

ANNUAL REPORT 2017 - 2018



Q u e e n s l a n d
Mines Rescue





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Simulated live wires used for training and assessment

Our Mission



To serve the mining industry by imparting the knowledge and leadership to give people the confidence to make a difference.



Our Purpose

Provide leading edge emergency response capability within the mining industry.

Our Vision

QMRS drives and influences improved emergency preparedness and management through:

- strong bonds with industry partners;
- leadership in the provision of mines rescue services;
- innovative facilities;
- utilisation of advanced technology systems;
- recognition as specialists in mines rescue and inertisation.

Our Actions and Behaviours

- We own and demonstrate the QMRS values.
- We maintain safe working practices.
- We achieve objectives “on time – on target”.
- We listen and demonstrate understanding and respect for others.
- We communicate openly and honestly with our Stakeholders.
- We confidently and quickly resolve challenges and problems.
- Our clients underpin our focus.
- We “do” what we say we will do.



Our Values



Performance Criteria

Any corporation accredited to provide mines rescue services must meet the performance criteria set out below.

- Enter into a written arrangement called a 'Mines Rescue Agreement' with each underground coal mine in Queensland to assist the operator to provide a mines rescue capability for the mine.
- The corporation must at all times remain capable of meeting its obligations detailed in each Mines Rescue Agreement.
- Conduct annual exercises to demonstrate the corporation's ability to effectively meet its obligations under the Mines Rescue Agreements.
- Provide appropriate training programs to meet the requirements specified in the Mines Rescue Agreements.
- Provide adequate resources for training the total number of persons specified in the Mines Rescue Agreements.
- Ensure mines rescue equipment provided in fulfilment of a Mines Rescue Agreement is (as a minimum) maintained, tested and certified to any specification set by its manufacturer.
- Provide a means to facilitate mutual assistance among mines during an emergency.
- Maintain an operational mine inertisation capability.
- Report annually, or upon request, to the Minister as required by Section 234 of the Coal Mining Safety and Health Act 1999.

CHAIRMAN'S MESSAGE

2017 / 2018

It is with great pleasure that the Board of Queensland Mines Rescue Service (QMRS) present the 2017 – 2018 Annual Report. The report details the performance of the organisation during the past financial year, a year in which the QMRS has been able to maintain the high level of service to the underground coal industry whilst significantly improving the diversified services offered to the whole of the Queensland Coal Industry.

In 2017 – 2018 the Queensland Coal Industry has seen strong demand resulting in higher levels of employment, increasing the requirement for QMRS services. QMRS has met the demands and obligations placed on the organisation by our Member Companies. During 2017 – 2018 QMRS has maintained the resources and financial security of the organisation whilst improving the capability and competence that ensure these obligations are met.

QMRS has completed the Statutory Annual Report for submission to the Department of Natural Resources and Mines, this report has been provided to the Honourable Anthony Lynham, MP. The report again confirms the compliance status of QMRS as an 'Accredited Organisation' under the Coal Mining Safety & Health Act, 1999.

During the year QMRS commenced development of the Boonal Rescue Station, located 7 km east of the town of Blackwater. The existing industrial property was purchased in early 2017 and provides an excellent opportunity to reduce our impact on residential life in Blackwater. The site will provide the opportunity to modernise and diversify the services we can provide. It is essential that QMRS can provide "real life" training experiences to our volunteers without imposing on nearby residents. This project will be further developed in the ensuing years resulting in the transition of the town-based station to the new facility at Boonal.

QMRS will continue to review our existing facilities, specifically regarding the appropriate location, to ensure that we can provide the necessary response capability in a timely manner as well as ensuring we have the facilities to deliver modern and realistic training. This must also include the ability to function in a local community without impacting on residential life.

QMRS continues to develop our accredited training resources whilst utilising our people to refine and improve the existing material. The development and application of the Virtual Reality Training has been ongoing and a positive improvement to the training and learning material.

During the past five (5) years QMRS has utilised cash reserves to support the reduction in funding provided through the levy. This has delivered real cost savings to the industry at an essential time. At this point in time it is necessary to increase the levy to ensure that the services we provide are maintained at a level that is expected by our stakeholders. The funds are based on detailed work carried out by the Management Team and reflect the ongoing operational and capital costs of the organisation.

Boonal Rescue Station



QMRS, through our Management Team and our Voluntary Team Members, has participated in numerous underground and open cut competitions throughout the year. These competitions are vital in helping prepare our personnel for emergency situations. The competitions provide an excellent opportunity to test and evaluate the performance of the teams and the equipment. The time and energy to prepare real life scenarios that push the capabilities of the teams are a credit to a dedicated team, who each year prepare, administer and assess the competitions.

Each year QMRS has significant involvement in the Level 1 Emergency Exercise. This event further tests QMRS's deployment and response capability at a site. Again, this continual testing and scrutiny that QMRS is placed under is vital to ensure our people and equipment are always available.

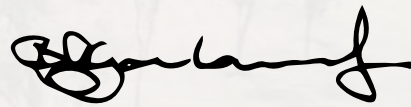
The QMRS Board is aware of the dedication of our Voluntary Team Members. On behalf of the Board of Directors (BOD) I would like to thank and congratulate all the volunteers who have participated in our activities and training this year. Attention is also made of those Team Members who have achieved milestones in their service and have been recognised for this achievement with service badges.

I will take this opportunity to single out Peter Purdie, who has this year achieved 35 years of voluntary service. This service has been across the broad spectrum of mines rescue activities and has been completed with a professionalism and spirit that defines Peter as an extraordinary person. On behalf of all Mines Rescue personnel I congratulate Peter on an incredible milestone and congratulate him on joining an elite group of volunteers.

On behalf of the BOD I would also like to thank Matt Cooper for his service as a Director of the organisation. Matt has provided a great depth of knowledge and experience that has greatly benefitted the Company.

The Management and Staff of QMRS have again demonstrated the traits that differentiate and strengthen our organisation. The contribution made by each member of the Team has resulted in another strong year that continues to build our reputation. Your efforts and contribution are appreciated and acknowledged by the Board.

As a result of the 2017 – 2018 year, QMRS is well positioned to continue to provide a premier service to the industry in ensuing years. The strategic plan provides a pathway to ensure that the level of service continually improves and evolves to match industry demand well into the future.



Brett Garland
Chairman



CHIEF EXECUTIVE OFFICER'S REPORT

With the closure of Oaky No 1 Colliery but the recommencement of operations at Cook Colliery and the relatively stable to stronger coal prices over the last 12 months, the industry has seen a stable to steady strengthening of employment both in underground and surface mines.

Underground employment survey information indicates an underground industry employment of 5300 people at the end of the reporting period, up by 3% on the previous year. Over this period registered underground mines rescue team members increased from 339 to 350, a similar 3% growth.

QMRS holds registration with the Australia Skills Quality Authority (ASQA) for both our underground and inertisation rescue team member courses. The underground course is a Certificate III in Underground Coal Mine Emergency Response and Rescue and the inertisation course is Certificate III in Underground Coal Mine Inertisation Team Member Operations (both qualifications being unique to QMRS). After 3 years of working with Simtars as our third-party RTO, QMRS has transferred external RTO services to a new provider, Performance Training Pty Ltd. All courses delivered by QMRS are now on their scope and we look forward to working towards awarding these unique qualifications to team members who meet all requirements, along with maintaining and expanding our other accredited training offerings.

