June 2024	8,350	44,352	5,897	1,694	60,294

CEQ has buildings constructed on leasehold Deed of Grant in Trust (DOGIT) land. This land is held in trust by the Torres Strait Island Regional Council (TSIRC) for the benefit of the peoples of the Torres Strait. Tenure to the various parcels of land is secured by way of a trustee lease from the TSIRC for a period of thirty years. Under Section 61 of the *Land Act 1994*, the trustee lease must not contain a covenant, agreement or condition to review the lease. All trustee leases are subject to the approval of the Minister for Resources ("the Minister").

When a lease is due to expire, TSIRC and CEQ may negotiate a new lease and approach the Minister for approval of that lease. Such approval is not expected to be unreasonably withheld, provided the current lease has been complied with and the proposed lease is in accordance with the *Land Act 1994*. Of the thirteen stores constructed on DOGIT land, six stores have had 30 year trustee leases successfully negotiated with the remaining leases at various stages awaiting approval. All existing trustee leases are at peppercorn rates, therefore, no right-of-use asset and lease liability is recorded.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

10. Property, Plant and Equipment and Depreciation Expense (continued)

(b) Recognition and Acquisition

Accounting Policy – Recognition Thresholds

Items of property, plant and equipment with a historical cost or other value equal to or in excess of the following thresholds in the year of acquisition are reported as Property, Plant and Equipment:

	\$
Buildings and Infrastructure (including land improvements)	10,000
Land	1
Plant and Equipment	5,000

Items with a lesser value are expensed in the year of acquisition.

Land improvements undertaken by CEQ are included within the building class.

Expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Accounting Policy – Cost of Acquisition

Historical cost is used for the initial recording of all Property, Plant and Equipment acquisitions. Historical cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland Government agency (whether as a result of a machinery of government or other involuntary transfer), the acquisition cost is recognised as the carrying amount in the books of the other agency immediately prior to the transfer.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at date of acquisition.

Where a non-current physical asset is acquired by means of a finance lease, the asset is recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount.

(c) Measurement using Historical Cost

Accounting Policy

Plant and equipment are measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Accounting Policies. The carrying amounts for such plant and equipment are not materially different from their fair values.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

(d) Measurement using Fair Value

Accounting Policy

Land and buildings are measured at fair value in accordance with Queensland Treasury's Non-Current Asset Accounting Policies. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation, where applicable.

The cost of items acquired during the financial year has been determined by management of CEQ to materially represent their fair value at the end of the reporting period.

Land and buildings at fair value are revalued on an annual basis either by appraisals undertaken by an independent professional valuer, or by the use of appropriate and relevant indices.

Use of Specific Appraisals (comprehensive revaluations)

Revaluations based on independent valuer appraisals are undertaken at least once every five years. However, if a class of asset experiences significant changes in fair value, that class is subject to a comprehensive valuation in the reporting period, where practicable, regardless of the timing of the previous method of valuation.

Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

10. Property, Plant and Equipment and Depreciation Expense (continued)

The fair values reported by CEQ are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs (as defined in Note 16).

Use of Indices

Where assets have not been specifically appraised in the reporting period, the previous valuations are materially kept up-to-date via the application of relevant indices, utilised by a registered valuer as part of an independent appraisal. Management assesses the relevance and suitability of appraisal and any material movement in the valuation is disclosed.

Accounting for Changes in Fair Value

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that class.

On revaluation, accumulated depreciation is re-stated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining life.

(e) Depreciation Expense

Accounting Policy

Land is not depreciated as it has an unlimited useful life.

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to CEQ.

Key Judgement

Straight line depreciation is used as that is consistent with the even consumption of future economic benefits over an assets useful life to CEQ.

For depreciable assets, residual value is determined to be zero reflecting the estimated amount to be received on disposal at the end of their useful life.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when the construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes within Property, Plant and Equipment.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Major spares purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is probable. The exception to this are the buildings located on land secured by way of native title trustee lease. These buildings are depreciated on a straight line basis so as to allocate the net cost or revalued amount of each asset, progressively over its estimated useful life to CEQ, rather than the unexpired term of the native title lease. Native title leases are granted to CEQ initially on a 30 year term. It is expected the leases will be renegotiated at the end of the initial 30 year term, on the basis the terms of the lease are complied with.

