

**Queensland Studies Authority  
General purpose financial report  
for the year ended 30 June 2004**

# QUEENSLAND STUDIES AUTHORITY

## Financial Report

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## Statement of Financial Performance for the year ended 30 June 2004

	<i>Notes</i>	<i>2004</i>	<i>2003</i>
		\$	\$
<b>Revenue from ordinary activities</b>			
User charges	1(b) 2(a)	2,007,906	1,448,510
Government contributions	1(b) 2(a)	22,973,100	21,803,900
Interest	1(b)	459,177	472,979
Proceeds from sale of minor assets	1(b)	1,032	334
Other revenue	1(b)	121,427	638,497
<b>Total revenue from ordinary activities</b>		<u>25,562,642</u>	<u>24,364,220</u>
<b>Expenses from ordinary activities</b>			
Employee expenses	2(b)	16,161,031	15,827,880
Supplies and services	2(c)	8,469,748	8,955,037
Depreciation and amortisation	1(e), 2(d)	704,356	227,396
<b>Total expenses from ordinary activities</b>		<u>25,335,135</u>	<u>25,010,313</u>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<u>227,507</u>	<u>(646,093)</u>

The accompanying notes form part of these financial statements.

## Statement of Financial Position as at 30 June 2004

	Notes	2004 \$	2003 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash assets	1(f), 3	3,390,935	3,395,499
Receivables	1(g), 4	241,927	265,217
Inventories	1(h), 5	48,048	115,499
Other	6	63,276	57,426
<b>Total current assets</b>		3,744,186	3,833,641
<b>Non-current assets</b>			
Property, plant and equipment	1(e), 7	460,365	431,001
Intangibles	1(e), 8	2,319,469	2,003,472
<b>Total non-current assets</b>		2,779,834	2,434,473
<b>TOTAL ASSETS</b>		6,524,020	6,268,114
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	1(j), 9	613,497	638,975
Provisions	1(l), 10	1,115,577	1,068,342
<b>Total current liabilities</b>		1,729,074	1,707,317
<b>TOTAL LIABILITIES</b>		1,729,074	1,707,317
<b>NET ASSETS</b>		4,794,946	4,560,797
<b>EQUITY</b>			
Contributed Capital	11	5,213,532	5,206,890
Accumulated Deficit	12	(418,586)	(646,093)
<b>TOTAL EQUITY</b>		4,794,946	4,560,797

The accompanying notes form part of these financial statements.

## Statement of Cash Flows for the year ended 30 June 2004

	<i>Notes</i>	2004 \$	2003 \$
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
User charges		2,354,637	2,238,882
Government contributions		22,973,100	21,803,900
Interest		451,825	486,749
GST input tax credits		969,174	1,101,650
		<u>26,748,736</u>	<u>25,631,181</u>
<b>Payments</b>			
Payments to Suppliers and Employees		25,516,133	24,565,671
GST remitted to the ATO		186,781	205,254
		<u>25,702,914</u>	<u>24,770,925</u>
<b>Net cash from operating activities</b>	13	<u>1,045,822</u>	<u>860,256</u>
<b>Cash Flows from Investing Activities</b>			
Payments for property, plant & equipment		(1,051,386)	(124,131)
Proceeds from the sale of property, plant & equipment		1,000	-
		<u>(1,050,386)</u>	<u>(124,131)</u>
<b>Net cash from investing activities</b>		<u>(1,050,386)</u>	<u>(124,131)</u>
<b>Cash Flows from financing activities</b>			
Cash assumed from predecessor entities		-	2,659,374
		<u>-</u>	<u>2,659,374</u>
<b>Net cash from financing activities</b>		<u>-</u>	<u>2,659,374</u>
<b>Net movement in cash</b>		(4,564)	3,395,499
Cash at beginning of financial year		3,395,499	-
<b>Cash at end of financial year</b>	3	<u>3,390,935</u>	<u>3,395,499</u>

The accompanying notes form part of these financial statements.

# Notes to the Financial Report for the year ended 30 June 2004

## Note 1 Significant Accounting Policies

### Queensland Studies Authority

The Queensland Studies Authority was established as a statutory body from 1 July 2002 under the *Education (Queensland Studies Authority) Act 2002*. The Authority encompasses the activities previously undertaken by the Queensland Schools Curriculum Council, the Queensland Board of Senior Secondary Schools Studies and the Tertiary Entrance Procedures Authority. All assets and liabilities of these former bodies were transferred into the Authority on 1 July 2002.

