



Financial Statements

for the period ended 30 June 2022

Health and Wellbeing Queensland Financial Statements 2021-22

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Health and Wellbeing Queensland

Statement of Comprehensive Income for the period ended 30 June 2022

		2022 Actual	2022 Original Budget	2022 Budget Variance*	2021 Actual
	Notes	\$'000	\$'000	\$'000	\$'000
Income					
Revenue					
Grants and other contributions	4	39,948	45,929	5,981	38,633
Interest		143	-	(143)	139
Other revenue	5	-	-	-	12
Total Revenue		40,091	45,929	5,838	38,784
Total Income		40,091	45,929	5,838	38,784
Expenses					
Employee expenses	6	7,649	4,512	(3,137)	5,915
Supplies and services	7	5,555	41,417	35,862	3,176
Depreciation	12	48	-	(48)	24
Service Procurement	8	22,318	-	(22,318)	23,231
Other expenses	9	1,795	-	(1,795)	1,467
Total Expenses		37,365	45,929	8,564	33,813
Operating Result		2,726	-	(2,726)	4,972
Total Comprehensive Income		2,726	-	(2,726)	4,972

*An explanation of material variances is located at Note 20.

The accompanying notes form part of these statements.

Health and Wellbeing Queensland

Statement of Financial Position for the period ended 30 June 2022

		2022 Actual	2022 Original Budget	2022 Budget Variance*	2021 Actual
	Notes	\$'000	\$'000	\$'000	\$'000
Current Assets					
Cash and cash equivalents	10	7,431	539	(6,892)	6,740
Receivables	11	385	23	(362)	142
Prepayments		147	-	(147)	47
Other Current Asset		-	65	65	-
Total Current Assets		7,963	627	(7,336)	6,929
Non Current Assets					
Property, plant and equipment	12	322	116	(206)	360
Intangible Asset	13	969	-	(969)	-
Total Non Current Assets		1,291	116	(1,174)	360
Total Assets		9,254	743	(8,510)	7,289
Current Liabilities					
Payables	14	901	163	(738)	1,688
Accrued employee benefits	15	220	145	(75)	195
Total Current Liabilities		1,121	308	(813)	1,883
Total Liabilities		1,121	308	(813)	1,883
Net Assets		8,133	435	(7,698)	5,406
Equity					
Accumulated surplus		8,133	435	(7,698)	5,406
Total Equity		8,133	435	(7,698)	5,406

*An explanation of material variances is located at Note 20.

The accompanying notes form part of these statements.

Health and Wellbeing Queensland

Statement of Changes in Equity for the period ended 30 June 2022

	2022	2021
	\$'000	\$'000
Balance as at 1st July 2021	5,407	435
Operating Result	2,726	4,972
Balance as at 30 June 2022	8,133	5,407

The accompanying notes form part of these statements.

Health and Wellbeing Queensland

Statement of Cash Flows for the period ended 30 June 2022

	Notes	2022 Actual \$'000	2022 Original Budget \$'000	2022 Budget Variance* \$'000	2021 Actual \$'000
Cash flows from operating activities					
<i>Inflows:</i>					
Grants and other contributions		39,948	45,929	5,981	38,633
GST collected from customers		-	-	-	57
GST input tax credits from ATO		531	-	(531)	2,374
Interest receipts		143	-	(143)	139
Other		1	-	(1)	7
<i>Outflows:</i>					
Employee expenses		(7,768)	(4,512)	3,256	(5,871)
Supplies and services		(6,465)	(41,417)	(34,952)	(1,651)
GST paid to suppliers		(608)	-	608	(2,468)
GST remitted to ATO		(0)	-	0	(58)
Service Procurement	8	(22,318)	-	22,318	(23,231)
Other		(1,795)	-	1,795	(1,462)
Net cash provided by operating activities		1,669	-	(1,669)	6,469
Cash flows from investing activities					
<i>Outflows:</i>					
Payments for plant and equipment		(10)	-	10	(268)
Payments for intangibles		(969)	-	969	-
Net cash used in investing activities		(979)	-	979	(268)
Net increase in cash held		690	-	(690)	6,201
Cash at beginning of financial year		6,740	539	(6,201)	539
Cash at end of financial year	10	7,430	539	(6,891)	6,740

The accompanying notes form part of these statements.

	2022 \$'000	2021 \$'000
Reconciliation of Operating Result to Net Cash from Operating Activities		
Operating surplus	2,726	4,972
Depreciation expense	48	24
Changes in assets and liabilities:		
Decrease in receivables	(243)	(120)
Decrease in prepayments	(99)	18
Decrease in payables	(788)	1,526
Increase in accrued employee benefits	25	50
Net cash provided by operating activities	1,669	6,469

*An explanation of material variances is located at Note 20.