For each class of depreciable assets, the following depreciation rates are used:

Class	Rate %
Buildings	2.6 – 33.3
Plant and equipment:	5 – 50

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

10. Property, Plant and Equipment and Depreciation Expense (continued)

(f) Impairment

Accounting Policy

All non-current physical assets carried at cost are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date. If an indicator of possible impairment exists, CEQ determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

When an asset is revalued using either a market or income valuation approach, any accumulated impairment losses at that date are eliminated against the gross amount of the asset prior to restating for the revaluation.

11. Payables

	2025	2024
	\$'000	\$'000
Trade creditors	8,409	8,232
Sundry creditors and accruals	1,790	1,751
Total	<u>10,199</u>	<u>9,983</u>

Accounting Policy – Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 7 to 30 day terms.

12. Right-of-use Assets and Lease Liabilities

Leases as Lessee

	2025	2024
	\$'000	\$'000
Right-of-use assets		
Buildings		
Opening balance at 1 July	5,367	6,083
Additions	523	-
Amortisation charge	(633)	(597)
Disposals/derecognition	-	(118)
Other adjustments	(15)	
Closing Balance at 30 June	<u>5,242</u>	<u>5,367</u>

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

12. Right-of-use Assets and Lease Liabilities (continued)

Lease liabilities

	2025	2024
	\$'000	\$'000
Current		
Lease liabilities	575	453
Non-current		
Lease liabilities	5,561	5,624
Total	<u><u>6,136</u></u>	<u><u>6,077</u></u>

Accounting Policies – Leases as lessee

Right-of-use assets

CEQ measures right-of-use assets from concessionary leases at cost on initial recognition, and measures all right-of-use assets at cost subsequent to initial recognition.

CEQ has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases, and leases of low value assets. Variable lease payments not based on an index are also excluded from right-of-use asset calculations. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Impairment of right-of-use assets

All right-of-use assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, CEQ determines the asset's recoverable amount. Any amount by which the right-of-use asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For the year ending 30 June 2025 there were no indicators of impairment for right-of-use assets.

Lease liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that CEQ is reasonably certain to exercise. When measuring the lease liability, CEQ uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined. To determine the incremental borrowing rate, CEQ uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

Subsequent to initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

Disclosures – Leases as lessee

(i) Details of leasing arrangements as lessee

Buildings

CEQ has various leases for buildings used for corporate support office, distribution centre, stores and employee accommodation. Some of these leases are low value leases.

Lease terms are varied, and some have renewal or extension options. The options are not included in the right-of-use asset or lease liability unless CEQ is reasonably certain it will renew the lease.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

12. Right-of-use Assets and Lease Liabilities (continued)

The corporate support office location contains a variable lease component based on overhead's (utility charges). These payments are recognised as lease expenses when incurred (Note 4).

	2025	2024
	\$'000	\$'000
<i>(ii) Amounts recognised in profit or loss</i>		
Interest expense on lease liabilities	218	203
Breakdown of 'Lease expenses' included in Note 4		
- Expenses relating to short term leases	551	477
- Expenses relating to leases of low value assets	76	108
- Expenses relating to variable lease payments	54	86
<i>(iii) Total cash outflow for leases</i>	<u><u>899</u></u>	<u><u>874</u></u>

Accounting policies – Leases as lessor

CEQ recognises lease payments from operating leases as income on a periodic straight line basis over the lease term.

Disclosures – Leases as lessor

(i) Details of leasing arrangements a lessor

Land and Property Rentals

Certain components of CEQ owned properties and land are leased out under non-cancellable operating lease arrangements.

Lease income from operating leases is reported as 'Other revenue'. No amounts were recognised in respect of variable lease payments other than CPI or market rent reviews.

CEQ does not have any finance leases.

(ii) Maturity analysis

The following table sets out a maturity analysis of future undiscounted lease payments receivable under CEQ's operating leases.