### (a) Basis of Accounting

#### *General*

These financial statements are a general purpose financial report and have been prepared in accordance with the *Financial Administration & Audit Act 1977*, *Financial Management Standard 1997*, applicable Australian Accounting Standards, Urgent Issues Group Abstracts and Statements of Accounting Concepts.

This financial report has been prepared on accrual and going concern basis.

The financial report has also been prepared under the historical cost convention except where specifically stated.

#### *Classification between current and non-current*

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be realized or paid. The asset or liability is classified as current if it is expected to be turned over within the next twelve months, being the Authority's operational cycle.

### (b) Revenue recognition

Revenue is recognised when goods or services are delivered.

#### *Services acquired for no cost*

The value of services received free of charge are recognised as revenue when received.

#### *Assets received*

When assets are provided to the Authority free of charge, the fair value of those assets is recognised as revenue when the assets are controlled.

#### *Government contributions*

Government grants and contributions are recognised as operating revenue on receipt or when an entitlement is established whichever is the sooner, and disclosed in the Statement of Financial Performance as *Government Contributions*. However, grants and contributions received from the Queensland State Government which were originally appropriated by the Parliament as additions to net assets or where the Treasurer or Minister for Education and the Arts has indicated are in the nature of owners' contributions are accounted for as Equity – Contributed Capital.

#### *Sale of assets*

The profit or loss on sale of an asset is determined when control has passed to the buyer. In accounting for the sale of non-current assets, gross proceeds from the sales are included as other revenue and the written down value of the assets sold is disclosed as an operating expense.

# Notes to the Financial Report for the year ended 30 June 2004

## Note 1 Significant Accounting Policies

### (c) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as a qualifying asset constructed by the Authority. The weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with Superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings and finance lease charges.

### (d) Recognition and measurement of property, plant and equipment

#### *Acquisition*

Actual cost is used for the initial recording of all acquisitions of assets controlled and administered by the Authority.

Assets acquired at no cost or for nominal considerations are recognised at their fair value at the date of acquisition.

Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees.

Where assets are constructed by the Authority, the cost at which they are recorded includes an appropriate share of fixed and variable overheads and any associated borrowing cost.

Property, plant and equipment items with a cost or value in excess of \$5,000 and a useful life of more than one year are recognised as an asset. All other items of property, plant and equipment are expensed on acquisition.

#### *Repairs and maintenance*

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalization threshold the cost is capitalised and depreciated.

#### *Finance leases*

Leases of property, plant and equipment where substantially all the risks and benefits incidental to ownership of the asset are assumed by the Authority are classified as finance leases. Finance leases are capitalised, recognizing an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense.

#### *Operating leases*

Lease payments for operating leases are recognised as an expense in the years in which they are incurred as this reflects the pattern of benefits derived by the Authority.

# Notes to the Financial Report for the year ended 30 June 2004

## Note 1 Significant Accounting Policies (Continued)

### (d) Recognition and measurement of property, plant and equipment (continued)

#### *Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

#### *Recoverable amount*

The carrying amounts of non-current assets recorded at cost are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of the asset exceeds the recoverable amount, the asset is written down to the lower amount with the write-down expensed through the Statement of Financial Performance.

The recoverable amount of an asset is the net amount expected to be recovered through the net cash inflows arising from its continued use and subsequent disposal. Expected net cash flows are discounted to their present value in determining the recoverable amount of major asset groups using a suitable discount rate.

### (e) Depreciation and amortisation of property, plant and equipment

Depreciation on computer hardware, plant and equipment, and amortisation on computer software is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Authority.

Work-in-progress is not depreciated until it reaches service delivery capacity.

Where assets have separately identifiable components, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Authority.

Major spares purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Authority or the unexpired period of the lease, whichever is the shorter.

Leased plant and equipment are amortised on a straight line basis over the term of the lease, or, where it is likely that the Authority will obtain ownership of the asset, the expected useful life of the asset to the Authority.

All intangible assets with a cost or other value greater than \$50,000 are recognised in the financial statements, with items of a lesser value being expenses.

Internal use software as developed by the authority is valued at cost. Cost is determined as the initial purchase of software (where relevant) and subsequent costs incurred in developing the software for use within the authority.

Each intangible asset is amortised over its estimated useful life to the agency, less any anticipated residual value.

Internal use software under construction (work-in-progress) are not depreciated until they reach service delivery capability.