The ability for our very experienced training staff to deliver high quality accredited training has seen a steady growth in QMRS surface ERT training activity. At the end of the reporting period QMRS was delivering regular skills maintenance training to 8 Bowen Basin operations as well as providing new skills courses both at client sites and from our training stations. This year the concept of delivering skills courses at our stations to mixed groups of trainees from multiple mine sites has come to fruition with huge benefits being derived from the diverse experiences brought to the courses as well as

the cost savings gained by participating mines training replacement ERT members as part of a group rather than individually.

Over the previous 5 years a focus on cost control in both operational and capital expenditure, along with a gradual reduction in cash reserves held by QMRS had allowed the annual levy to reduce by 43% since 2013. Despite a continued growth in 'fee for service' training activity (over \$800k achieved in the reporting period) the depletion of cash reserves and a 7% increase in operational budget has meant that an increase in the annual levy of 15% has been necessary for the upcoming year.

Layout design and acquisition of the required approvals to allow development of a new rescue station to replace the 40 plus year old mines rescue station in Blackwater has progressed over the year. As these are completed towards the end of 2018 required funding to facilitate this development will be known. In addition to the change required at Blackwater created by surrounding conflicting development the ongoing future of Dysart Station also needs assessing. At present no underground coal mine is located within 75km of Dysart, with 180 mines rescue team members required to drive every 2 months upwards of 200km for the round trip to complete training. The opportunity to relocate this station to the Moranbah region over coming years will help facilitate a focused strategic direction of providing valued services to all sectors of the Queensland coal industry.

With the growth in industry employment and the requirement that mines rescue training has now been made a pre-requisite to sitting for a Queensland statutory underground coal mining competency, 7 courses for recruits were conducted over the year bringing 53 new members to the registered underground team member list. For the ongoing training of team members, the adoption of 'paperless' delivery and assessment methods has allowed an improved utilisation of training time to increase the value for effort of all involved.

In the mine Inertisation area, 4 new team members presented for the annual recruit course and after accounting for natural attrition has led to an increase in Inertisation Team membership from 36 to 37 over the year. Maintaining an adequate number of trained Inertisation Team operators is essential to the ability of QMRS to be able to respond to a mine emergency. Testing has continued of the components required to integrate the GE jet unit into the operational capability of QMRS. For the Inertisation team members adoption of electronic delivery and recording of competency assessment has continued to be adopted.

In testing emergency preparedness, QMRS participates in the state Level 1 emergency event; this year conducted at Broadmeadow Mine. A full underground response was implemented this year with 4 teams deployed underground to conduct search and recovery operations with another maintained as the standby surface team. The mine Inertisation unit was not mobilised as part of this year's scenario. QMRS were also involved in the preparation and assessment of 4 underground mine site Level 2 emergency simulations and surface mine Level 2 emergency simulations.

QMRS' compliance against the performance criteria of an accredited corporation is reported annually to the Minister for Natural Resources, Mines and Energy and audited by inspectors from the Department of Natural Resources and Mines. It is now 24 years since the Moura No2 Mine disaster, but only with a maintained awareness of the ever-present hazards within coal mines and continued improvement in systems, training and technology will such events remain in the past.

As part of the preparation for an emergency event, QMRS conducts training in the Mine Emergency Management System (MEMS) process for controlling and planning the recovery of a mine after an event. This training has been conducted for underground mines since 2005 and during this year the major simulation materials were revised with a new scenario introduced. During this report period 9 courses were conducted for underground mines.

A growth in the awareness of the adaptation of this course to surface mine scenarios led to 7 MEMS courses tailored for surface mining being delivered this year. This included a first for QMRS with the course being delivered for Harmony Gold at Hidden Valley mine in PNG. Significant effort over this year has gone into the development of expanded assessment materials for those attending these courses that wish to pursue a relevant accredited competency. This option will become available during the next 12-month period.

Competitions provide mines rescue team members with an opportunity to refine their skills and teamwork capabilities whilst competitively striving to be the best amongst their peers. This year NSW team, North Wambo mine, was successful at the national competition which was held in NSW. Two Queensland teams, Moranbah North and Kestrel, filled second and third places respectively. Mines rescue training continues to develop coal miners to levels of skill and confidence that separate them from the average miner and provide opportunities for leaders of the future within which they can thrive. Having reengaged with the surface industry, QMRS prepared and conducted mines rescue skills challenges for the surface coal mines of the Surat and Bowen Basins this year, holding the southern region event in October at New Acland mine and the northern region event in November at Blackwater Rescue Station.

I would like to thank the staff of QMRS for their ongoing efforts in the delivery of training, the improvement of the training facilities we utilise and the improvement of the training courses they deliver. It has been a year of consolidation and considerable growth that has moved QMRS well along the strategic path set during 2016. Their efforts in working side by side with the volunteer team members gives me great confidence in the response capabilities of QMRS should they be required. 'To serve the mining industry'.



David Carey – Chief Executive Officer



Mines Rescue Team Members (12 mines and 350 team members)

REVIEW OF OPERATIONS

Members

The Queensland Mines Rescue Service Ltd (QMRS) is a 'not-for-profit company limited by guarantee' with Queensland Open Cut and Underground coal mines and the State of Queensland as Members. The coal mines in Queensland contribute directly by way of a Mines Rescue Levy for the funding of QMRS. The Governance of the QMRS is overseen by the Queensland Mines Rescue Service Ltd Board of Directors and is chaired by Mr Brett Garland. The Board is constituted under the Company's constitution and has three (3) Directors as representatives of the Members and one Director as representative of the Mines Rescue Team Members. The State of Queensland is an Executive Member of Queensland Mines Rescue Service Ltd.

Underground mines (currently 12 operational) provide volunteer team members for competency based mines rescue training programs initially delivered as a 3 week new recruit course and maintained via ongoing refresher training delivered over 6 days per year (48hrs training) to help them meet their legislated obligations. In addition, underground mines provide additional personnel to the inertisation teams to facilitate this response capability. These volunteers also train 6 times per year after completing a 2 week new recruit course.

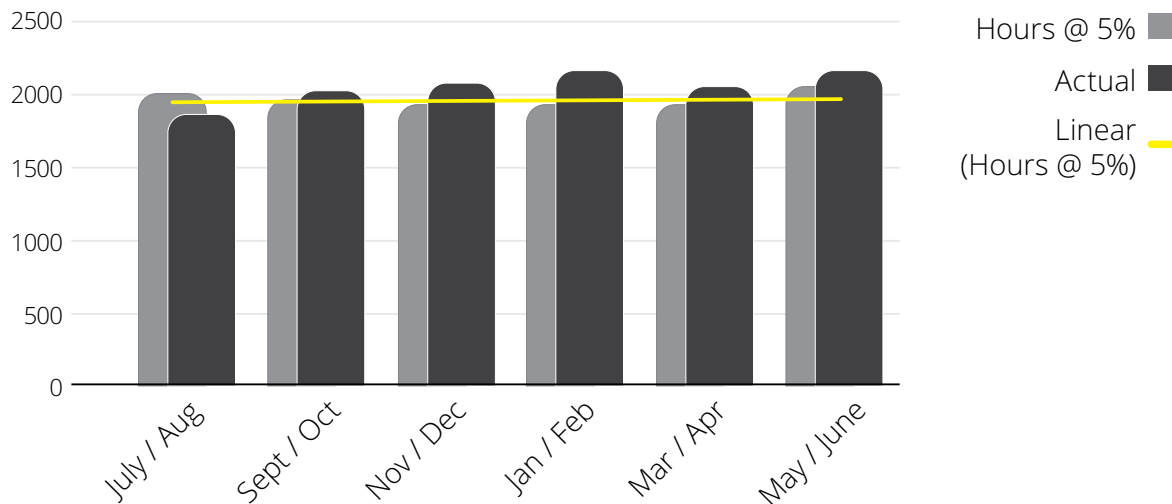
Training is provided at Dysart and Blackwater mines rescue stations and at the Dysart 'Inertisation' station. 4 full time trainers and 5 Operations Managers facilitate the new recruit and refresher training supported by maintenance technicians, administration staff, an education manager, a business manager and the Chief Executive Officer. The QMRS head office is also located at Dysart.