The accompanying notes form part of these statements.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

Section 1: How We Operate - Our Agency Objectives and Activities

- Note 1: General Information
- Note 2: Objectives and Principal Activities of Health and Wellbeing Queensland
- Note 3: Basis of Financial Statement Preparation

Section 2: Notes about our Financial Performance

- Note 4: Grants and Other Contributions
- Note 5: Other Revenue
- Note 6: Employee Expenses
- Note 7: Supplies and Services
- Note 8: Service Procurement Expense - Social Service
- Note 9: Other Expenses

Section 3: Notes about our Financial Position

- Note 10: Cash and Cash Equivalents
- Note 11: Receivables
- Note 12: Plant and Equipment and Depreciation Expense
- Note 13: Intangible Asset and Amortisation expense
- Note 14: Payables
- Note 15: Accrued Employee Benefits

Section 4: Notes about Risk and Other Accounting Uncertainties

- Note 16: Commitments
- Note 17: Contingencies
- Note 18: Events Occurring after the Reporting Date
- Note 19: Financial Risk Disclosures

Section 5: Notes about our Performance Compared to Budget

- Note 20: Budgetary Reporting Disclosures

Section 6: Other information

- Note 21: Key Management Personnel (KMP) Disclosures
- Note 22: Related Party Transactions
- Note 23: Accounting Standards Early Adopted
- Note 24: Future Impact of Accounting Standards Not Yet Effective
- Note 25: Climate Risk Disclosure

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

1. General Information

These financial statements cover Health and Wellbeing Queensland (HWQId), an independent statutory body established under the *Health and Wellbeing Queensland Act 2019*. The financial statements include all income, expenses, assets, liabilities and equity of HWQId. HWQId does not have any controlled entities. The entity is controlled by the state of Queensland which is the ultimate parent.

The head office and principal place of business is:

Milton Green
Ground Floor, 139 Coronation Drive
MILTON QLD 4064

For information relating to these financial statements please email info@hw.qld.gov.au

2. Objectives and Principal Activities of Health and Wellbeing Queensland

HWQId was established on 1 July 2019 as a statutory body to improve the health and wellbeing of the population and reduce health inequities with an initial focus on reducing the risk factors that drive the chronic disease burden, such as poor nutrition, physical inactivity and obesity. HWQId has been given a mandate to develop a new way of working that requires innovation, partnerships and an element of risk taking that a statutory body is well positioned to deliver. While HWQId is accountable to government, and the broader community, HWQId is an independent agency that will work relentlessly to achieve outcomes that benefit the whole of Queensland.

3. Basis of Financial Statement Preparation

Compliance with Prescribed Requirements

HWQId has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2021.

HWQId is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

Presentation

Currency and Rounding

Amounts shown in these financial statements may not add to the correct sub-totals or total due to rounding.

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2020-21 financial statements.

Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position 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 HWQId 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.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

3. Basis of Financial Statement Preparation (continued)

Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chief Executive Officer and the Board Chairperson at the date of signing the Management Certificate.

Basis of Measurement

Historical cost convention is used as the measurement basis in this financial report.

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

	2022 \$'000	2021 \$'000
4. Grants and Other Contributions		
Grants from Government	39,948	38,633
Total	39,948	38,633

Accounting policy

Grants and Contributions arise from non-exchange transactions where the agency does not directly give approximately equal value to the grantor. The agency's grants do not contain sufficiently specific performance obligations, the transactions are accounted for under AASB 1058 Income of Non-for-Profit Entities, whereby revenue is recognised upon receipt of the grant funding.

5. Other Revenue

Other Revenue	-	1
Goods & Services Received Below Fair Value	-	5
Sponsorship Received	-	6
Total	-	12

6. Employee Expenses

Employee Benefits

Wages and salaries	5,645	4,309
Annual leave levy	533	477
Long service leave levy	141	109
Employer superannuation contributions	745	555
Other Employee Benefits	18	16

Employee Related Expenses

Workers' compensation premium	46	21
Payroll tax	332	194
Other employee related expenses	189	234
Total	7,649	5,915

The number of employees as at 30 June 2022, including both full time and part time employees, measured on a full time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)).