# Notes to the Financial Report for the year ended 30 June 2004

## Note 1 Significant accounting policies (Continued)

Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless otherwise stated:

<i>Depreciation</i>	<i>Periods</i>
<i>Computer Equipment</i>	<i>5 years</i>
<i>Plant and Equipment</i>	<i>6 - 10 years</i>
<i>Amortisation</i>	
<i>Computer software</i>	<i>4 – 5 years</i>

### **(f) Cash assets**

For the purposes of the Statement of Financial Position, cash assets include all cash and cheques receipted but not banked as well as deposits at call with financial institutions. It also includes liquid investments with short periods to maturity that are convertible readily to cash on hand at the Authority's option and that are subject to a low risk of changes in value. For the Statement of Cash Flows, cash also includes bank overdrafts, which are classified as interest bearing liabilities.

### **(g) Receivables**

Trade debtors are recognised at the nominal amounts due to the time of sale or service delivery, with settlement being generally required within 14 days from the invoice date.

The collectability of receivables is assessed periodically with provision being made for doubtful debts.

Bad debts are written off in the period in which they are recognised.

Advances are recognised at their face values. Security is not normally obtained.

Other debtors generally arise from transactions outside the usual operating activities of the Authority and are recognised at their assessed values. Terms are a maximum of 3 months, no interest is charged and no security is obtained.

### **(h) Inventories**

Inventories are valued at the lower of cost and net realizable value.

Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition.

Net realizable value is determined on the basis of the Authority's normal selling pattern.

### **(i) Other Financial Assets**

Investments are measured at cost.

Interest and dividend revenues are recognised on an accrual basis.

# Notes to the Financial Report for the year ended 30 June 2004

## Note 1 Significant Accounting Policies (Continued)

### (j) Payables

Payables are recognised for amounts payable in the future for goods and services received, whether or not billed to the Authority. Creditors are generally unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

### (k) Interest Bearing Liabilities

Loans are unsecured and are carried at the face value of the principal outstanding. Interest is accrued over the period it becomes due and recognised as part of payables.

Finance leases are accounted for at their principle amount with the lease payments discounted to present value using the interest rates implicit in the leases.

### (l) Provision for employee entitlements

#### *Annual leave*

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date, having regard to current rates of pay and on-costs. Annual leave entitlements are provided for at their nominal value.

#### *Long service leave*

Under the State Government's long service leave scheme a levy is made on the Authority to cover this expense. Amounts paid to employees for long service leave are claimed from the scheme as and when leave is taken.

No provision for long service leave is recognised in the financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

#### *Superannuation*

Employees of Queensland Studies Authority are members of QSuper. Contributions to employee superannuation plans are charged as expense as the contributions are paid or become payable.

For employees in QSuper, the Treasurer of Queensland, based on advice received from the State Actuary, determines employer contributions for superannuation expenses.

No liability is recognised for accruing Superannuation benefits in these financial statements, the liability being held on a whole-of-Government basis and reported in the whole of Government financial report prepared pursuant to AAS 31 – *Financial Reporting by Governments*.

### (m) Taxation

The activities of the Authority are exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). As such, input tax credits receivable and GST payable from/to the Australian Taxation Office are recognised and accrued.

# Notes to the Financial Report for the year ended 30 June 2004

## Note 1 Significant Accounting Policies (Continued)

### (n) Adoption of International Financial Reporting Standards

The Financial Reporting Council has determined that all entities preparing general purpose financial statements will apply the Australian Equivalents to International Financial Reporting Standards (IFRSs) for reporting periods beginning on or after 1 January 2005.

The Authority has established an IFRS Work Group to assist in the implementation of the new reporting requirements. All pending Australian equivalents to IFRSs are being progressively reviewed for possible implications on policies, procedures, systems and financial impacts arising from such changes.

To date, the authority has identified the following key differences in accounting policies which will arise from the adoption of Australian equivalents to IFRSs:

- The valuation of Inventories will change from the lower of cost and net realizable as stated in note 1(h) to the lower of cost and current replacement cost under pending AASB 102 Inventories. This may lead to an increase in the valuation shown for inventories.
- The introduction of pending AASB 136 Impairment of Assets will require an annual impairment test to be performed on all non-current physical and intangible assets. This may result in a write-down of the value of plant and equipment and intangible assets.
- The research costs associated with internally generated intangible assets such as internal use software have to be de-recognised in accordance with draft pending standard AASB 138 as they would not satisfy the new recognition criteria.

The dollar values of the above changes cannot be reliably estimated at the date of this report.