	2025	2024
	\$'000	\$'000
Less than 1 year	67	219
1 to 2 years	41	40
2 to 3 years	43	41
3 to 4 years	44	43
4 to 5 years	45	44
More than 5 years	93	139
Total	<u><u>333</u></u>	<u><u>526</u></u>

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

13. Accrued Employee Benefits

	2025	2024
	\$'000	\$'000
Current		
Annual leave	843	853
Accrued Payroll Remediation	1,970	-
Total	<u>2,814</u>	<u>853</u>

14. Provisions

	2025	2024
	\$'000	\$'000
Current		
Long Service Leave	939	839
Total	<u>939</u>	<u>839</u>

Non-Current		
Long Service Leave	272	197
Total	<u>272</u>	<u>197</u>

Accounting Policy – Provisions

The provision for long service leave represents CEQ's best estimate of the future benefit that employees have earned. The discount rate used to determine the present value of future benefits at 30 June 2025 was 4.17% (2024: 4.24%).

15. Asset Revaluation Surplus by Class

Accounting Policy

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

	Land \$'000	Buildings \$'000	Total \$'000
Balance 1 July 2023	1,414	28,020	29,434
Revaluation increments	670	2,291	2,961
Balance 30 June 2024	<u>2,084</u>	<u>30,311</u>	<u>32,395</u>
Revaluation increments	-	2,308	2,308
Balance 30 June 2025	<u>2,084</u>	<u>32,619</u>	<u>34,703</u>

COMMUNITY ENTERPRISE QUEENSLAND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

16. Fair Value Measurement

(a) Accounting Policies and Inputs for Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (e.g. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the entity include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the entity include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the entity's assets/liabilities, internal records of recent construction costs (and/or estimates of such costs), assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

Fair Value Measurement Hierarchy

Details of individual assets and liabilities measured under each category of fair value are set out in the tables at Note 16(c).

All assets and liabilities of the statutory body for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1 represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- Level 2 represents fair value measurements that are substantially derived from inputs (other than quoted prices included within Level 1) that are observable, either directly or indirectly; and
- Level 3 represents fair value measurements that are substantially derived from unobservable inputs.

None of CEQ's valuations of assets or liabilities are eligible for categorisation into Level 1 of the fair value hierarchy.

There were no transfers of assets between fair value hierarchy levels during the period.

(b) Basis for Fair Values of Assets and Liabilities

Managed Funds

Managed funds are investments in the Queensland Treasury Corporation's (QTC) cash fund measured at fair value based on the current redemption value of the fund as at 30 June 2025 as advised by QTC and are included in Level 2 of the fair value hierarchy.

Land

CEQ's land was last comprehensively revalued in June 2023 based on specific appraisals by an independent valuer, Herron Todd White (RQ) Pty Ltd (HTW). Level 2 valuation inputs were used to value land in freehold title. Sales prices for comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre. Valuations represent the replacement cost of the land. Land components not held under freehold title have not been assessed as use is restricted under trustee leases and indigenous land use agreements (ILUA) in place.

For the purpose of assessing the fair value for the CEQ's land assets, fair value has been determined by using the Market Approach methodology. The Market Valuation approach concept of value is derived from transactions for the same or similar assets. To assist with assessing the movement of land prices an analysis of property sales evidence and property trend charts has been completed. The analysis of the movement in land prices is based on available sales data. In some cases, it may be adjusted based on the Valuers' professional judgement which is supported by recent sales data. As at 30 June 2025 the Land Asset Valuation had been primarily based on comparison with actual property sales data, and adjusted for differences between key attributes of the properties.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

16. Fair Value Measurement (continued)

Buildings

CEQ's buildings were last comprehensively revalued in June 2023 based on specific appraisals by an independent valuer, Herron Todd White (RQ). For the financial year ending 30 June 2025, CEQ applied a desktop indexation approach based on an index assessment conducted by Herron Todd White (RQ). The effective date of the current desktop valuation is 30 June 2025.

Where there is a market for buildings, fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach were price per square metre. Currently, there are no buildings valued in this manner.

Where buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a modern equivalent corresponding to the building presently existing. Where there is no depth of market, the net current value of a building asset is the gross current replacement value less accumulated depreciation to reflect the consumed or expired service potential of the asset. The gross current replacement values have been derived from reference to actual costs incurred for some of the subject assets, cost of similar asset improvements constructed within the Far North Queensland region and also supported by reference to available data prepared and provided by construction cost consultants and published building price indices.

In determining the level of accumulated depreciation, the asset has been disaggregated in significant components which exhibit different patterns of consumption or useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, the pattern of consumption of the asset's future economic benefit and the condition of the asset. Condition was assessed taking into account both physical characteristics as well as factors such as functionality, capability, utilisation and obsolescence.