	2022 No.	2021 No.
Full-Time Equivalent Employees	^55.05	44.05

^ FTE data as at 30 June 2022 (based upon the fortnight ending 1 July 2022)

Accounting policy

Wages, Salaries and Sick leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates. As HWQld expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

6. Employee Expenses (continued)

Annual Leave and Long Service Leave

Under the Queensland Government's Annual Leave Central Scheme and Long Service Leave Scheme HWQld is levied for the cost of employees' annual leave (including leave loading and on-costs) and long service leave (including on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the scheme quarterly in arrears.

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

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan (the former Qsuper defined benefits categories now administered by the Government Division of the Australian Retirement Trust) as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to *AASB 1049 Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined by the Treasurer on the advice of the State Actuary. Contributions are paid by HWQld at the specified rate following completion of the employee's service each pay period. HWQld's obligations are limited to those contributions paid.

Workers' Compensation Premiums

HWQld pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not employee benefits and is recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are detailed in Note 21.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

	2022 \$'000	2021 \$'000
7. Supplies and Services		
Property rental	449	410
Employment agency staff	35	-
Information technology	139	23
Minor plant and equipment	34	256
Legal fees	158	136
Supplies and consumables	401	159
Consultants and contractors	3,350	1,748
Corporate service charges	480	308
Communications	496	126
Sundry expenses	13	10
Total	5,555	3,176

Accounting policy - Property Rental

Payments for non-specialised commercial office accommodation under the Queensland Government Accommodation Office (QGAO) framework arise from non-lease arrangements with the Department of Housing and Public Works, who has substantive substitution rights over the assets used within these schemes. Payments are expensed as incurred and categorised within property rental.

Accounting policy - Short-term leases and leases of low value assets

HWQld has elected to recognise lease payments for short-term leases of low value assets as expenses on a straight-line basis over the lease term, rather than accounting for them on the balance sheet.

8. Service Procurement Expense - Social Service

Service Procurement Expense - Social Service	22,318	23,231
Total	22,318	23,231

Accounting policy - Social Services Procurement Expense

Service Procurement encompasses procurement of outsourced service delivery for social services. For a transaction to be classified as service procurement, the value of goods or services received by the agency must be of approximate equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant.

9. Other Expenses

Insurance	15	14
External audit fees for the audit of financial statements ⁽¹⁾	23	22
Goods and services provided below fair value	-	5
Grants - Other	874	957
Sponsorships	883	299
Donations	-	170
Total	1,795	1,467

Audit Fees

(1) Total audit fees quoted by the Queensland Audit Office relating to the 2021-22 financial statements are \$23,400 (2020-21: \$22,500). There are no non-audit services included in this amount.

10. Cash and Cash Equivalents

Cash at bank	7,431	6,740
Total	7,431	6,740

Accounting policy

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

	2022 \$'000	2021 \$'000
11. Receivables		
Trade debtors	1	1
GST receivable	184	108
	<hr/>	<hr/>
Long service leave reimbursements	54	2
Annual leave reimbursements	146	31
	<hr/>	<hr/>
Total	385	142
	<hr/>	<hr/>

Accounting policy - Receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Accounting policy - Impairment of receivables

HWQld's receivables are primarily from Queensland Government agencies or Australian Government agencies. No loss allowance is recorded for these receivables on the basis of materiality. Refer to Note 19 for HWQld's credit risk management policies.

12. Plant and Equipment and Depreciation Expense

Closing Balance and Reconciliation of Carrying Amount

	Plant & Equipment (at Cost)		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Gross (at cost)	402	392	402	392
Less: Accumulated depreciation	(80)	(32)	(80)	(32)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	322	360	322	360
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount at 1 July	360	116	360	116
Acquisitions	10	268	10	268
Depreciation expense	(48)	(24)	(48)	(24)
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount at 30 June	322	360	322	360
	<hr/>	<hr/>	<hr/>	<hr/>

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

12. Plant and Equipment (continued)

Accounting policy

Cost of Acquisition

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition (such as architects' fees and engineering design fees), plus all other costs incurred in getting the assets ready for use.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at date of acquisition.

Where assets are received free of charge from another Government entity (whether as a result of a machinery-of-government change or other involuntary transfer), the acquisition cost is recognised as the carrying amount in the books of the other entity immediately prior to the transfer.

Measurement using Historical Cost

Plant and equipment, is measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. The carrying amounts for such plant and equipment is not materially different from their fair value.

Items of plant and equipment with a cost or other value equal to or in excess of \$5,000 are recognised in the year of acquisition. Items with a lesser value are expenses in the year of acquisition.

Depreciation Expense

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less any estimated residual value, progressively over its estimated useful life to Health and Wellbeing Queensland.