Policy decisions made at a whole-of-Government level in relation to the limiting of options in the Australian equivalent to IFRSs may have additional impacts on financial reports prepared using these Standards.

# Notes to the Financial Report for the year ended 30 June 2004

## Note 2 Statement of financial performance - disclosures

### (a) Revenue

	2004	2003
	\$	\$
<u>User Charges</u>		
- Visa student fees	391,278	298,750
- Sale of publications, syllabuses, past papers	343,139	363,933
- Workshops	873,958	475,947
- Verification of Student Education Profiles	14,739	12,790
- Examinations	55,018	90,761
- Attainment certificate statements	48,780	41,515
- Certificates	27,876	26,176
- Other	253,118	138,638
	<u>2,007,906</u>	<u>1,448,510</u>
 <u>Government contributions</u>		
- Operating	<u>22,973,100</u>	<u>21,803,900</u>

### (b) Employee expenses

Wages and salaries	13,189,622	13,229,430
Employee Superannuation deductions	1,415,307	1,198,928
Long service leave	176,509	142,638
Other payroll costs	1,379,593	1,256,884
	<u>16,161,031</u>	<u>15,827,880</u>

The Authority had 191.8 full time equivalent employees at 30 June 2004

### (c) Supplies and services

- Administration and finance	3,645,458	3,566,866
- Asset operating costs	814,543	1,225,903
- Consulting, contracting & bureau fees	2,736,514	2,919,245
- Property costs & maintenance	1,238,779	1,217,991
- Other	34,454	25,032
	<u>8,469,748</u>	<u>8,955,037</u>

# Notes to the Financial Report for the year ended 30 June 2004

## Note 2 Statement of financial performance - disclosures

### (d) Net gains and expenses

	2004	2003
	\$	\$
The surplus from ordinary activities includes the following specific net gains and expenses		
<u>Net loss on disposal</u>		
- Plant & equipment	669	8,307
<u>Depreciation</u>		
- Computer equipment	74,733	68,960
- Plant & equipment	148,970	105,410
	<u>223,703</u>	<u>174,370</u>
<u>Amortisation</u>		
- Computer software	480,653	53,026
<u>Assets written off</u>		
- Computer Equipment	-	161,749
- Plant & equipment	-	242,157
- Computer software	-	1,566
	<u>-</u>	<u>405,472</u>
<u>Bad and doubtful debts</u>	8,280	6,773
<u>Rental expense – operating lease</u>	1,023,847	969,330
<u>Auditors' remuneration</u>		
Queensland Audit Office -	15,000	24,030

### Note 3 Cash assets

Cash on hand	1,900	760
Cash at bank	92,035	114,739
Deposits at call	3,297,000	3,280,000
	<u>3,390,935</u>	<u>3,395,499</u>

### Note 4 Receivables

<i>Current</i>		
Trade debtors	104,363	135,633
Less provision for doubtful debts	(8,280)	(6,773)
Other debtors	145,844	136,357
	<u>241,927</u>	<u>265,217</u>

### Note 5 Inventories

Publications	1,062,113	1,137,500
Provision for Obsolescence	(1,014,065)	(1,022,001)
<b>Total inventories</b>	<u>48,048</u>	<u>115,499</u>

## Notes to the Financial Report for the year ended 30 June 2004

	2004 \$	2003 \$
<b>Note 6 Other assets</b>		
<i>Current</i>		
Prepayments	63,276	57,426
<b>Note 7 Plant &amp; equipment</b>		
<i>Computer equipment</i>		
At cost	586,419	353,589
Less accumulated depreciation	(314,453)	(239,720)
	<u>271,966</u>	<u>113,869</u>
<i>Plant and equipment</i>		
At cost	1,002,564	1,005,658
Less accumulated depreciation	(814,165)	(688,526)
	<u>188,399</u>	<u>317,132</u>
<b>Total</b>	<u>460,365</u>	<u>431,001</u>

Equipment and motor vehicles are valued at cost.