The fair values of all types of buildings were updated using the current replacement cost valuation approach by HTW. The valuer recommended an increase of 5.5% applicable to this asset class. The increase is mostly due to availability and competition of materials and contractors in the building industry, impacting the supplies and services required to construct buildings.

CEQ management concluded that the desktop valuation completed by HTW is fair and representative of the assets in use.

Assets in this category which were purchased or established during 2024-25 and imported into the fixed asset register after valuations were completed, are valued at cost.

(c) Categorisation of Assets and Liabilities Measured at Fair Value

	Level 2		Level 3		Total Carrying Amount	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Land	8,350	8,350	-	-	8,350	8,350
Buildings	-	-	45,391	44,352	45,391	44,352
Managed Funds	34,165	32,566	-	-	34,165	32,566
Total	42,515	40,916	45,391	44,352	87,906	85,268

(d) Level 3 Fair Value Measurement – Reconciliation

The changes in level 3 assets with recurring fair value measurements are detailed in Note 10(a).

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

17. Financial Risk Disclosures

Financial Instrument Categories

Financial assets and financial liabilities are recognised in the Statement of Financial Position when CEQ becomes party to the contractual provisions of the financial instrument.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

Risks Arising from Financial Instruments

(a) Risk Exposure

Financial risk management is implemented pursuant to Government and CEQ policy. The policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of CEQ.

All financial risk is managed by the corporate support office under policies approved by CEQ. CEQ provides written principles for overall risk management as well as policies covering specific areas.

CEQ's activities expose it to a variety of financial risks as set out in the following table:

Risk Exposure	Definition	Exposure
Credit risk	The risk that CEQ may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	CEQ is exposed to credit risk in respect of its receivables (Note 8).
Liquidity risk	The risk CEQ may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	CEQ is exposed to liquidity risk in respect of its payables (Note 11 and Note 12).
Market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. <i>Interest rate risk</i> is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.	CEQ does not trade in foreign currency and is not materially exposed to commodity price changes or other market prices. CEQ is exposed to interest rate risk through its cash deposited in interest bearing accounts (Note 7).

(b) Risk Measurement and Management Strategies

CEQ measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement Method	Risk Management Strategies
Credit risk	Aging analysis, earnings at risk	CEQ manages credit risk through the use of a credit management strategy. This strategy aims to reduce exposure to credit default by ensuring that CEQ invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

Risk Exposure	Measurement Method	Risk Management Strategies
Liquidity risk	Cash flow maturity analysis	<p>CEQ manages liquidity risk through the use of a liquidity management strategy.</p> <p>This strategy aims to reduce exposure to liquidity risk by ensuring CEQ has sufficient funds available to meet employee, supplier and financier obligations as they fall due.</p> <p>This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various liabilities.</p>
Market risk	Interest rate sensitivity analysis	CEQ does not undertake any hedging in relation to interest risk and manages its risk as per its liquidity risk management strategy.

Liquidity Risk – Contractual Maturity of Financial Liabilities

The following table sets out the liquidity risk of financial liabilities held by CEQ. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to liabilities at reporting date.

Financial Liabilities	Note	2025				2024			
		Total	Contractual Maturity Payable In			Total	Contractual Maturity Payable In		
			< 1 Yr	1 – 5 Years	> 5 Years		< 1 Yr	1 – 5 Years	> 5 Years
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Payables	11	8,409	8,409	-	-	9,983	9,983	-	-
Lease liabilities		7,364	731	3,051	3,582	7,379	700	2,847	3,831
Total		15,773	9,140	3,051	3,582	17,362	10,683	2,847	3,831

18. Commitments

2025	2024
\$'000	\$'000

Indigenous Land Use Agreements

Commitments under Indigenous Land Use Agreements (ILUA) at the reporting date (inclusive of anticipated GST) are payable:

Not later than one year	54	54
Later than one year and not later than five years	225	222
Later than five years	712	769
Total	991	1,045

Capital Expenditure Commitments

Commitments for capital expenditure at reporting date (inclusive of anticipated GST) are payable:

Property, Plant and Equipment:		
Not later than one year	889	786
Total	889	786

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

19. Reconciliation of Operating Results to Net Cash Flows Provided by Operating Activities

	2025	2024
	\$'000	\$'000
Operating surplus	6,550	5,813
Depreciation expense	4,230	3,828
Amortisation of ROU Assets	633	597
Interest expense	218	203
(Gain)/loss on disposal of property, plant and equipment	(34)	10
(Gain)/loss on derecognition of ROU Assets	0	(1)
Change in assets and liabilities:		
(Increase)/decrease in trade receivables	243	(425)
(Increase)/decrease in GST input tax credits receivable	25	(159)
(Increase)/decrease in other receivables	(1,128)	(139)
(Increase)/decrease in inventories	(1,867)	(968)
(Increase)/decrease in prepayments/other	89	354
Increase/(decrease) in accounts payable	2,186	1,167
Increase/(decrease) in accrued employee benefits	166	121
Increase/(decrease) in unearned revenue	686	47
Increase/(decrease) in GST payable	21	132
Net cash from operating activities	<u>12,018</u>	<u>10,581</u>

Changes in Liabilities Arising from Financing Activities

2025	Note	Opening Balance	Non-cash Changes		Cash Flows Repayments	Closing Balance
			New Leases Acquired	Other		
		\$'000	\$'000	\$'000	\$'000	\$'000
Lease Liabilities	12	6,077	523	308	(772)	6,136
Total		<u>6,077</u>	<u>523</u>	<u>308</u>	<u>(772)</u>	<u>6,136</u>

2024		Opening Balance	Non-cash Changes		Cash Flows Repayments	Closing Balance
			New Leases Acquired	Other		
		\$'000	\$'000	\$'000	\$'000	\$'000
Lease Liabilities	12	6,707	-	84	(714)	6,077
Total		<u>6,707</u>	<u>-</u>	<u>84</u>	<u>(714)</u>	<u>6,077</u>

20. Contingent Assets and Liabilities

Contingent liabilities and contingent assets

Contingent liabilities and assets are not recognised in the statement of financial position but are reported in the notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is quantifiable and probable but not virtually certain and contingent liabilities are disclosed when settlement is quantifiable and greater than remote.

CEQ had no administered contingent liabilities or contingent assets at 30 June 2025.

21. Future Impact of Accounting Standards Not Yet Effective

At the date of authorisation of the financial report, all Australian accounting standards and interpretations with future effective dates are not likely to have a material impact on the financial statements of CEQ.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

22. Related Parties

(a) Key Management Personnel Disclosures

(i) Details of Key Management Personnel

CEQ's responsible Minister is identified as part of its KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Minister for Women and Women's Economic Security, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Multiculturalism.

Non-ministerial KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of CEQ during 2024-25 and 2023-24. These positions include CEQ's Board of Management, as well as certain executive management positions. For those members of management that have been determined as KMP, further details have been included in the below table.

Position	Responsibilities
Chief Executive Officer (CEO)	The Chief Executive Officer provides strategic leadership of the statutory body's service delivery and is responsible for the efficient, effective and economic administration of the statutory body.
General Manager Corporate Services (GMCS)	The General Manager Corporate Services is accountable for technical oversight for the areas of finance, workplace health and safety, information and technology, risk management and payroll.
General Manager Operations (GMO)	The General Manager Operations provides strategic leadership and management of the statutory body's retail and maintenance service delivery.
General Manager Business Development (GMBD)	The General Manager Business Development is accountable to drive CEQ business and growth through continual development of existing business, plus development and execution of new strategies, to deliver sustainable and profitable growth.
General Manager Merchandise & Supply (GMMS)	The General Manager Merchandise & Supply is responsible for coordination, management, purchasing and logistics of all retail goods, materials, and components (excluding IT and maintenance equipment) for the CEQ stores to effect efficient and economic operations for CEQ.
General Manager Stakeholder Engagement (GMSE)	The General Manager Stakeholder Engagement is accountable for the support and maintenance of strategic relationships and partnerships with the community, local government, community service organisations and other key stakeholder groups to effect positive outcomes for CEQ.

All KMP are appointed under common law employment contracts.

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

(ii) Remuneration Policies

Remuneration policy for CEQ KMP is set by CEQ's Employment, Training and Safety Committee, a sub-committee of the Board, in conjunction with the CEO. The remuneration and other terms of employment for the KMP are specified in employment contracts.

