

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

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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 principal place of business of the Foundation for the year ended 30 June 2022 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
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022	2021
		\$	\$
INCOME			
Donations	2	7,464	15,010
Donation of Services Below Fair Value	6	68,751	2,580
Grants	2	51,000	-
Interest Received	2	6	1
Total income from continuing operations		<u>127,221</u>	<u>17,591</u>
EXPENSES			
Grants and Subsidies	5	2,685	-
Supplies and Services	4	35,634	1,100
Services Received Below Fair Value	6	68,751	2,580
Total Expenses		<u>107,070</u>	<u>3,680</u>
Operating Result for the Year		<u>20,151</u>	<u>13,911</u>
Total Comprehensive Income		<u>20,151</u>	<u>13,911</u>

The accompanying notes form part of these financial statements.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION

FINANCIAL STATEMENTS

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022	2021
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	7	83,996	15,001
Receivables	9	3,626	-
Other Current Assets	10	4,180	-
Total Current Assets		91,802	15,001
NON CURRENT ASSETS			
Other Financial Assets	8	10	10
Total Non Current Assets		10	10
TOTAL ASSETS		91,812	15,011
CURRENT LIABILITIES			
Payables	11	3,750	1,100
Unearned Revenue	2	54,000	-
Total Current Liabilities		57,750	1,100
TOTAL LIABILITIES		57,750	1,100
NET ASSETS		34,062	13,911
EQUITY			
Accumulated Surplus		34,062	13,911
TOTAL EQUITY		34,062	13,911

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Accumulated Surplus	Total
	\$	\$
Balance as at 2 October 2020	-	-
Operating Result for the Period	<u>13,911</u>	<u>13,911</u>
Total Comprehensive Income	<u>13,911</u>	<u>13,911</u>
Balance as at 30 June 2021	<u>13,911</u>	<u>13,911</u>
Balance as at 1 July 2021	<u>13,911</u>	<u>13,911</u>
Operating Result for the Year	<u>20,151</u>	<u>20,151</u>
Total Comprehensive Income	<u>20,151</u>	<u>20,151</u>
Balance as at 30 June 2022	<u>34,062</u>	<u>34,062</u>

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 2022**

	Notes	2022	2021
		\$	\$
Cash flows from operating activities			
<i>Inflows:</i>			
Receipts from donations, bequests and other fundraising	2	7,464	15,000
Receipts from grants	2	105,000	-
Interest received		6	1
<i>Outflows:</i>			
Grants and subsidies		(2,685)	-
Supplies and services		(40,535)	-
GST Paid to Suppliers		(255)	-
Net cash provided by/(used in) operating activities		68,995	15,001
Net increase/(decrease) in cash and cash equivalents		68,995	15,001
Cash and cash equivalents at beginning of financial year		15,001	-
Cash and cash equivalents at end of financial year		83,996	15,001

The accompanying notes form part of these financial statements.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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 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 financial statements for the period 2 October 2020 to 30 June 2021.

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.

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

(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.

(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

One new accounting standard was applied for the first time in 2021-22:

- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

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FOR THE YEAR ENDED 30 JUNE 2022

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

AASB 1060 introduces the Simplified Disclosures framework for general purpose financial statements prepared entities reporting under Tier 2 of the Differential Reporting Framework. This new disclosure framework applies to the Foundation. While most of the disclosures remain the same as 2020-21, there have been some changes by way of additional or reduced disclosures reflected in these financial statements.

The new accounting standard does not change any recognition or measurement requirements, and the Foundation's financial statements continue to comply with the recognition and measurement requirements of all applicable accounting standards and interpretations.

Early adoption of Australian Accounting Standards and Interpretations

No accounting pronouncements were early adopted in the 2021-22 financial year.

Voluntary changes in accounting policy

No voluntary changes in accounting policies occurred during the 2021-22 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).

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.

	2022	2021
	\$	\$
Donations	7,464	15,010
Grants	51,000	-
Interest received	6	1
Total	58,470	15,011

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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 during the period 1 January 2022 to 31 December 2022:

- 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.

A grant of \$30,000 was received from Queensland Community Foundation in 2021-22 and has been accounted for under AASB 1058 *Income for Not-for-Profit Entities* whereby revenue is recognised upon receipt of the grant funding.

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.

Note 4: Supplies and Services

	2022	2021
	\$	\$
Advertising and promotion	25,982	-
Assets purchased <\$5,000	7,074	-
Audit fees	2,000	1,100
Bank fees	29	-
Fees and permits	88	-
Office expenses	124	-
Subscriptions	337	-
Total	35,634	1,100

Note 5: Grants and subsidies

	2022	2021
	\$	\$
Donated plant and equipment	2,685	-
Total	2,685	-

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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

(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 2022. 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 bookkeeping and accounting services to the Foundation during the year ended 30 June 2022. 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.

	2022	2021
	\$	\$
CQHHS	63,362	-
UHYHN	5,389	2,580
Total	68,751	2,580

Note 7: Cash and Cash Equivalents

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

Note 8: Other Financial Assets

	2022	2021
	\$	\$
The Capricornian Shares	10	10
Total	10	10

Note 9: Receivables

	2022	2021
	\$	\$
GST	3,626	-
Total	3,626	-

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

Note 10: Other Current Assets

	2022	2021
	\$	\$
Prepayments - Insurances	4,180	-
Total	4,180	-

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.

	2022	2021
	\$	\$
Accounts Payable	1,550	-
Accrued Expenses	2,200	1,100
Total	3,750	1,100

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)

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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.

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):

- The 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

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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

'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

	2022	2021
	\$	\$
<i>Financial assets at amortised cost</i>		
Cash and cash equivalents	83,996	15,001
The Capricornian Shares	10	10
Total	84,006	15,011
<i>Financial liabilities at amortised cost</i>		
Payables	3,750	1,100
Total	3,750	1,100

CENTRAL QUEENSLAND HOSPITAL FOUNDATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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 2022. 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 period.

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 period. 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 2 years, commencing on 19 April 2022 cancellable by either party with 3 months' notice. The rent payable is \$1 (GST exclusive) for the first 12 months and then \$902.50 per month for up to 12 additional months.

As at 30 June 2022 the Foundation received a total of \$2,000 in donations from board members.

Note 15: Future Commitments for Expenditure

In the year ended 30 June 2022 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 2022 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) 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 Regulations 2013. 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 2022 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 Not-for-profits Regulation Act 2013.

We acknowledge responsibility under s.7 and s.11 of the Financial and Performance Management Standard 2009 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



30 August 2022

30 August 2022

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 2022, 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 Regulation 2013 and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises the balance sheet as at 30 June 2022, 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 Regulation 2013 and Australian Accounting Standards – Simplified Disclosures, and for such internal control as the Board determines 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 expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies 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

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

- 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

30 August 2022

Queensland Audit Office
Brisbane