### Movements during the reporting period

	Opening WDV	Additions	Disposals	Depreciation	Closing WDV
<i>Computer equipment</i>	113,869	232,830	-	(74,733)	271,966
<i>Plant &amp; equipment</i>	317,132	21,906	(1,669)	(148,970)	188,399
	<u>431,001</u>	<u>254,736</u>	<u>(1,669)</u>	<u>(223,703)</u>	<u>460,365</u>

2004  
\$

2003  
\$

### Note 8 Intangibles

Computer software					
At cost and fair value				2,882,655	2,086,005
Less accumulated amortisation				(563,186)	(82,533)
				<u>2,319,469</u>	<u>2,003,472</u>

### Movements during the reporting period

	Opening WDV	Additions	Disposals	Depreciation	Closing WDV
<i>Computer software</i>	40,458	153,732	-	(36,821)	157,369
<i>Computer software - developed in house</i>	1,963,014	-	-	(443,832)	1,519,182
<i>Software Development - work in progress</i>	-	642,918	-	-	642,918
	<u>2,003,472</u>	<u>796,650</u>	<u>-</u>	<u>(480,653)</u>	<u>2,319,469</u>

## Notes to the Financial Report for the year ended 30 June 2004

	2004 \$	2003 \$
<b>Note 9 Payables</b>		
Trade creditors	435,522	579,900
Other creditors	177,975	59,075
	<u>613,497</u>	<u>638,975</u>
<b>Note 10 Provisions</b>		
<i>Current</i>		
Employee entitlements - Annual leave	<u>1,115,577</u>	<u>1,068,342</u>
<b>Note 11 Contributed capital</b>		
Balance at the beginning of the reporting period	5,206,890	3,628,231
Capital contributions – inventory	-	132,952
Capital contributions – intangible assets	-	2,000,000
Net transfer in/(out) of annual leave provision	6,642	(159,622)
Adjustment to liabilities taken up	-	(394,671)
Balance at the end of the reporting period	<u>5,213,532</u>	<u>5,206,890</u>
<b>Note 12 Accumulated deficit</b>		
Balance at the beginning of the reporting period	(646,093)	-
Net surplus/(deficit)	<u>227,507</u>	<u>(646,093)</u>
Balance at the end of the reporting period	<u>(418,586)</u>	<u>(646,093)</u>
<b>Note 13 Statement of cash flows - disclosures</b>		
<b>Reconciliation of net cash from operating activities to net result for the period</b>		
Net surplus/(deficit) for the period	227,507	(646,093)
Depreciation	223,703	174,370
Amortisation	480,653	53,026
Assets written off and movements in provisions	1,031,862	1,219,054
Net loss on sale of non-current assets	669	8,307
Change in operating assets and liabilities		
Decrease in receivables and inventory	9,711	172,209
Decrease/Increase in payables	(19,256)	463,472
Decrease in provisions	(909,027)	(584,089)
Net cash from operating activities	<u>1,045,822</u>	<u>860,256</u>

# Notes to the financial report for the year ended 30 June 2004

## Note 14 Financial Instruments

(a) **Interest rate risk** - The exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date, are as follows:

Financial Instruments	Floating Interest Rate		Fixed interest rate maturing in:						Non interest bearing		Total carrying amount as per Statement of Financial Position		Weighted average interest rates	
	2004	2003	One year or less		One to 5 years		Over 5 years		2004	2003	2004	2003	2004	2003
			2004	2003	2004	2003	2004	2003						
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial assets</i>														
Cash assets	92,035	114,739	3,297,000	3,280,000					1,900	760	3,390,935	3,395,499		
Receivables									241,927	265,217	241,927	265,217		
Other financial assets														
<i>Total financial assets</i>	92,035	114,739	3,297,000	3,280,000					241,927	265,217	3,632,862	3,660,716		
<i>Financial liabilities</i>														
Payables									613,498	638,975	613,498	638,975		
Interest-bearing liabilities														
<i>Total financial liabilities</i>									613,498	638,975	613,498	638,975		

(b) **Net fair values** - The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised at balance date are follows.

Financial Instruments	Total carrying amount as per Statement of Financial Position		Aggregate net fair value	
	2004	2003	2004	2003
<i>Financial assets</i>				
Cash assets	3,390,935	3,395,499	3,390,935	3,395,499
Receivables	241,927	265,217	241,927	265,217
Other financial assets				
<i>Total financial assets</i>	3,632,862	3,660,716	3,632,862	3,660,716
<i>Financial liabilities</i>				
Payables	613,498	638,975	613,498	638,975
Interest-bearing liabilities				
<i>Total financial liabilities</i>	613,498	638,975	613,498	638,975

(c) **Credit Risk** - The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position. There are no concentrations of credit risk.



# Notes to the Financial Report for the year ended 30 June 2004

## Note 15 Segment Information

The Queensland Studies Authority's business is predominantly to provide syllabus development, and assessment services for Queensland students.