Remuneration expenses for KMP comprise the following components:

Short term employee expenses which include:

- meeting attendance fees, salaries, allowances (including salary sacrifice arrangements) and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied a KMP position;
- performance payments recognised as expense during the year; and
- non-monetary benefits – consisting of provision of memberships and vehicle together with fringe benefits tax applicable to the benefit.

Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses include amounts expensed in respect of employer superannuation obligations.

Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

Risk performance payments may be paid or payable annually depending on satisfaction of key criteria, as described in part (iv) *Performance Payments*. The amounts are approved by the CEQ Board in conjunction with the Employment, Training and Safety Committee, a sub-committee of the CEQ Board, and the CEO.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

(iii) Remuneration Expense

The following disclosures focus on the expenses incurred by CEQ that are attributable to KMP during the respective reporting periods. Therefore, the amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

2024-25

Position	Short Term Employee Expenses		Long Term Employee Expenses \$'000	Post-Employment Expenses \$'000	Total Expenses \$'000
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000			
Board of Management	366	1	-	42	409
Chief Executive Officer	354	1	-	33	389
General Manager Corporate Services (to 12/05/2025)	215	-	-	24	239
General Manager Corporate Services (from 12/05/2025)	46	-	-	3	49
General Manager Retail Operations	226	-	16	26	267
General Manager Business Development	222	-	10	26	257
General Manager Merchandise & Supply	224	-	3	26	253
General Manager Stakeholder Engagement	217	-	1	26	243
Total	1,870	2	30	205	2,107

- Executive positions were in effect for the full year unless otherwise disclosed

**COMMUNITY ENTERPRISE QUEENSLAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

2023-2024

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000			
			\$'000	\$'000	\$'000
Board of Management	168	1	-	18	187
Chief Executive Officer	341	2	-	32	375
General Manager Corporate Services (to 12/01/2024)	164	-	-	14	178
General Manager Corporate Services (from 22/04/2024)	41	-	-	4	46
General Manager Operations	230	-	16	24	270
General Manager Business Development	219	-	10	24	253
General Manager Merchandise & Supply	232	-	3	24	259
General Manager Stakeholder Engagement	214	-	1	23	238
Total	1,609	3	30	164	1,806

(iv) Performance Payments

Details of Performance Payment Entitlements by KMP:

Position	12 Months ended 30 June 2025		12 Months ended 30 June 2024	
	Date Paid	Amount \$'000	Date Paid	Amount \$'000
Chief Executive Officer (CEO)	*03 July 2025	25	***31 May 2024	25
	**13 December 2024	25		
General Manager Corporate Services (GMCS)	-	-	16 Nov 2023	19
General Manager Operations (GMO)	-	-	16 Nov 2023	14
General Manager Business Development (GMBD)	-	-	16 Nov 2023	14
General Manager Merchandise & Supply (GMMS)	-	-	16 Nov 2023	14
General Manager Stakeholder Engagement (GMSE)	-	-	16 Nov 2023	12
Total		50		98

*Accrued for FY2024-25 when approved

**Performance Payment for FY2023-24

***Performance Payment for FY2022-23

Summary of basis for entitlement and assessment

The remuneration package for the CEO and General Managers provides for performance payments to be made conditional on the achievement of key performance indicators (KPI) specified in the KMP's employment contract and subject to discretionary approval by the CEO for General Managers and the Board of Management for the CEO.

Achievement of each KPI is measured on an annual basis against deliverables linked to the CEQ strategic plan. Eligibility for performance payments only occurs where deliverables have been met and the assessment process is completed. As the assessment process and eligibility is confirmed after year end the amounts paid relate to performance for the previous year.

COMMUNITY ENTERPRISE QUEENSLAND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Performance Payments at 30 June 2025

The eligibility for a performance payment for the CEO in respect of FY2024-25 was confirmed by the Board of Management. The basis of the entitlement and assessment process was determined in accordance with the guidelines specified above. Eligibility was determined once the assessment process was completed, and a recommendation was made by the Board of Management. From FY2022-23 onwards, General Managers are not eligible for performance payments as this has been built into their remuneration packages. In the prior year, performance payments were recorded when paid, however, for FY2024-25, the performance payment was accrued when authorised by the Board.

(b) Transactions with People/Entities Related to KMP

A number of KMP, or their related parties, hold positions in other entities that result in them having control or significant influence over those entities.

There were no transactions or outstanding balances relating to KMP or their related parties during the 2024-2025 financial year.

