

## Capital Grants Analysis - Application of AASB 115 and AASB 1058.

Four (4) capital grants exceed materiality threshold of \$1 million, however only three (3) have sufficiently specific performance obligations.

Funding Body	Program	Grant Name	Duration	Grant Amount Approved (excl GST)	Payment (Revenue) prior to 1/07/19	Costs incurred as at the 30/06/19	Payment (Revenue) in FY 2020	Estimated Costs Incurred as at the 30/06/20	Scheduled Completion Date	Sufficiently Specific Performance Obligations	Modified Retrospective Approach as at 1/07/19		Estimated adjustments for 30/06/20	
											Contract Asset	Contract Liability	Contract Asset	Contract Liability
Department of Infrastructure, Transport, Cities and Regional Development	Roads to Recovery	Brisbane Street, West Ipswich	2/7/19 - 30/6/20	\$ 2,327,860	\$ -	\$ -	\$ 2,327,860	\$ 3,478,434	15/07/20	No	N/A	N/A	N/A	N/A
Department of Infrastructure, Local government and Planning	LGGSP - Local Government Grants & Subsidies Program	Rosewood Library Construction	1/11/17 - 28/02/20	\$ 2,689,696	\$ 806,908	\$ 821,697	\$ 1,882,788	\$ 1,882,788	29/02/20	Yes	\$ 14,789	\$ -	\$ -	\$ -
Department of Transport and Main Roads	CNLGGP - Cycle Network Local Government Grants Program 2018/19	Brisbane Valley Rail Trail Connector / Brassall Bikeway Stage 7 (CNLGGP 2018/19)	30/06/18 - 30/06/20	\$ 1,050,000	\$ 525,000	\$ 35,493	\$ 262,500	\$ 2,326,107	31/08/20	Yes	\$ -	\$ 489,507	\$ 262,500	\$ -
Department of Transport and Main Roads	Blackspot 2019/20	Cobalt St / Johnson Rd (Blackspot 19/20)	1/06/19 - 31/12/20	\$ 1,270,000	N/A	N/A	\$ 635,000	\$ 74,000	31/12/20	Yes	\$ -	\$ -	\$ -	\$ 561,000
<b>Adjustment Totals</b>				<b>\$ 7,337,556</b>	<b>\$ 1,331,908</b>	<b>\$ 857,190</b>	<b>\$ 5,108,148</b>	<b>\$ 7,761,329</b>			<b>\$ 14,789</b>	<b>\$ 489,507</b>	<b>\$ 262,500</b>	<b>\$ 561,000</b>

### Modified Retrospective Approach

#### Journals required AASB @ 1/7/2019

DR Work in Progress - Unbilled Revenue (Contract Assets) \$ 14,789  
 DR Accumulated Surplus 474,718  
 CR Work in Progress - Unearned Revenue (Contract Liability) \$ 489,507  
 (Apply AASB 1058 to grant revenue as at 1/7/2019 - modified retrospective approach.)

#### Journals required AASB @ 30/6/2020 (Estimates)

DR Work in Progress - Unearned Revenue (Contract Liability) \$ 489,507  
 CR Capital Grant Revenue \$ 474,718  
 CR Work in Progress - Unbilled Revenue (Contract Assets) 14,789  
 (Performance obligations completed drawdown Unearned Revenue and grant revenue received for Unbilled Revenue recognised at 1/7/2019.)

DR Work in Progress - Unbilled Revenue (Contract Assets) \$ 262,500  
 DR Capital Grant Revenue 298,500  
 CR Work in Progress - Unearned Revenue (Contract Liability) \$ 561,000  
 (End of financial year adjustment for Unearned Revenue and Unbilled Revenue.)