2004		2003
\$		\$

## Note 16 Commitments

### Operating commitments

#### Lease commitments

At 30 June the Authority had the following operating lease commitments inclusive of GST:

*Operating leases for property, office equipment and motor vehicles*

Outstanding lease commitments are due for payment as follows:

* within one year	1,083,370	1,145,994
* one to five years	5,436,243	5,798,137
* over five years	-	1,271,056
	6,519,613	8,215,187

## Note 17 Contingent liabilities

There were no known contingent assets or liabilities of a significant nature as at 30 June 2004.

## Note 18 Superannuation

The Authority contributes in respect of its employees to the following Superannuation scheme:

QSuper

	Contribution Rate	2004 \$	2003 \$
<u>Type of Scheme</u>	<u>%</u>		
Defined Benefit	12.75	860,382	727,882
Accumulation account	9 - 12.75	554,925	471,046
Total contributions to all schemes		1,415,307	1,198,928

The disclosure requirements for defined benefit schemes, detailed in AASB 1028 have not been provided as the liability is held and reported on a whole-of-Government basis.

# Notes to the Financial Report for the year ended 30 June 2004

## Note 19 Remuneration of Board Members

Remuneration received, or due and receivable by Board Members from the Authority in connection with the management of the Authority.

The number of responsible persons whose remuneration from the Authority was within the following specified bands were:

			2004	2003
	\$		No.	No.
0	-	5,000	10	10
5,001	-	10,000	-	1

The Authority's Board comprises the following members:

Professor J Mattick (Chairperson)  
Dr B.J. Arnison  
B. Beekhuizen  
S. Darby  
S. Flavell  
Professor J. Herbert  
L. Jeffcoat  
Z. Johnston  
D.C. Kiddell  
J. A. McCullough  
Professor J. Mienczakowski  
R. Morely  
L. Perry  
W. Read  
P. Reust  
C. R. Seymour  
D. E. Strange  
W. D. Thomasson  
C. Webb

## CERTIFICATE OF QUEENSLAND STUDIES AUTHORITY

This general purpose report has been prepared pursuant to section 46F(1) of the *Financial Administration and Audit Act 1977* (the Act), and other prescribed requirements. In accordance with Section 40F(3) of the Act we certify that in our opinion:

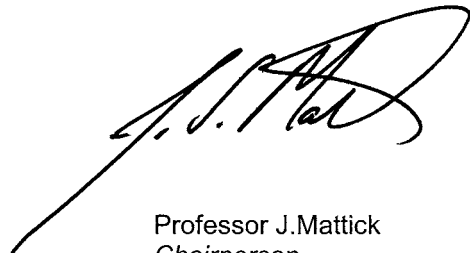
a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and

b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Studies Authority for the financial year ended 30 June 2004 and of the financial position of the Authority at the end of that year.



K. Bannikoff  
*Director*

6 August 2004



Professor J. Mattick  
*Chairperson*

6 August 2004

# INDEPENDENT AUDIT REPORT

To the *Queensland Studies Authority*

## Scope

### **The financial statements**

The financial statements of the Queensland Studies Authority consist of the statement of financial performance, statement of financial position, statement of cash flows, notes to and forming part of the financial statements and certificates given by the Chairperson and Director of the Queensland Studies Authority, for the year ended 30 June 2004.

### **The Authority's responsibility**

The Authority is responsible for the preparation and true and fair presentation of the financial statements, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

### **Audit approach**

As required by law, an independent audit was conducted in accordance with *QAO Auditing Standards* to enable me to provide an independent opinion whether in all material respects the financial statements present fairly, in accordance with the prescribed requirements, including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

Audit procedures included –

- Examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial statements,
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Authority,
- Obtaining written confirmation regarding the material representations made in conjunction with the audit, and
- Reviewing the overall presentation of information in the financial statements.

## Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorized auditors.

The Auditor-General is the auditor of all public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which powers are to be exercised.

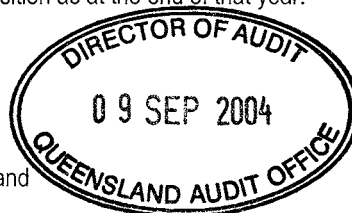
The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

## Audit Opinion

In accordance with section 46F of the *Financial Administration and Audit Act 1977* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
  - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the statements have been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the Queensland Studies Authority for the financial year 1 July 2003 to 30 June 2004 and of the financial position as at the end of that year.

O C CLARE, FCPA  
Director of Audit  
As Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane