

**CENTRAL QUEENSLAND HOSPITAL FOUNDATION
TRADING AS
CQSHINES FOUNDATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Contents

	Page No.
Statement of Comprehensive Income	2
Balance Sheet	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes To and Forming Part of the Financial Statements	6
Management Certificate	16

General Information

These financial statements cover the Central Queensland Hospital Foundation (“the Foundation”), which is an individual, not-for-profit entity, registered and domiciled in Australia. The Foundation operates under the trading name CQShines Foundation.

The principal place of business of the Foundation for the year ended 30 June 2023 is Room 131 of E Block, CQ University 114-190 Canning Street, Rockhampton, Queensland 4700.

The principal activities of the Foundation, which was established on 2 October 2020, are to:

- support, improve and promote the services provided by the Central Queensland Hospital and Health Service;
- give financial support for the education, training and development of employees and volunteers of the Central Queensland Hospital and Health Service;
- give financial support for persons studying or teaching medical or health science, allied health or health administration;
- give financial support for persons in medical or health science or to promote the results of that research; and
- do anything else that is likely to support, improve or promote public health.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
		\$	\$
INCOME			
Donations	2	44,633	7,464
Donation of Services Below Fair Value	6	161,212	68,751
Grants	2	12,103	51,000
Interest Received	2	63	6
Total income from continuing operations		218,011	127,221
EXPENSES			
Grants and Subsidies	5	12,163	2,685
Supplies and Services	4	29,647	35,634
Services Received Below Fair Value	6	161,212	68,751
Total Expenses		203,022	107,070
Operating Result for the Year		14,989	20,151
Total Comprehensive Income		14,989	20,151

The accompanying notes form part of these financial statements.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

FINANCIAL STATEMENTS

BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023	2022
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	7	94,043	83,996
Receivables	9	31,133	3,626
Other Current Assets	10	4,106	4,180
Total Current Assets		129,282	91,802
NON CURRENT ASSETS			
Other Financial Assets	8	10	10
Total Non Current Assets		10	10
TOTAL ASSETS		129,292	91,812
CURRENT LIABILITIES			
Payables	11	9,073	3,750
Unearned Revenue		71,168	54,000
Total Current Liabilities		80,241	57,750
TOTAL LIABILITIES		80,241	57,750
NET ASSETS		49,051	34,062
EQUITY			
Accumulated Surplus		49,051	34,062
TOTAL EQUITY		49,051	34,062

The accompanying notes form part of these financial statements.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Accumulated Surplus	Total
	\$	\$
Balance as at 1 July 2021	13,911	13,911
Operating Result for the Year	20,151	20,151
Total Comprehensive Income	20,151	20,151
Balance as at 30 June 2022	34,062	34,062
Balance as at 1 July 2022	34,062	34,062
Operating Result for the Year	14,989	14,989
Total Comprehensive Income	14,989	14,989
Balance as at 30 June 2023	49,051	49,051

The accompanying notes form part of these financial statements.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023	2022
		\$	\$
Cash flows from operating activities			
<i>Inflows:</i>			
Receipts from donations, bequests and other fundraising		44,686	7,464
Receipts from grants		-	105,000
Interest received		63	6
GST collected from customers		5,791	-
<i>Outflows:</i>			
Grants and subsidies		(12,701)	(2,685)
Supplies and services		(26,831)	(40,535)
GST paid to suppliers		(961)	(255)
Net cash provided by/(used in) operating activities		10,047	68,995
Net increase/(decrease) in cash and cash equivalents		10,047	68,995
Cash and cash equivalents at beginning of financial year		83,996	15,001
Cash and cash equivalents at end of financial year		94,043	83,996

The accompanying notes form part of these financial statements.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
FINANCIAL STATEMENTS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

- Note 1: Basis of Financial Statement Preparation
- Note 2: Revenue
- Note 3: Employee Expenses
- Note 4: Supplies and Services
- Note 5: Grants and Subsidies
- Note 6: Services Received at No Charge or Below Fair Value
- Note 7: Cash and Cash Equivalents
- Note 8: Other Financial Assets
- Note 9: Receivables
- Note 10: Other Current Assets
- Note 11: Payables
- Note 12: Financial Instruments
- Note 13: Key Management Personnel (KMP) Disclosures
- Note 14: Related Party Transactions
- Note 15: Future Commitments for Expenditure
- Note 16: Events Occurring after Balance Date

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Basis of Financial Statement Preparation

(a) The Reporting Entity

Central Queensland Hospital Foundation ('the Foundation') was established on 2 October 2020 as a statutory body established under the *Hospital Foundations Act 2018*. The Foundation does not control other entities. These financial statements include the value of all income, expenses, assets, liabilities and equity for the Foundation as an individual entity. The Foundation operates under the trading name CQShines Foundation.

The objective of the Foundation is to support, improve and promote the services provided by the Central Queensland Hospital and Health Service. The head office and principal place of business of the foundation is Room 131 of E Block, CQ University 114-190 Canning Street, Rockhampton, Queensland 4700.

(b) Authorisation of financial statements for issue

These financial statements are authorised for issue by the Chairman of the Foundation and the Chair of the Foundation's Audit, Risk and Finance Committee at the date of signing the Management Certificate.

(c) Compliance with Prescribed Requirements

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*. The Foundation is a not-for-profit entity and these general purpose financial statements have been prepared on an accrual basis (with the exception of the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards – Simplified Disclosures and Interpretations applicable to not-for-profit entities.

(d) Underlying Measurement Basis

The historical cost convention is used as the measurement basis unless otherwise stated.

(e) Presentation Matters

Currency and Rounding

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1 unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2021-22 financial statements.

Current / Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Balance Sheet and associated notes. 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 Foundation 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.

(f) Taxation

The Foundation is a charity registered by the Australian Charities and Not-for-Profits Commission that is exempt from income tax under the *Income Tax Assessment Act 1936*. The Foundation is also exempted from Fringe Benefits Tax under section 123D of the Fringe Benefits Tax Assessment Act 1986.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

(g) 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. In these circumstances the GST is recognised as part of the cost of asset acquisition or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST. The Foundation was registered for GST on 1 April 2022.

(h) Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Land	\$1
Buildings	\$10,000
Plant and Equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear etc.) is expensed.

Assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset.

(i) 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.

(j) New and Revised Accounting Standards

First time mandatory application of Australian Accounting Standards and Interpretations

No new accounting pronouncements applicable for the first time in 2022-23 financial year had a material impact on the Foundation.

Early adoption of Australian Accounting Standards and Interpretations

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

Voluntary changes in accounting policy

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

Note 2: Revenue

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.

Accounting Policy

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

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Where a grant agreement is enforceable and contains sufficiently specific performance obligations for the Foundation to transfer goods or services to a third-party on the grantor's behalf, the grant is 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 donation is accounted for under AASB 1058 *Income for Not-for-Profit Entities* whereby revenue is recognised upon receipt of the grant funding.

Donations, Gifts and Fundraising from Functions and Special Events

Donations, gifts and fundraising collected, including cash, goods for resale and donated services, arise from transactions that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return). As these transactions do not contain sufficiently specific performance obligations they are recognised as revenue when the Foundation gains control of the underlying asset.

Interest Income

Interest income is recognised as it accrues, using the effective interest method.

	2023	2022
	\$	\$
Donations	44,633	7,464
Grants	12,103	51,000
Interest received	63	6
Total	<u>56,799</u>	<u>58,470</u>

A grant of \$29,271 from Children's Hospital Foundation in 2022-23 has been accounted for under AASB1058, whereby revenue is recognised upon receipt of the grant funding as there is no sufficiently specific performance obligations. Central Queensland Hospital Foundation will utilise the grant monies for the provision of co-sleeping cots for maternity wards across Central Queensland hospitals and multi-purpose health services. The grant is receivable at 30 June 2023 and revenue will be recognised when the funds are received.

A grant of \$75,000 was received from The Hospital Research Foundation in 2021-22 and has been identified as a contract with a customer under AASB15. In entering into the grant agreement, and accepting the full funding in advance, Central Queensland Hospital Foundation undertook to allocate the grant monies for the following purposes:

- Contribution towards Foundation establishment - \$21,000
- Provision of post graduate study bursary support - \$25,000
- Provision of iPads for paediatric diagnostic tests - \$9,000
- Provision of mobility impaired diagnostic equipment - \$10,000
- Provision of stethoscopes for regional medical program graduates - \$10,000

Revenue is being recognised progressively as each of the activities is undertaken. At 30 June 2023 the remaining grant funds total \$41,897.

Note 3: Employee Expenses

The Foundation had no full or part-time employees during the financial period and did not incur any employee expenses or liabilities in the current period.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 4: Supplies and Services

	2023	2022
	\$	\$
Advertising and promotion	13,532	25,982
Assets purchased <\$5,000	-	7,074
Audit fees	4,000	2,000
Rent	200	-
Other expenses	11,915	578
Total	<u>29,647</u>	<u>35,634</u>

Note 5: Grants and subsidies

Grant expenditures are expensed in the period in which they are paid or invoiced.

	2023	2022
	\$	\$
Donated plant and equipment	2,639	2,685
Community wellbeing and support	2,744	-
Medical research	6,780	-
Total	<u>12,163</u>	<u>2,685</u>

Note 6: Services Received at No Charge or Below Fair Value

Central Queensland Hospital Foundation receives support and assistance from a number of organisations as detailed below and is recognised under AASB 1058. These services are essential to the operations of the Foundation and would have been procured if they were not received for free. An equal amount to services received below fair value revenue is recognised as expenses.

(a) Secretarial Support to the Foundation Chair and Board of Directors

Central Queensland Hospital and Health Service (CQHHS) provided administrative and project officer support services during the year ended 30 June 2023. As the fair value of these services can be measured reliably, the value attributed to these services has been disclosed as services received below fair value in the Foundation's accounts, with an equal amount disclosed as a donation of services below fair value from Central Queensland Hospital and Health Service.

(b) Bookkeeping and Accounting Services

UHY Haines Norton CQ Pty Ltd (UHYHN) provided basic accounting services to the Foundation during the year ended 30 June 2023. As the fair value of these services can be measured reliably, the value attributed to these services has been disclosed as services received below fair value in the Foundation's accounts, with an equal amount disclosed as a donation of services below fair value from UHY Haines Norton CQ Pty Ltd.

A director of UHY Haines Norton CQ Pty Ltd, Ms Tina Zawila, is a board member of the Central Queensland Hospital and Health Service.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

(c) Administrative and Financial Support

The Hospital Research Foundation (THRF) provided administrative and financial support to the Foundation during the year ended 30 June 2023. As the fair value of these services can be measured reliably, the value attributed to these services has been disclosed as services received below fair value in the Foundation's accounts, with an equal amount disclosed as a donation of services below fair value from The Hospital Research Foundation.

(d) Office Premises

The lease of the office premises from CQUniversity (CQU) has been provided at rates below market value. As the market value of this can be reliably estimated, the value attributed to this has been disclosed as services received below fair value in the Foundation's accounts, with an equal amount disclosed as a donation of services below fair value from CQUniversity.

	2023	2022
	\$	\$
CQHHS	12,975	63,362
UHYHN	7,610	5,389
THRF	122,827	-
CQU	17,800	-
Total	<u>161,212</u>	<u>68,751</u>

Note 7: Cash and Cash Equivalents

Cash and cash equivalents include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions.

Note 8: Other Financial Assets

	2023	2022
	\$	\$
The Capricornian Shares	10	10
Total	<u>10</u>	<u>10</u>

Note 9: Receivables

	2023	2022
	\$	\$
Grants receivable	29,271	-
GST	1,862	3,626
Total	<u>31,133</u>	<u>3,626</u>

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 10: Other Current Assets

	2023	2022
	\$	\$
Prepayments - Insurances	4,106	4,180
Total	<u>4,106</u>	<u>4,180</u>

Note 11: Payables

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

	2023	2022
	\$	\$
Accounts payable	4,673	1,550
Accrued expenses	4,400	2,200
Total	<u>9,073</u>	<u>3,750</u>

Note 12: Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Amortised cost
- Fair value through profit or loss (FVPL)
- Equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, interest, and dividend income, except for impairment of trade receivables which is presented within administration expenses.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Foundation's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as government bonds that were previously classified as held-to-maturity under AASB 139.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category includes unlisted equity securities that were previously classified as 'available-for-sale' under AASB 139.

Impairment of financial assets

AASB 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Foundation considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimated of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Foundation makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Foundation uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Foundation assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Classification and measurement of financial liabilities

The Foundation's financial liabilities include trade and other payables. Accounts payable and accrued expenses represent the payables that are recognised upon receipts of the goods or services ordered and are measured at the nominal amount i.e., agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Foundation designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs.

Categories of financial assets and financial liabilities

	2023	2022
	\$	\$
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents	94,043	83,996
The Capricornian Shares	10	10
Total	94,053	84,006
<i>Financial liabilities at amortised cost</i>		
Payables	9,073	3,750
Total	9,073	3,750

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 13: Key Management Personnel (KMP) Disclosures

The following Foundation positions had authority and responsibility for planning, directing and controlling the activities of the foundation during the period.

Position	Position responsibility
Board Members	The strategic leadership, guidance and effective oversight of the management of the foundation, including its operational and financial performance.

The Board did not make any management appointments in the year ended 30 June 2023. Further information about the Board can be found in the body of the Foundation's Annual Report.

KMP Remuneration

No Board members received or were entitled to receive any fees or other benefits from the Foundation during the year.

Note 14: Related Party Transactions

The Foundation received administrative and project officer support services from a related party, Central Queensland Hospital and Health Service, during the year ended 30 June 2023. This was received free of charge as disclosed in Note 6.

The office premises of the Foundation are leased from CQUniversity under a licence to occupy arrangement. The licence to occupy is for up to 1 year, commencing on 19 April 2023 cancellable by either party with 3 months' notice. The rent payable is \$200 (GST exclusive) per annum. This licence to occupy arrangement has been provided at a reduced rate as disclosed in Note 6. The Chief Operating Officer of CQUniversity Corporate Services Division, Ms Narelle Pearse, is a board member of the Central Queensland Hospital Foundation.

For the year ended 30 June 2023 the Foundation received a total of \$265 in donations from board members.

Note 15: Future Commitments for Expenditure

In the year ended 30 June 2023 the Foundation has not entered into any future commitments for expenditure.

Note 16. Events Occurring after Balance Date

There are no matters or circumstances that have arisen since 30 June 2023 that have significantly or may significantly affect the Foundation's operations in future financial years.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

MANAGEMENT CERTIFICATE OF CENTRAL QUEENSLAND HOSPITAL FOUNDATION

These general-purpose financial statements have been prepared pursuant to s.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 including the *Australian Charities and Not-for-profits Commission Act 2012*. In accordance with s.62(1)(b) of the Act we clarify 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 statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Foundation for the financial year ended June 2023 and of the financial position of the Foundation at the end of that year; and
- c) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* signed in accordance with subsection 60.15 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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.

James Kelaher

Dan Smith

Chair of Audit, Risk and Finance Committee

Chair of the Central Queensland Hospital
Foundation Board



21 August 2023

21 August 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of Central Queensland Hospital Foundation

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Central Queensland Hospital Foundation.

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, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulations 2022 and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises the balance sheet 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 summaries of significant accounting policies and other explanatory 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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Responsibilities of the entity for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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



D J Toma
as delegate of the Auditor-General

28 August 2023

Queensland Audit Office
Brisbane