



Financial Statements

For the Year Ended 30 June 2023

Financial Statements

For the year ended 30 June 2023

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Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	2023 \$000	2022 \$000
Income from continuing operations			
Grants and other contributions	2	4,289	4,218
Interest income		160	25
Other income		1	2
Total income from continuing operations		<u>4,450</u>	<u>4,245</u>
Expenses from continuing operations			
Employee expenses	3	3,063	2,967
Supplies and services	4	1,129	910
Depreciation and amortisation	5	53	40
Finance/borrowing costs	9	7	3
Other expenses	6	47	44
Total expenses from continuing operations		<u>4,299</u>	<u>3,964</u>
Operating result from continuing operations		151	281
Total other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u>151</u>	<u>281</u>

The accompanying notes form part of these statements.

Statement of Changes in Equity

For the year ended 30 June 2023

	Accumulated surplus \$000
Balance as at 1 July 2021	3,248
Operating result from continuing operations	281
Total comprehensive income	<u>3,529</u>
Balance as at 30 June 2022	<u>3,529</u>
Balance as at 1 July 2022	3,529
Operating result from continuing operations	151
Total comprehensive income	<u>3,680</u>
Balance as at 30 June 2023	<u>3,680</u>

Statement of Financial Position

As at 30 June 2023

	Notes	2023 \$000	2022 \$000
Current assets			
Cash and cash equivalents	7	3,772	3,807
Receivables	8	118	27
Other current assets		120	78
Total current assets		<u>4,010</u>	<u>3,912</u>
Non-current assets			
Plant and equipment		-	2
Right-of-use assets	9	16	46
Total non-current assets		<u>16</u>	<u>48</u>
Total assets		<u>4,026</u>	<u>3,960</u>
Current liabilities			
Payables	10	159	190
Accrued employee benefits	11	167	193
Lease liabilities	9	13	48
Total current liabilities		<u>339</u>	<u>431</u>
Non-current liabilities			
Lease liabilities	9	7	-
Total non-current liabilities		<u>7</u>	<u>-</u>
Total liabilities		<u>346</u>	<u>431</u>
Net assets		<u>3,680</u>	<u>3,529</u>
Equity			
Accumulated surplus		3,680	3,529
Total equity		<u>3,680</u>	<u>3,529</u>

The accompanying notes form part of these statements.

Statement of Cash Flows

For the year ended 30 June 2023

	Notes	2023 \$000	2022 \$000
Cash flows from operating activities			
<i>Inflows:</i>			
Grants and other contributions		4,289	4,218
Interest receipts		149	23
Other receipts		1	1
GST input tax credits from ATO		100	94
<i>Outflows:</i>			
Payments to suppliers and employees		(4,518)	(4,029)
Net cash provided by operating activities		<u>21</u>	<u>307</u>
Cash flows from financing activities			
<i>Outflows:</i>			
Lease payments		(56)	(41)
Net cash used in financing activities		<u>(56)</u>	<u>(41)</u>
Net increase in cash held		(35)	266
Cash at beginning of financial year		<u>3,807</u>	<u>3,541</u>
Cash at end of financial year	7	<u>3,772</u>	<u>3,807</u>

The accompanying notes form part of these statements.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 – Basis of financial statement preparation

(a) General information about the reporting entity

The Commission is an independent statutory body established under the *Family Responsibilities Commission Act 2008* (“the Act”). The Commission does not have any controlled entities.

The objectives of the Commission as set out in the Act are:

- (i) to support the restoration of socially responsible standards of behaviour and local authority in welfare reform community areas; and
- (ii) to help people in welfare reform community areas to resume primary responsibility for the wellbeing of their community and the individuals and families of the community.

The head office and principal place of business of the Commission is Level 3, Cairns Commonwealth Centre, 107 Lake Street, Cairns QLD 4870.

(b) Authorisation of financial statements for issue

The financial statements are authorised for issue by the Commissioner and Executive Officer (Finance) at the date of signing the Management Certificate.

(c) Compliance with prescribed requirements

The Commission is a Statutory Body under the *Financial Accountability Act 2009* and the *Statutory Bodies Financial Arrangements Act 1982* and these financial statements have been prepared in accordance with section 39 of the *Financial and Performance Management Standard 2019*.

The Commission is a not-for-profit entity. These general purpose financial statements are prepared in accordance with Australian Accounting Standards – Simplified Disclosures. These financial statements comply with the recognition and measurement requirements of all Australian Accounting Standards and interpretations applicable to not-for-profit entities, and the presentation requirements in those standards as modified by AASB 1060.

(d) Underlying measurement basis

The financial statements are prepared on an accrual basis (with the exception of the statement of cash flows which is prepared on a cash basis).

The historical cost convention is used as the measurement basis.

(e) Presentation matters

Currency and rounding – Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$499 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives – Comparative information reflects the audited 2021-22 financial statements.

Current / Non-current classification – Assets are classified as ‘current’ where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as ‘current’ when they are due to be settled within 12 months after the reporting date, or the Commission does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 – Basis of financial statement preparation (continued)

(f) Accounting estimates and judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Accruals for employee benefits is an area where some estimates and judgements are applied, further details are included in Note 12. Management is not aware of any further assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

(g) Taxation

The Commission is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Australian Government taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

(h) Insurance

The Commission's risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. In addition, the Commission pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(i) Economic dependency and going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Commission is a not-for-profit entity and is reliant on government funding in order to continue its operations.

In the 2022-23 year a review of the Commission (known as the Future Directions Review) was undertaken by the Queensland Government. Following this review, although the outcome of the findings remains unknown, the Australian and Queensland Governments entered into a Memorandum of Understanding (MOU) on 9 August 2023 to ensure the Commission continues to service its operations at full operational capacity for a fixed period of three years from 1 July 2023 to 30 June 2026. Through this memorandum the Queensland Government committed to contribute approximately \$7.929 million in funding over 2023-24, 2024-25 and 2025-26 years and the Australian Government committed to contribute a total of \$6.182 million over the same three-year period.

Governor-in-Council approved the reappointments of the Commissioner, Deputy Commissioner and Local Commissioners on 29 June 2023 for the period 1 July 2023 through to 30 June 2026.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 – Basis of financial statement preparation (continued)

(i) Economic dependency and going concern (continued)

The MOU provides the Commission with necessary funding to continue operation for the foreseeable future and therefore it is appropriate to prepare the financial statements on a going concern basis.

(j) New and revised accounting standards

First time mandatory application of Australian Accounting Standards and Interpretations

There are no new accounting standards applicable for the first time in 2022-23 for the Commission.

Changes in significant accounting policies

There are no significant changes in accounting policies in 2022-23 for the Commission.

Other Accounting Standards changes

No accounting pronouncements were early adopted in the 2022-23 financial year.

No voluntary changes in accounting policies occurred during the 2022-23 financial year.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Grants and other contributions

	2023	2022
	\$000	\$000
Grants and other contributions		
Queensland Government grants	2,489	2,418
Australian Government grants	1,800	1,800
Total	4,289	4,218

Accounting policy

Grants and contributions arise from transactions that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return).

Where a grant agreement is enforceable and contains sufficiently specific performance obligations for the Commission to transfer goods and services to a third-party on the grantor's behalf, the grant would be accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred as unearned revenue (contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant or contribution is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised in the year in which the Commission obtains control over them.

Disclosure – Grants and other contributions

Australian and Queensland Government Grants – recognised upfront

The Commission received a total of \$4.289 million in respect of its operations for the 2022-23 year. This funding has been recognised in these financial statements as revenue on receipt under AASB 1058 as the Commission's obligations are not sufficiently specific. The grant funds received are to be used to fund the operations of the Commission. Specifically, the operations of the Commission are to support welfare reform community members to restore socially responsible standards of behaviour, local authority and wellbeing for themselves and their families. A welfare reform community is prescribed by regulation. The Commission has full discretion as to how and when it conducts these operations during the financial year.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 – Employee expenses

	2023	2022
	\$000	\$000
Employee benefits		
Wages and salaries	2,347	2,271
Recreation leave expense	236	215
Employer superannuation contributions	300	281
Long service leave levy	50	53
Employee related expenses		
Workers' compensation premium	20	15
Payroll tax and fringe benefits tax	81	117
Other employee related expenses	29	15
Total	3,063	2,967

Disclosure – Employee numbers

The number of employees including full-time, part-time and casual employees measured on a full-time equivalent basis:

	2023	2022
Number of employees:	16	15

Accounting policies

Employer superannuation contributions and long service leave levies are regarded as employee benefits.

Payroll tax and workers' compensation insurance are a consequence of employing employees but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Other employee benefits –sick leave

Prior history indicates that on average, sick leave taken in each reporting period is less than the entitlement accrued. This is expected to continue in future periods.

Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 – Employee expenses (continued)

Accounting policies (continued)

Employer superannuation contributions

Superannuation benefits are provided through defined contribution (accumulation) plans in accordance with the employee's conditions of employment and employee instructions as to superannuation plan (where applicable). Employer contributions are based on rates specified under conditions of employment and are expensed when they become payable at the end of each fortnightly pay period.

Termination benefits

Termination benefits expense represent cash payments made to employees who accepted voluntary redundancies during the year.

Note 4 – Supplies and services

	2023	2022
	\$000	\$000
Agency and temporary employment services	217	19
Communications	16	14
Internet and IT	245	238
Materials and running costs	179	195
Fleet vehicle expenses	36	39
Office accommodation	130	125
Employee housing	43	8
Lease expenses	16	42
Staff travel	247	230
	<hr/>	<hr/>
Total	1,129	910

Accounting policy – leases

Lease expenses include lease rentals for short-term leases and leases of low value assets. Short term and low value lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

Short term and low value leases are entered into as a means of acquiring access to office and staff accommodation, storage facilities and motor vehicles. Current lease terms at year end range from 1 month to 1 year. On conclusion of the lease terms, the lease terms are renegotiated on an as needs basis having regard to the going concern uncertainty referred to in Note 1(i).

Lease payments are generally fixed but some agreements include annual escalation clauses for predetermined percentages or the Consumer Price Index (CPI) changes upon which future year rentals are determined.

Notes to the Financial Statements

For the year ended 30 June 2023

Refer to Note 10 for breakdown of lease expenses and other lease disclosures.

Note 5 – Depreciation and amortisation

	Notes	2023 \$000	2022 \$000
Depreciation - plant and equipment	9	2	2
Depreciation - right-of-use assets	10	51	38
Total		53	40

Accounting policies

Depreciation

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost of each asset progressively over its estimated useful life to the Commission. The estimation of the useful lives of assets is based on historical experience with similar assets.

Reassessments of useful lives are undertaken annually by the Commission. Any consequential adjustments to remaining useful life estimates are implemented prospectively. Where the estimated useful life of the asset is greater than the estimated remaining funded life of the Commission, the lesser of the two has been deemed the useful life.

For each class of asset the following rates are used:

Plant and equipment 20 - 50%

Note 6 – Other expenses

	2023 \$000	2022 \$000
Queensland Audit Office – external audit fees ⁽¹⁾	31	30
Insurance premiums - QGIF	16	14
Total	47	44

⁽¹⁾ Total audit fees due to the Queensland Audit Office relating to the 2022-23 financial year are estimated to be \$31,500 (2021-22: \$30,000). There are no non-audit services included in this amount.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 7 – Cash and cash equivalents

	2023	2022
	\$000	\$000
Cash at bank	3,772	3,807
Total	3,772	3,807

Interest earned on cash held with the Commonwealth Bank was between 0.95% to 4.20% in 2022-23 (between 0.10% to 1.85% in 2021-22).

Accounting policy

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions.

Note 8 – Receivables

	2023	2022
	\$000	\$000
Sundry Debtors	79	10
GST Receivable	24	13
Interest Receivable	15	4
Total	118	27

Accounting policy

Trade debtors are recognised at the amounts due at the time of sale or service delivery, i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that the Commission will not be able to collect all amounts due, the carrying amount is reduced for impairment. No allowance for impairment has been made as at balance date. All known bad debts were written off at year end.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 9 – Right-of-use assets and lease liabilities

	Buildings \$000	Plant and equipment \$000	Total \$000
Right-of-use assets			
Opening balance at 1 July 2022	44	2	46
Additions	19	2	21
Depreciation charge	(49)	(2)	(51)
Closing balance at 30 June 2023	14	2	16
Right-of-use assets			
Opening balance at 1 July 2021	35	4	39
Additions	45	-	45
Depreciation charge	(36)	(2)	(38)
Closing balance at 30 June 2022	44	2	46
		2023	2022
		\$000	\$000
Lease liabilities			
Current		13	48
Non-current		7	-
Total		20	48

Accounting policy - Leases

Right-of-use assets are measured at cost on initial recognition and measured at cost subsequently.

The Commission has elected not to recognise right-of-use assets and lease liabilities from short-term leases and leases of low value assets (<\$10,000 when new). The lease payments are recognised as expenses on a straight-line basis over the lease term. Refer to Note 4 for disclosure of these expenses.

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 the Commission is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability are only comprised of fixed payments that would be payable during the lease term.

The Commission 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, the Commission uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and lease term.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 9 –Right-of-use assets and lease liabilities (continued)

Disclosures - Leases	2023	2022
	\$000	\$000
<i>(i) Amounts recognised in profit and loss</i>		
Interest expense on lease liabilities	7	3
Breakdown of 'lease expenses' included in Note 4		
- Expenses relating to short-term leases	16	42
<i>(ii) Total cash outflows for leases</i>	56	41
<i>(iii) Details of leasing arrangements</i>		

Buildings

The Commission has various leases for both office accommodation and employee housing accommodation in addition to separate arrangements with the Department of Energy and Public Works (DEPW).

One of these leases is considered to be a short-term lease.

Second lease was previously considered right-of-use asset with corresponding lease liabilities and was remeasured with adjustments made to the right-of-use asset and lease liability required.

Two leases were previously considered right-of-use assets with corresponding lease liabilities. Both leases expired on 30 June 2023 and as new leases were not renegotiated prior to year-end, the right-of-use assets were fully depreciated. The Commission is currently occupying those premises on month-on-month basis and the arrangements are considered short-term leases.

The remaining lease was previously recognised as having a term of thirteen (13) months and accordingly right-of-use asset and corresponding lease liability were recorded. The same lease was reassessed at 30 June 2023 as having a term of thirty six (36) months until 31 December 2024.

Plant and Equipment

The Commission also leases plant and equipment under an agreement of 2 years.

(iv) Office accommodation, employee housing and motor vehicles

The Department of Energy and Public Works (DEPW) provides the Commission with access to office accommodation, employee housing and motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than leases because DEPW has substantive substitution rights over the assets. The related service expenses are included in Note 4.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 9 – Right-of-use assets and lease liabilities (continued)

(v) Lease Liability Maturity

Undiscounted future lease payments included in the lease liability are as follows:

	2023	2022
	\$000	\$000
Not later than one year	13	54
Later than one year and no later than five years	7	-
Total	20	54

Note 10 – Payables

	2023	2022
	\$000	\$000
Trade creditors	98	94
Other payables	61	96
Total	159	190

Accounting policy

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

Note 11 – Accrued employee benefits

	2023	2022
	\$000	\$000
Salary and wage related	8	13
Recreation leave	159	180
Total	167	193

Accounting policies

Other long-term employee benefits – annual and long service leave

Annual Leave

Annual leave liabilities are classified and measured as other long-term employee benefits and are presented as current liabilities as the Commission does not have an unconditional right to defer payment for at least 12 months after the end of the reporting period.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 11 – Accrued employee benefits (continued)

Long Service Leave

Under the Queensland Government's long service leave scheme, a levy is made on the Commission to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

No provision for long service leave is recognised in the Commission's financial statements, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Note 12 – Commitments

There are no commitments known to the Commission as at 30 June 2023 which would give rise to the disclosure of any commitments.

Note 13 – Contingencies

The Commission is aware of two matters that could potentially give rise to future obligations.