Principal Activities

The primary focus of QMRS is to provide the infrastructure for the coal industry in Queensland to facilitate a Mines Rescue Capability through training services and equipment, including preparing rescue resources and team members for an emergency response. QMRS also facilitates advisory and audit services to open cut coal mines and the use of its rescue infrastructure. Our capacity to respond is based on the readiness and management of resources and the coordination and provision of training coming together in a cooperative arrangement with the member mines. The representative Board of Directors is advised by an independent Technical Advisory Committee, chaired by the Simtars representative on the committee.



Training by Hours Delivered by QMRS 2017 - 2018



Emergency Procedures

Rescue sub-stations are maintained and serviced by QMRS at all of the underground coal mines throughout the Bowen Basin. Queensland Mines Rescue is an integral and regulated part of the mines rescue capability system. QMRS has a significant part in the preparation for and a vital role in emergency response.

Conducting an emergency trial is part of our performance assessment and several exercises have been conducted throughout the year. During these exercises Mines Rescue Operational Managers, the rescue systems and team members are deployed and tested against our response criteria and the standards expected of member mines:

- Aquila
- Broadmeadow
- Carborough Downs
- Cook Colliery
- Eagledowns
- Ensham
- Grasstree
- Grosvenor
- Kestrel
- Moranbah North
- North Goonyella
- Oaky North.



The QMRS Emergency Response System embraced new technology with the adoption of the ALERT mobilisation and notification system which receives and records the emergency call for QMRS and facilitates the contact process to QMRS Operational Managers and the management team including the capacity to conference call all team members.

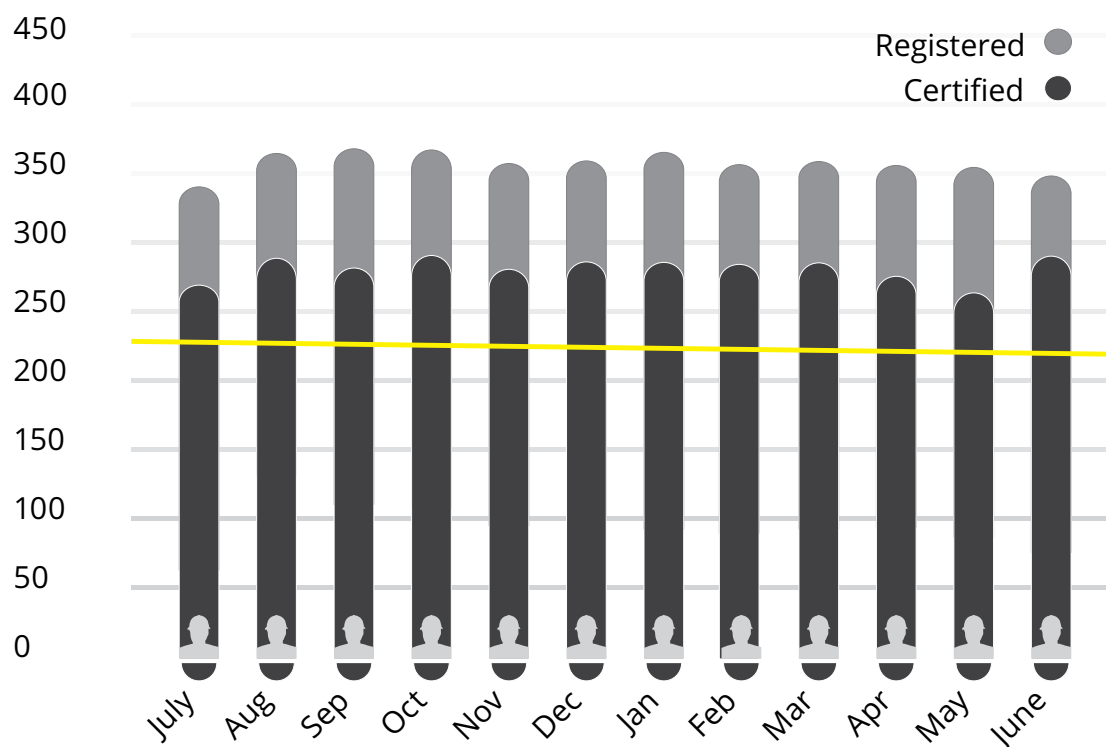
The graphic opposite reflects the standards of performance achieved by QMRS during the reporting period.

Emergency Responses / Activations

During this period, the QMRS Jet Inertisation Unit was not required to respond to any incident in a mine. Serving this industry through a 24/7 capability is an example of how well Queensland is prepared to meet these types of challenges if required.

The hazards present within coal mining remain, and the need to provide an immediate and effective response remain as real as ever.

Mines Rescue Team Members 2017 - 2018



Competitions

We seek to challenge the Rescue Team Members in all aspects of the skills and knowledge of rescue which are practiced in their training. Mines Rescue Team Members are subjected to rigorous preparation for the unknown event. This preparation is tested by mines rescue members participation in challenging competitions. This provides opportunity to be at their best and a chance to compete locally, on a state basis and nationally. This year Queensland's four top teams competed in the National competition held in New South Wales, at the Narrabri Mine, where again they were challenged and gave a good account of their skills with Queensland's Moranbah North Mine taking out second place and Kestrel Mine filling third place.



Equipment

Readiness for deployment is a key objective and “member” confidence in our response capability is a major focus. The maintenance regime and audit checks throughout the year confirm these standards have been achieved and that we continue to perform and demonstrate high levels of preparedness for mines rescue services.

Compliance means adherence to standards as specified within the Mines Rescue Agreements, manufacturer’s specifications and or as specified by the Queensland Mines Rescue Service standards. Within legislation, the industry regulation sets the performance factors, as follows:

(Section 233(1)(c) CMSHA that all equipment is maintained, tested, serviced and certified to manufacturers’ specifications. This remains a high priority for QMRS in the safeguarding of this standard.

Resources available for deployment include:

- 3 x fully equipped Emergency Rescue Trailers
- 260 x BG4 Breathing Apparatus
- Gas Monitoring Equipment
- Underground Radio Equipment
- Compressed Air Breathing Apparatus
- Fire Fighting Equipment
- Specialised Rope Rescue Equipment
- Foam Generating Equipment
- Specialised Rescue Training Facilities
- Underground Specialists Equipment
- Resuscitation and medical equipment
- Mine Inertisation and support equipment.

