

D. Entities not preparing financial reports

When entities are part of a group and are secured by a deed of cross guarantee (with other entities in that group agreeing to cover debts), they are not required to prepare financial statements. Small companies that meet specific criteria under the *Corporations Act 2001* also do not have to prepare financial statements.

The Auditor-General will not issue audit opinions for the following controlled public sector entities for 2018–19, as they have not produced a financial report.

Figure D1
Water sector entities not preparing financial reports in 2018–19

Public sector entity	Reason for not preparing financial reports
Bulk water supplier	
Controlled entities of Sunwater Limited	
North West Queensland Water Pipeline Pty Ltd	Deed of cross guarantee ASIC order
Eungella Water Pipeline Pty Ltd	Deed of cross guarantee ASIC order
Burnett Water Pty Ltd	Deed of cross guarantee ASIC order
Distributor-retailer	
Controlled entity of Northern SEQ Distributor-Retailer Authority (trading as Unitywater)	
Unitywater Properties Pty Ltd	Non-reporting (exemption under <i>Corporations Act 2001</i>)

Source: Compiled by the Queensland Audit Office.