In November 2021 CITEC was engaged to provide the Commission an ICT service. On 15 August 2023 the Commission was made aware the price quoted and accepted was a quoting error. The Commission believes it has a legally binding and enforceable contract at the original contract price and does not intend to assume or pay any debt it is not required to under law. Should the Commission be liable to pay the additional cost, the liability would be approximately \$45,000 at 30 June 2023.

The second matter currently under investigation are the remuneration obligations towards the Commissioner as head of the Commission from her first appointment on 2 September 2019. Should the Commission be liable to pay superannuation contributions and leave loading benefits applicable to chief executives of statutory entities rather than those under the Judicial Remuneration Act 2007, the additional liability would be approximately \$65,000 at 30 June 2023.

Note 14 – Events occurring after balance date

Other than the Memorandum of Understanding entered with Queensland and Australian Governments 9 August 2023 as disclosed in note 1(f) there were no other significant events after the balance date.

FAMILY RESPONSIBILITIES COMMISSION



Notes to the Financial Statements

For the year ended 30 June 2023

Note 15 – Financial instruments

	Notes	2023 \$000	2022 \$000
Financial assets			
Cash and cash equivalents	7	3,772	3,807
Receivables and other current assets at amortised cost (excluding prepayments)		123	35
Total		3,895	3,842
Financial liabilities			
Payables	11	159	190
Total		159	190

Accounting policy

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

Note 16 – Key management personnel

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Commission during 2022-23 and 2021-22.

Position	Responsibilities	Contract classification and appointment authority	Appointment Details
Commissioner	The Commissioner is responsible for ensuring the efficient and quick discharge of the Commission's business, ensuring the Local Commissioners and the staff of the registry receive regular and appropriate training, preparing the annual report, making the Commission guidelines and carrying out the activities the Commissioner reasonably considers necessary to achieve the objects, as per the <i>Family Responsibilities Commission Act 2008</i> .	Commissioner, Governor in Council under the <i>Family Responsibilities Commission Act 2008</i>	2 September 2019 Current appointment term expires 30 June 2026.

Remuneration

The Commissioner's remuneration is set by the Governor in Council as provided for under the *Family Responsibilities Commission Act 2008*.

An increase of 2% effective from 1 July 2022, based on magistrate level remuneration under the Judicial Remuneration Act 2007, was applied in the 2022-23 year.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 16 – Key management personnel (continued)

Remuneration packages for key management personnel comprise the following components:

- Short term employee benefits which include base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the statement of comprehensive income.
- Long term employee benefits include long service leave accrued.
- Post employment benefits include superannuation contributions.
- 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.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

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.

2022-23

Position	Short term employee expenses	Long term employee expenses	Post employment expenses	Termination benefits	Total expenses
	\$000	\$000	\$000	\$000	\$000
Commissioner	423	11	41	-	475

2021-22

Position	Short term employee expenses	Long term employee expenses	Post employment expenses	Termination benefits	Total expenses
	\$000	\$000	\$000	\$000	\$000
Commissioner	390	10	36	-	436

Performance payments

No performance payments are available or made to any key management personnel.

Note 17 – Related party transactions

The Commission did not transact with any people or entities related to its key management personnel during the year.

Management Certificate of the Family Responsibilities Commission

These general purpose financial statements have been prepared pursuant to section 62(1)(a) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* 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; and
- (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 the Family Responsibilities Commission for the financial year ended 30 June 2023 and of the financial position of the Commission at the end of that year.

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.



Tammy Naomi Williams
Commissioner
Family Responsibilities Commission



Zuzana Fishwick CA
Executive Officer (Finance)
Family Responsibilities Commission

Date: 24 August 2023

Date: 24 August 2023

INDEPENDENT AUDITOR'S REPORT

To the Commissioner of the Family Responsibilities Commission

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Family Responsibilities Commission.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2023, 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 material accounting policy information, 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 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 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 Commissioner 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 and Australian Accounting Standards, and for such internal control as the Commissioner determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Commissioner 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 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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. This is not done for the purpose of forming an opinion on the effectiveness of the entity's internal controls, but allows me to form an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's 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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity 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.

I communicate with the Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2023:

- 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.



Jacqueline Thornley
as delegate of the Auditor-General

28 August 2023

Queensland Audit Office
Brisbane