Strategic Partnerships

QMRS continues to foster and maintain a strategic alliance with the Mines Inspectorate, Government Department of Natural Resources and Mines, Queensland Resources Council, Industry groups, CSIRO, New South Wales Coal Services and Simtars focused on improving safety and health within the coal industry. A Memorandum of Understanding is in place with the Department and QMRS which outlines our mutual expectations and support.



Core Activities

Since November 1997, QMRS has embraced the following core activities:

- Assistance to mine operators with the provision of a mines rescue response in an emergency;
- Training of a mines rescue contingent of personnel in breathing apparatus and emergency response procedures and systems for irrespirable environments;
- The maintenance of rescue apparatus and critical emergency equipment at underground mines rescue sub-stations and central rescue stations;
- The provision, resourcing and training in mine inertisation equipment and its application for coal mine fires.

Our aim is to maintain these vital core activities while maintaining an emergency operational alert and response system capable of activating a mines rescue deployment at any time.

Mines Rescue Agreements

QMRS, as the recognised accredited provider of coal mine rescue services in Queensland, must meet the “performance criteria” as set out under legislation (Coal Mining Safety and Health Act and Regulations).

QMRS can be audited through the office of the Inspector of Mines (Coal Operations) for compliance and standards against the Performance Criteria. Previous audits have been completed with no adverse comments being reported to the Minister or the Board. These audits advised an effective mines rescue system remains in place servicing the coal industry of Queensland.

Levies

QMRS’s annual budget is financed through a levy on coal operators in Queensland and is based on an approved Board’s budget and a remittance through a 70% and 30% allocation on the underground and open cut coal mines respectively. The levy is established through an employee declaration for the six month period (October to March) and includes mine staff and contractors.

The levy model establishes the average monthly staff levels for the period as the primary method for calculating the levy and its application to the budget.

The levy is the primary source of funding for the organisation. There are some cost recoveries for Mines Emergency Management System, ‘fee for service’ training and some other training material.



Technical Advisory Committee (TAC)

The Technical Advisory Committee (TAC) is chaired by Mr Martin Watkinson (Executive Mining Engineer - Simtars) and includes Russell Albury (Chief Inspector of Coal Mines - DNRM), Wouter Niehaus (Mine Manager), Ray Smith (Operations Manager - Mines Rescue), Stephen Woods (ISHR), and Peter Purdie (Team Member).

The Committee met four times during the year and has contributed with discussions and input to Mines Rescue technical matters. The Committee considered and contributed on the following:

- Emergency Rescue Winder and Capsule System
- Input to the In-Seam Response Project
- Input to the review of the QMRS Guidelines
- Future communications technology for underground mines rescue.

Fee for Service Activities

Since 2005 QMRS has conducted Mine Emergency Management System (MEMS) training for underground coal mines. During this reporting period MEMS training has been expanded with the implementation of a surface mine specific training course. This course allows surface management and supervisory personnel to practice the processes and techniques necessary to manage a mine emergency through scenario based experiential learning.

Further expansion of surface ERT competency offerings through our 3rd party RTO has seen QMRS expand the number of clients we are working with to deliver mines rescue training in the surface mine environment over the last 12 months.



QMRS PERSONNEL

This review is presented in accordance with enacted legislation that requires the QMRS to report on its Performance Criteria for the period 1st July 2017 to 30th June 2018.

DAVID CAREY

Chief Executive Officer

David commenced as CEO for QLD Mines Rescue Service in December 2014.

A Mining Engineer with 40 years of experience in underground and open cut coal mining he has held roles in general management, mine planning and mine management in NSW, QLD and Indonesia.

Qualifications include BE (Min) Hon, statutory qualifications as mine deputy, undermanager, coal mine manager and QLD site senior executive, GAICD and an MBA in Technology Management.

He spent 6 years as an active mines rescue team member and gained operational and technical experience in most forms of underground coal mining both in NSW and QLD, as well as technical and management roles in open cut coal mines in NSW, QLD and Indonesia.

David spent 5 years with the NSW government as a Coal Mines Inspector, Senior Inspector and Area Manager leading the Extractive Industries Safety Advisory Committee and as a member of the Coal Mines Undermanager's Qualifications Assessor's Panel.

CLIVE HANRAHAN

Operations Manager

Mine Inertisation Unit (MIU), specialising in fire fighting and currently QMRS Spokesperson on Inertisation and Fire Operations

Clive's mines rescue career began in July 1984 and he joined QMRS in December 2003 as an Operational Manager. His 31 years of experience in both open cut and underground mining brings further knowledge and experience in mine emergency response and safety management to mines rescue.

Clive's responsibilities include the management, training and Inertisation Operations with the MIU, including system development and competency of mines rescue team members.

Clive's experience includes mining, workplace health and safety, mines rescue team member, mines rescue training, auxiliary fire officer, risk management and rope rescue training and instructing. Clive's qualifications include health and safety, instructing, risk management, systems auditor, fire fighting, training officer and ventilation officer.



MARK FREEMAN

Operations Manager

Training Portfolio specialising in Surface Operations Training and Mine Emergency Management



Mark's mines rescue career began in 1984 at the Collinsville Station. He joined QMRS full time in 2005. With more than 30 years in underground mining combined with substantial mines rescue experience, Mark offers an abundance of experience and knowledge in emergency response and occupational health and safety management to QMRS.

Mark's responsibility is to oversee the QMRS Surface Operations portfolio, managing the Blackwater Station and expanding Surface Operations business opportunities. Mark's mining experience includes operations, HST, emergency response in both open cut and underground mining operations, as well as being a Lieutenant in the QLD Fire and Emergency Service.

STEVE DAWE

Operations Manager

Operations Manager for Underground Training and Workplace Health & Safety Portfolios

Steve is currently Operations Manager with QLD Mines Rescue Service responsible for the Underground Training Portfolio. This includes training team members in emergency response procedures, mines rescue team operations, breathing apparatus (BG4 and CABA), fire team operations, casualty extrication and atmospheric sampling and monitoring. Steve has attained qualifications in Risk Management, Emergency Management, and WHS. He is currently studying a Bachelor of Emergency Management to supplement his Education degree.

Steve has 10 years experience working in the coal mining industry and has held positions in Emergency Response, Safety and Training and the statutory role of Fire Officer at Oak Creek No 1 mine and Oaky North Mine. Steve is currently fulfilling the role of QMRS representative on the Level 1 Organising Committee.

BRENT STEWART

Operations Manager

Rescue Equipment Service and Maintenance Systems

Brent began his underground career in 2002 at a number of mines throughout the Bowen Basin, moving to Broadmeadow Mine in 2007. His roles included Underground Operator, Control Room Operator with Gas Chromatography and Fire Officer before finishing his time there as the Mines Rescue / Emergency Response Coordinator.

He started with QMRS in 2012 as a Training Instructor where he gained more skills and experience in mines rescue operations and procedures which he could then pass on to team members. In 2016 Brent took on the role of Operations Manager responsible for the Equipment portfolio.

Brent's experiences also include Lead Auditor, Ventilation Officer Competency, Certified Trainer, Advanced First Aid along with Supervisory and Risk Management qualifications.