(c) Transactions with Other Queensland Government-Controlled Entities

The Department of Women, Aboriginal and Torres Strait Islander Partnerships and Multiculturalism (DWATSIPM) and CEQ have entered into a Memorandum of Understanding (MoU) in relation to the relevant roles and responsibilities by the parties including the use of the store buildings previously managed by (DWATSIPM). "The purpose of this MoU is to provide the parties with clear guidance for roles, responsibilities and costs attributable to functions and services provided or utilised by CEQ during the transition period." Under the MoU, CEQ has incurred costs in relation to the properties located at Doomadgee, Kowanyama, Pormpuraaw, Lockhart River, and Palm Island communities (included in short-term lease payments Note 12).

23. Taxation

CEQ is a statutory body as defined under the Income Tax Assessment Act 1936 and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by CEQ. GST credits receivable from, and GST payable to the ATO are recognised (refer to Note 8).

In June 2015, CEQ was registered as a Charitable Institution under the *Taxation Administration Act 2001 (Qld)*. As a registered Charitable Institution, CEQ is eligible for an exemption under the *Queensland Duties Act 2001*, *Land Tax Act 2010* and *Payroll Tax Act 1971* for activities which meet the criteria for qualifying exempt purposes.

24. Climate Risk Disclosure

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting CEQ.

CEQ continues to monitor the emergence of material climate-related risks that may impact the financial statements, including directives from Government or Queensland Treasury.

**COMMUNITY ENTERPRISE QUEENSLAND
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 30 JUNE 2025**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2022* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Community Enterprise Queensland for the financial year ended 30 June 2025 and of the financial position of the statutory body at the end of year; and

In accordance with section 60.15 of the Australian Charities and Not-for-profits Commission Regulations 2022 we certify that in the directors' opinion

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Ms Joann Schmider

Chairperson

Date: 28 August 2025



Michael Dykes

Chief Executive Officer

Date: 28 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Board of Community Enterprise Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Community Enterprise Queensland.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2025, and its financial performance for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulations 2022 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of material accounting policies, and the management certificate.

Basis for opinion

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

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulations 2022 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

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

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



William Cunningham
as delegate of the Auditor-General

29 August 2025

Queensland Audit Office
Brisbane

13.3. Annexure 3 – Compliance checklist

Compliance checklist

Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7 Page ii
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1 Page iii Section 12
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2 Page i
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3 Page i
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4 Page i
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5 Page i
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10 Section 1 Section 1.1 Section 1.8 Section 3 Section 4.1.1 Section 5 Section 5.1
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1 Section 4.1.3
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2 Section 4.1.4 Section 1.7 Section 1.6
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3 Section 4.1.4
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1 Section 1.6 Section 8
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1 Section 7.7 Section 7
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2 Section 7
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3 Annexure 1
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4 Section 9.5.1
	<ul style="list-style-type: none"> Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5 Section 9.5.2
<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6 Section 2 & 3	

Summary of requirement		Basis for requirement	Annual report reference
Governance – risk management and accountability	• Risk management	ARRs – section 14.1	Section 9.1 Section 7.1 Section 7.6.1 Section 7.6.4 Section 4.1.4 Section 9.3
	• Audit committee	ARRs – section 14.2	Section 9.2 Section 7.6.1 Section 7.6.4 Section 4.1.4 Section 9.3 Section 9.5
	• Internal audit	ARRs – section 14.3	Section 9.4
	• External scrutiny	ARRs – section 14.4	Section 9.5
	• Information systems and recordkeeping	ARRs – section 14.5	Section 11
	• Information Security attestation	ARRs – section 14.6	N/A as statutory body
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	Section 6
	• Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	Section 6.3.3
Open Data	• Statement advising publication of information	ARRs – section 16	Section 10
	• Consultancies	ARRs – section 31.1	Section 10
	• Overseas travel	ARRs – section 31.2	Section 10
	• Queensland Language Services Policy	ARRs – section 31.3	Section 10
	• Charter of Victims' Rights	VCSVRB Act 2024 ARRs – section 31.4	Section 10
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Annexure 2
	• Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Annexure 2

FAA

Financial Accountability Act 2009

FPMS

Financial and Performance Management Standard 2019

ARRs

Annual report requirements for Queensland Government agencies

ANNUAL REPORT 2024–2025

Community Enterprise Queensland

www.ceqld.org.au