RAY SMITH

Operations Manager

Operations Portfolio specialising in Mine Emergency Management System (MEMS), MRAS, UG Competitions and Gas Ticket Assessment

Ray's involvement, passion and focus on the pride and principles of mines rescue and his commitment to mines rescue, saw him appointed to the position of Operations Manager with QMRS. Ray has over 20 year's experience in the coal industry, beginning at Newlands Coal in 1998 and on to Oaky Creek Coal in 2002-2011.

His duties have included ERZ Controller, Fire Officer, Shot Firer, Site Safety Health Representative and Principle Instructor in the Mine Emergency Management System (MEMS).

Ray's qualifications include Advanced Diploma in Risk Management, Advanced Diploma in Emergency Management and Mines Rescue Coordinator, Deputy Qualification Class 3 ticket, Diploma in Underground Mining and Diploma in Business Management, Training and Assessing and Occupational First Aid.



RAMSAY WELLS

Business Manager

Ramsay commenced with QMRS in March 2012 with significant professional experience in business development, expanding markets and stock control. As an experienced operator in business development of new enterprises, Ramsay has marketing and merchandising skills including logistical and business control systems. He also has negotiation skills at all levels in product development, marketing and merchandising. Ramsay's skills demonstrate a broad experience in business development. In joining QMRS, Ramsay brings a wide experience in emergency systems and rescue support systems. He has a background in developing business around technical, brand product, solutions, manufacturing, also technology and service orientations. Ramsay has been involved with project management from individual product technical solutions through to major infrastructure projects.

He has experience with mining, oil and gas, aviation, defence, emergency services, major industry and government at senior and service delivery levels. As the business manager of QMRS, Ramsay is involved in cost and asset management across all the QMRS business initiatives.

PAUL MCCARTHY

Education Manager

Paul commenced with QMRS in April 2012 and has over 40 years experience in the mining industry, in all sectors of project management, geological, administrative and management consultancy in small and large organisations in Australasia, Africa, North and South America.

His responsibilities have included managing and carrying out remote field work in open cut and underground mines, management and supervision of staff including the training of technical and administrative personnel, significant experience in planning, development and writing of rescue and technical training programs, developing methodology, training systems and production techniques including quality control requirements. His logistical experience includes budgeting, planning, performance analysis and conducting contract negotiations in a broad spectrum of social and business cultures. Paul also has considerable experience in the development of training packages, systems and models, including quality systems within the national training agenda. Paul has a B.Sc. (Biology), M.Sc. (Geology), PGeo., TAA/TAE Cert IV.

Paul finished at QMRS in July 2018 to enjoy retirement on the Sunshine Coast.

MIKE WALKER

Senior Training Officer

Mike's career in the mining industry began in 1997, employed as a contractor where he worked in both open cut and underground operations. After the completion of his apprenticeship as a boiler maker, he gained hands-on experience as a tradesman and a plant operator. He worked at many sites including Cook Colliery, both Oakey's, Central, Southern, and Crinum as an operator and supervisor for many different contractors. Mike started employment at BMA Crinum Mine at the

end of 2003 and joined QMRS as an active team member in 2006. At this time he also became an active member of the Gregory ERT team. Mike was involved with outbye, Development and the Longwall during his time at Crinum until the mine closed at the end of 2015.

Over the course of the following years, Mike has been enthusiastically involved with numerous competitions initially as a Team Member, Vice-Captain and then on to Team Captain for both underground and surface. Mike has had the opportunity to represent his state and country in rescue competitions in both underground and surface rescue operations. He also gained his Certificate III in Emergency Response and Rescue, gaining invaluable experience, notable skills through owning his own business performing ERT open cut mines rescue training for over 5 years.

Mike recently embarked on a new stage of his career by joining the team at QMRS as the senior training officer. In this position, Mike is able to pass on many years of personal experience to training members and ensure the quality of Training Instructors is kept at its utmost. Mike also has assisted us in the development of our ERT training material. Mike has obtained his CERT IV in underground coal mining and is set to sit his oral.

DARREN PRINCE

Training Instructor

Darren's mining career began at Moura Mine in 1984, employed as an apprentice diesel fitter employed in both the open cut and underground operations. After completing his apprenticeship, he gained hands on experience as a tradesman at Moura No 2 Underground. Darren started his rescue career in 1994 and then later that year moved to Crinum Mine.

While at Crinum Mine, Darren was involved with development, longwall and outbye areas.

Over the following years, Darren has been enthusiastically involved with numerous competitions initially as a Team Member then becoming the Vice-Captain. He also gained invaluable experience, notable skills and a steadfast commitment through active deployments. As a Training Officer, Darren is able to pass on many years of personal experience to training team members. Darren has successfully completed his Ventilation Officer's qualifications.

JOHN WOODMAN

Training Instructor

John began his mining career in 1989 and, since then, he has performed a multitude of roles both within the surface and underground mining sectors. These roles have ranged from wash plant, dragline maintenance and Rigger/Crane Operator to Mine Driver. During his time with Xstrata, John used his experience and enthusiasm in roles as Assistant Fire Officer and Emergency Response Coordinator.

John began his mines rescue career at Broadmeadow Mine in 2005, being part of the very first mines rescue team for Broadmeadow. During his time competing in rescue competitions, John was a Vice Captain and brings these skills and experience to his role here at QMRS. John upholds the highest of standards and, coupled with his experience, knowledge and leadership, made him an ideal person to join the QMRS training team in early 2013.

LEITH LUCKEL

Training Instructor

Leith has been in rescue since 2006, competed in competitions 2006-2011 at local, state, national and international level, became a district assessor for QMRS in 2012-2017. Leith was employed by QMRS on the 22nd of January 2018.

He has worked in the industry since 1993 as a fitter underground mainly at Oaky No 1 colliery and was a an SSHR at Oaky No 1 for 5 years.

Leith is responsible for training new recruits and current rescue members.

JOHN PETTY

Training Instructor

John joined the mining industry at Cook Colliery as an underground miner under Centennial Coal and remained with Cook Xstrata. He joined the mines rescue Cook team in 2005 and moved to Yarrabee Coal as an operator from 2006 to 2007, then returned to Cook Colliery, Caledon Coal in 2007 until joining QMRS as a Training Instructor in 2013.

John brings a wealth of experience from Underground Miner, Control Room and GC Operator, Fire Officer, Compliance Officer and Training Officer and District Assessor for QMRS. He has a continued passion for first response for both surface and underground operations.

John is also a current Auxiliary Fire Fighter with QFES, a QMRS black suit & GAG member. John currently holds TAE40110 Cert IV Training & Assessment, BSB41412 Cert IV WH&S, RII40412 Cert IV Underground Coal Operations.

GARRETT THOMPSON

Training Instructor

Garrett began his mining career in 2006 at Bundoora Mine, and from there worked throughout the Bowen Basin at various mines in various roles before finally taking a permanent position at Carborough Downs. While at Carborough, he worked with both the single pass and the place change development panels, working as a trainer and assessor and a return to work officer.

Garrett became a Team Member with mines rescue in 2011 before joining the team at QMRS as a Training Instructor. In this position, Garrett was able to pass on his knowledge, experience and enthusiasm to training team members and ensure the quality of training was kept at its high standard. Garrett is in the process of completing his Deputy study.

Garrett finished at QMRS in December 2017 to take up a position at Jennmar.



DIRECTOR INFORMATION



BRETT GARLAND

Chairman

Appointed Chairman 09 November 2016

Appointed Director 27 January 2016

Current term ends November 2018

Qualifications

- Bachelor of Engineering, MAICD, FAusIMM CP (Min)
- Masters Business Administration
- NSW First Class Certificate of Competency, (Mining - QLD & NSW)

Experience

- Previously QMRS Director November 1997 to February 1998 and August 2009 to November 2015
- Various senior executive positions in resource development, production, general management, mine management and coal operations in QLD and NSW



MATTHEW COOPER

Director

Appointed 07 May 2014

Current term ends November 2018

Qualifications

- Masters Business Administration
- Bachelor of Engineering (Mining), Hons
- Graduate - Aust. Institute of Company Directors
- Undermanagers Certificate (Mining)
- Site Senior Executive (SSE) Notice - QLD

Experience

- Senior mining positions in mining for over 25 years in QLD and NSW including mines rescue experience



PETER BAKER

Director

Appointed 09 November 2016

Current term ends November 2019

Qualifications

- Master of Business and Technology
- Bachelor of Mining Engineering

Experience

- Various senior executive positions in underground mining with responsibilities including oversight of safety, production, asset management, projects, engineering and environmental activities



SHAUN DANDO

Director

Appointed 04 May 2011

Current term ends November 2020

Qualifications

- Certificate IV Coal Operational Management
- QLD Deputies Certificate of Competency
- 3rd Class Certificate Competency (Mining)

Experience

- Commenced UG Coal Mining NZ 1982, QLD 1999
- Mines Rescue Team Member 1996 - Present
- Underground and MIU Team Member
- Current Director Danklin Mine Safety & Technical Services Pty Ltd

Special Responsibilities

- Elected Team Members' Representative to QMRS Board



PETER TAIT

Company Secretary

Appointed 09 November 2011

Current term ends November 2020

Qualifications

- Bachelor of Commerce
- Master of Information Systems
- Graduate - Aust. Institute of Company Directors
- FCA, FAICD

Experience

- Practised as a Chartered Accountant in public practice in Central Queensland for over 25 years
- Accounting, audits, taxation and business services to business
- Non Executive Director of a Government owned corporation and various governance roles in several not for profit entities



DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2018.

Directors

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

- Brett Garland
- Shaun Dando
- Matthew Cooper
- Peter Baker.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the company during the financial year were:

- Provision of rescue training to members
- Skills maintenance of rescue teams for member mines
- Maintenance and serviceability of rescue equipment
- Training and development of mine managers in emergency management
- Provision of the speciality Inertisation Fire Management response unit
- Auditing and exercising of mines rescue teams through competitions and exercises
- Researching technology in the emergency and rescue methodologies for mines rescue.

Short-Term and Long-Term Objectives

Purpose

Provide leading edge Emergency Response capability within the mining industry.



Vision

QMRS is a leader in emergency management through:

- Strong bonds with industry partners;
- Leadership in the provision of mines rescue services
- Innovative facilities
- Utilisation of advanced technology systems
- Recognition as specialists in mines rescue and inertisation.

Mission

To serve the mining industry by imparting the knowledge and leadership to give people the confidence to make a difference.

Actions and Behaviours

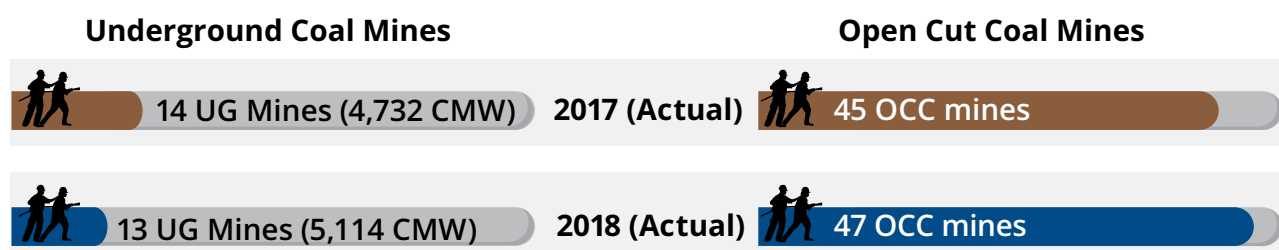
- We own and demonstrate the QMRS Values.
- We maintain safe working practices.
- We achieve objectives “on time - on target”.
- We listen and demonstrate understanding and respect for others.
- We communicate openly and honestly with our Stakeholders.
- We confidently and quickly resolve challenges and problems.
- Our clients underpin our focus.
- We “do” what we say we will do.

Key Performance Measures

The company measures its performance to a set of regulated performance criteria. An annual report of the company’s performance compared to the regulated performance criteria is provided to the Minister of Natural Resources, Mines and Energy through the Department.

Members

The company provides services to our members, all operational coal mines in Queensland.



CMW = Coal Mine Workers as at start of financial period

Operational

The QMRS maintains an industry wide rescue capability throughout Queensland Underground Coal Mines through training and certification. 5% of underground coal mine workers to be maintained and certified as mines rescue team members.

	2018	2017
Total CMW	5,114	4,732
5% CMWs	260	237
Registered Team Members	350	339
Monthly Attendance Training (Target 80%)	82.42%	88.60%

Financial

To achieve its short and long term objectives QMRS is funded by levies on members.

	(\$) 2018	(\$) 2017
Levies - Underground	3,942,632	4,071,866
Levy per Underground Miner	770.95	860.13
Levies - Opencut	1,689,700	1,744,348
Levy per Opencut Miner	229.08	228.52
Total Levies	5,632,332	5,816,214

QMRS has used prior year cash reserves to supplement the reduced levies to fund its operations and capital expenditure in the 2018 year. This has resulted in a loss for the year of \$1,841,549. However, adding back non-cash item of Depreciation and amortisation expenses of \$1,264,875, the loss before depreciation was \$576,674. QMRS will continue to closely monitor member levies, expenditure and cash position.

Meetings of Directors

During the financial year, 4 meetings of directors were held. Attendances by each director were as follows:

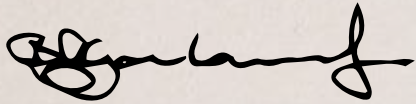
Director	Number Eligible to Attend	Number Attended
Brett Garland	4	4
Shaun Dando	4	4
Matthew Cooper	4	3
Peter Baker	4	4

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company. At 30 June 2018, the total amount that members of the company are liable to contribute if the company is wound up is \$61 (2017: \$60).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found below.

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



Brett Garland

Chairman Dated: 20 September 2018

Auditor's Independence Declaration Under S 307C of the Corporations Act 2001 to the Directors of Queensland Mines Rescue Service Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



Laurence Manning

Manning Corporate Advice
Level 1 Riverside House, 43 River Street, Mackay QLD 4740

Dated: 20 September 2018

QMRS FINANCIALS

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2018

	Note	(\$) 2018	(\$) 2017
Operating Income			
Revenue	2	6,609,646	6,401,329
Other income	2	46,377	108,374
Total Operating Income		6,656,023	6,509,703
Operating Expenses			
Employee provisions expense		(4,149,583)	(3,847,372)
Depreciation and amortisation expense	3	(1,264,875)	(1,372,614)
Bad and doubtful debts expense	3	(161,670)	-
Repairs, maintenance and vehicle running expenses		(209,638)	(201,007)
Training expenses		(200,135)	(210,691)
Corporate expenses		(646,021)	(643,112)
Operational equipment expenses		(458,903)	(428,079)
Property expenses		(307,653)	(289,925)
Administration expenses		(542,881)	(539,414)
Competition expenses		(202,914)	(151,399)
RTO expenses		(236,722)	(89,402)
Sundry expenses		(116,577)	(148,288)
Total Operating Expenses		(8,497,572)	(7,921,303)
Income tax expense		-	-
Net current year surplus/(deficit)		(1,841,549)	(1,411,600)
Other comprehensive income		-	-
Total other comprehensive (losses)/income for the year		-	-
Total comprehensive income/(losses) for the year		(1,841,549)	(1,411,600)

Statement of Financial Position

Assets

	Note	(\$) 2018	(\$) 2017
Current Assets			
Cash on hand	5	276,215	333,446
Accounts receivable and other debtors	6	306,907	201,193
Inventories	7	203,242	188,862
Other current assets	8	7,132,398	7,930,762
Total Current Assets		7,918,762	8,654,263
Non-Current Assets			
Property, plant and equipment	9	9,910,970	10,680,132
Total Non-Current Assets		9,910,970	10,680,132
Total Assets		17,829,732	19,334,395

Liabilities

	Note	(\$) 2018	(\$) 2017
Current Liabilities			
Accounts payable and other payables	10	4,662,131	4,356,606
Employee provisions	11	517,703	486,342
Total Current Liabilities		5,179,834	4,842,948
Total Liabilities		5,179,834	4,842,948
Net Assets		12,649,898	14,491,447

Equity

	Note	(\$) 2018	(\$) 2017
Retained Surplus		10,719,915	12,561,464
Reserves		1,929,983	1,929,983
Total Equity		12,649,898	14,491,447

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the Year Ending 30 June 2018

	Retained Surplus \$	Revaluation Surplus \$	Emergency Reserve \$	Total \$
Balance at 1 July 2016	13,973,064	1,479,983	450,000	15,903,047
Comprehensive Income				
Surplus for the year attributable to members of the entity	(1,411,600)	-	-	(1,411,600)
Total comprehensive income attributable to members of the entity	(1,411,600)	-	-	(1,411,600)
Balance at 30 June 2017	12,561,464	1,479,983	450,000	14,491,447
Balance at 1 July 2017	12,561,464	1,479,983	450,000	14,491,447
Comprehensive Income				
Surplus for the year attributable to members of the entity	(1,841,549)	-	-	(1,841,549)
Total comprehensive income attributable to members of the entity	(1,841,549)	-	-	(1,841,549)
Balance at 30 June 2018	10,719,915	1,479,983	450,000	12,649,898

For a description of each reserve, refer to Note 14.

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the Year Ending 30 June 2018

	Note	(\$) 2018	(\$) 2017
Current Assets			
Mines levies - 2017		-	2,979,373
Mines levies - 2018		2,207,387	3,830,134
Mines levies - 2019		4,168,819	-
Other receipts		801,453	691,432
Payments to suppliers and employees		(7,683,196)	(7,152,168)
Interest received		162,259	202,860
Net cash generated from operating activities	13	(343,278)	551,631
Cash Flows From Investing Activities			
Proceeds from sale of property, plant and equipment		14,546	37,773
Payment for property, plant and equipment		(526,863)	(1,208,767)
Proceeds from / (payments for) investments		975,129	(604,978)
Net cash used in investing activities		462,812	(1,775,972)
Cash Flows From Financing Activities			
Net cash used in financing activities		-	-
Net increase in cash held		119,534	(1,224,341)
Cash on hand at beginning of the financial year		4,318,066	5,542,407
Cash on hand at end of the financial year	5	4,437,600	4,318,066

The accompanying notes form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

The financial statements cover Queensland Mines Rescue Service Limited as an individual entity, incorporated and domiciled in Australia. Queensland Mines Rescue Service Limited is a company limited by guarantee.



NOTE 1: Summary of Significant Accounting Policies

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue

Levies are set annually in May by the directors for the following financial year based on an adopted budget of operational and capital expenditure. Levies are invoiced in May for the following year. Levy income is brought to account in the year by matching with expected timing of budgeted operational and capital expenditure. Refer to Note 1 (g) for further treatment of Levies.

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

Queensland Mines Rescue Service Limited receives non-reciprocal contributions of assets from the government and other parties for no or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate accrued over the term of the investments.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

(b) Inventories on Hand

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation and subsequent impairment for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Purpose built buildings including head office, stations, training and residential properties adjacent to stations, are valued based on depreciated replacement cost.

Station and training facilities, which are not currently or unlikely to be used in the foreseeable future for business activities are valued at net realisable value instead of depreciated replacement cost.

The residential properties not adjacent to stations and freehold land are valued based on the market value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity.

Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:



The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(e) Employee Provisions

Short-term employee provisions

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, sick leave and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

(f) Cash and Cash Equivalents

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

(g) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Income Tax

The majority of the company's income is derived from its members and is exempt from income tax under the principle of mutuality.

Income derived from non-members made up primarily of interest and rent is subject to income tax.

Current income tax expense charges to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant tax authority.

Deferred tax liability represents income tax payable on future capital gain that could be derived if land and buildings were sold at value recorded in the accounts.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and this measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

(j) Comparative Figures

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

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(k) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Critical Accounting Estimates and Judgements

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

Key Estimates: Impairment - Land and Buildings

In 2016, the directors reviewed the key assumptions made by the valuers at 30 June 2015.

The directors recognised a revaluation decrement applied against revaluation surplus of \$445,000 for the year ended 30 June 2016.

The key assumptions made by the directors in calculating the revaluation decrement impairment are as follows:

- residential properties not located adjacent to stations and freehold land are recorded at market value based on independent valuation at 10 May 2016 by Opteon (Central Qld) Pty Ltd
- advice from a valuer on value of underlying land for properties valued under depreciated replacement cost (refer 1c)
- construction costs used in depreciated replacement cost have not decreased for Dysart and Blackwater since June 2014.

In June 2017, the directors reviewed the key assumptions made by the valuers at 30 June 2016 and consulted with the valuer Opteon (Central Qld) Pty Ltd, who advised the property market had not decreased further from June 2016 to now.

In June 2018, the directors reviewed the key assumptions made by the valuers at 30 June 2016 and consulted with the valuer Opteon (Central Qld) Pty Ltd, who advised the property market had not decreased further from June 2016 to now. The valuer has advised: “ We consider these assets to have been valued at a low point in the market and we are unaware of any newer sales evidence that would justify a change in the assessment.

At 30 June 2018, the directors concluded that these assumptions remain materially unchanged, and are satisfied that carrying amount does not exceed the recoverable amount of land and buildings.

The directors resolved they are not aware of any indicators of impairment in respect of land and buildings and accordingly adopt the values of land and buildings at 30 June 2016 plus additions since as the values for 30 June 2018.

(m) Economic Dependence

Queensland Mines Rescue Service Limited is dependent on the coal mining industry for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the coal mining industry will not continue to support Queensland Mines Rescue Service Limited.



2

NOTE 2: Revenue and Other Income

	(\$) 2018	(\$) 2017
Levies	5,632,332	5,816,214
Interest	153,828	193,555
Training fees received	823,486	391,560
Total revenue	6,609,646	6,401,329
Other income		
Profit on disposal of property, plant and equipment	-	4,476
Expense recoveries	41,669	90,751
Property rentals - external	-	8,670
Insurance recoveries	-	2,997
Statutory examinations	2,100	700
Sundry income	2,608	780
Total other income	46,377	108,374
Total revenue and other income	6,656,023	6,509,703

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NOTE 3: Surplus for the year: Expenses

	(\$) 2018	(\$) 2017
Employee benefits expense:		
Employee benefits expense	4,149,583	3,847,372
Total employee benefits expense	4,149,583	3,847,372
Depreciation and amortisation:		
Land and buildings	339,986	367,655
Plant and equipment	924,889	1,004,959
Total depreciation and amortisation	1,264,875	1,372,614
Bad and doubtful debts:		
Trade and other receivables	161,670	-
Total bad debts written off	161,670	-
Audit fees		
Audit services	20,087	21,520
Total audit remuneration	20,087	21,520
Loss on disposal of property , plant and equipment	16,604	-

4

NOTE 4: Income Tax Expense

	(\$) 2018	(\$) 2017
Income tax payable on income derived by non-members	-	-

5

NOTE 5: Cash on Hand

	(\$) 2018	(\$) 2017
Current		
Cash at bank	276,015	333,246
Cash on hand	200	200
Total cash on hand as stated in the statement of financial position	276,215	333,446
INVESTMENT AT CALL		
Working capital investments at call	4,161,385	3,984,620
Total cash on hand as stated in the statement of cash flows	4,437,600	4,318,066

In addition to the cash accounts, the company has a line of credit facility of \$400,000 with it's bankers.

(This facility was not used during the year).

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NOTE 6: Accounts Receivable and Other Debtors

	(\$) 2018	(\$) 2017
Current		
Accounts receivable	217,797	85,572
Other receivables	17,280	10,598
GST refundable	60,192	84,954
Interest receivable	11,638	20,069
Total current accounts receivable and other debtors	306,907	201,193

The company writes off an account receivable when there is available information that the debtor is in severe financial difficulty and there is no realistic likelihood of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

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NOTE 7: Inventories

	(\$) 2018	(\$) 2017
Current		
Inventory at cost	203,242	188,862
Total Inventories	203,242	188,862

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NOTE 8: Other Current Assets

	(\$) 2018	(\$) 2017
Working capital investments at call	4,161,385	3,984,620
Reserves investment accounts at call	971,013	939,709
Reserves term deposits at call	2,000,000	3,006,433
Total Other Current Assets	7,132,398	7,930,762

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NOTE 9: Property, Plant and Equipment

	(\$) 2018	(\$) 2017
Land and Buildings - Freehold land:		
At directors valuation in 2016	1,380,000	1,380,000
At cost	565,891	559,141
Total land	1,945,891	1,939,141
Buildings		
At directors valuation in 2016	5,107,589	5,107,589
At cost	164,414	112,534
Less accumulated depreciation	(692,219)	(367,654)
Total buildings	4,579,784	4,852,469
Total land and buildings	6,525,675	6,791,610
Plant and Equipment		
At cost	11,000,258	10,945,609
Less accumulated depreciation	(7,724,415)	(7,057,687)
Sub total	3,275,843	3,887,922
Capital works in progress	109,452	600
Total plant and equipment	3,385,295	3,888,522
Total property, plant and equipment	9,910,970	10,680,132

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings \$	Plant and Equipment \$	Capital Works in Progress \$	Total \$
2017				
Balance at the beginning of the year	6,487,589	4,255,487	134,200	10,877,276
Additions at cost	671,675	670,692	(133,600)	1,208,767
Disposals	-	(33,297)	-	(33,297)
Depreciation expense	(367,654)	(1,004,960)	-	(1,372,614)
Carrying amount at the end of the year	6,791,610	3,887,922	600	10,680,132
2018				
Balance at the beginning of the year	6,791,610	3,887,922	600	10,680,132
Additions at cost	81,686	336,325	108,852	526,863
Disposals	(7,635)	(23,515)	-	(31,150)
Depreciation expense	(339,986)	(924,889)	-	(1,264,875)
Carrying amount at the end of the year	6,525,675	3,275,843	109,452	9,910,970

Asset revaluations

At 30 June 2018 the directors reviewed the key assumptions made by the valuers at 30 June 2017. They have concluded that these assumptions remain materially unchanged, and are satisfied that the carrying amount does not exceed the recoverable amount of land and buildings at 30 June 2018.

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NOTE 10: Accounts Payable and Other Payables

	(\$) 2018	(\$) 2017
CURRENT		
Accounts payable	261,534	262,482
Sundry payables and accrued expenses	231,778	263,990
Levies received in advance	3,789,835	3,481,940
GST on levies received in advance	378,984	348,194
Total Accounts Payable and Other Payables	4,662,131	4,356,606

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NOTE 11: Employee Provisions

	(\$) 2018	(\$) 2017
CURRENT		
Provision for employee benefits	517,703	486,342
Total Employee Provisions	517,703	486,342

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NOTE 12: Related Party Transactions

Related parties include close family members of Key Management Personnel (KMP) and entities that are controlled or jointly controlled by those KMP individually or collectively with their close family members.

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

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NOTE 13: Cash Flow Information

	(\$) 2018	(\$) 2017
Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	(1,841,549)	(1,411,600)
Non- cash flows:		
Depreciation and amortisation expense	1,264,875	1,372,614
(Profit)/Loss on disposal of property, plant and equipment	16,604	(4,476)
Movement in assets and liabilities:		
(Increase)/decrease in accounts receivable and other debtors	(105,714)	150,725
Increase/(decrease) in accounts payable and other payables	305,525	393,430
Increase/(decrease) in employee provisions	31,361	70,141
(Increase)/decrease in inventories on hand	(14,380)	(19,203)
Total	(343,278)	551,631



NOTE 14: Reserves

(a) Revaluation Surplus

The revaluation surplus records revaluations of non-current assets.

(b) Emergency Reserve

The emergency reserve is maintained to fund an emergency the company may face in the future.



NOTE 15: Entity Details

The registered office and principal place of business:

**Queensland Mines Rescue
Service Limited**

49 Garnham Drive
Dysart QLD 4745



NOTE 16: Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the entity. At 30 June 2018 the number of members was 61 [2017 60].

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Queensland Mines Rescue Service Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 5 to 16, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the company as at 30 June 2018 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Brett Garland

Chairman Dated: 20 September 2018



REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Queensland Mines Rescue Service Limited (the company), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Queensland Mines Rescue Service Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2018 and of its performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

We confirm the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Queensland Mines Rescue Service Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is

necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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 our 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Laurence Manning
Manning Corporate Advice
Level 1 Riverside House, 43 River Street, Mackay,
QLD, 4740

Dated 20 September 2018





Queensland Mines Rescue Details

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Q u e e n s l a n d
Mines Rescue