Key Judgement: Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to Health and Wellbeing Queensland.

Depreciation rates for each class of depreciable asset (including significant identifiable components):

<i>Class</i>	<i>Rate%</i>
Plant and Equipment:	
Office Equipment	20%
Leasehold Improvement	10%

Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, Health and Wellbeing Queensland determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

13. Intangible Asset and Amortisation expense

Closing Balance and Reconciliation of Carrying Amount

	Work in Progress	
	2022	2021
	\$'000	\$'000
Gross (at cost)	969	-
Less: Accumulated amortisation	-	-
Total	969	-
Carrying amount at 1 July	-	-
Acquisitions	969	-
Amortisation expense	-	-
Carrying amount at 30 June	969	-

Accounting policy

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred. Costs associated with the internal development of the intangible assets is capitalised per AASB 138 – Intangible Assets.

	2022	2021
	\$'000	\$'000
14. Payables		
Trade and other creditors	170	80
Accrued other supplies and services	730	1,608
Total	901	1,688

Accounting policy

Trade creditors are recognised upon receipt 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.

15. Accrued Employee Benefits

Salary and wages related	-	21
Annual leave levy payable	175	146
Long service leave levy payable	45	28
Total	220	195

Accounting policy

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

16. Commitments

Non-cancellable Operating Lease Commitments

HWQld does not have any commitments as at 30 June 2022.

17. Contingencies

HWQld does not have any contingencies as at 30 June 2022.

18. Events Occurring after the Reporting Date

There were no significant events occurring after balance date.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

19. Financial Risk Disclosures

(a) Financial Instrument Categories

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

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

(b) Risks Arising From Financial Instruments

Financial risk management is implemented pursuant to Queensland Government and HWQld's policies. These policies provide the principals for overall risk management as well as specific areas, and seek to minimise potential adverse effects on the financial performance of HWQld.

HWQld's activities expose it to a variety of financial risks as set out in the following table:

Risk Exposure	Definition	Exposure	Measurement Method	Risk Management Strategies
Credit Risk	Credit risk exposure refers to the situation where the entity may incur financial loss as a result of another party to a financial instrument failing to meet their obligations.	HWQld is exposed to credit risk in respect of its receivables (Note 11). No financial assets are past due or impaired.	Ageing analysis	HWQld manages credit risk by proactively pursuing the recoverability of monies owed to them. Exposure to credit risk is monitored on an ongoing basis.
Liquidity Risk	Liquidity risk refers to the situation where HWQld may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	HWQld is exposed to liquidity risk in respect of its contractual payables reported under Note 14 Payables	Maturity Analysis	HWQld manages exposure to liquidity risk by ensuring sufficient funds are available to meet employee and supplier obligation at all times. This is achieved by ensuring minimum levels of cash are held within the bank account to match the expected duration of the various employee and supplier liability.
Market Risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.	HWQld does not trade in foreign currency and is not materially exposed to commodity price changes or other markets. Exposure to interest rate risk is limited to cash held in the CBA bank account. Refer to Note 10 Cash and Cash Equivalents.	Interest rate sensitivity analysis	HWQld does not undertake any hedging in relation to interest rate risk. Interest rate risk is minimised through a passive investment management strategy to ensure the return of capital and at the same time, generate a return commensurate with the risk taken.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

20. Budgetary Reporting Disclosures

This section contains explanations of major variances between the Agency's actual 2021-22 financial results and the original budget presented to Parliament.

Statement of Comprehensive Income

		2022	2022	2022	2021
	Variance Notes	Actual \$'000	Original Budget \$'000	Budget Variance \$'000	Actual \$'000
Income from Continuing Operations					
Revenue					
Grants and other contributions	1	39,948	45,929	5,981	38,633
Interest earned		143	-	(143)	139
Other revenue		-	-	-	12
Total Income from Continuing Operations		40,091	45,929	5,838	38,784
Expenses from Continuing Operations					
Employee expenses	2	7,649	4,512	(3,137)	5,915
Supplies and services	3	5,555	41,417	35,862	3,176
Depreciation		48	-	(48)	24
Service Procurement	4	22,318	-	(22,318)	23,231
Other expenses	5	1,795	-	(1,795)	1,467
Total Expenses from Continuing Operations		37,365	45,929	8,564	33,813
Operating Result from Continuing Operations		2,726	-	(2,726)	4,972
Total Comprehensive Income		2,726	-	(2,726)	4,972

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

20. Budgetary Reporting Disclosures (continued)

Statement of Financial Position

		2022	2022	2022	2021
		Actual	Original	Budget	Actual
	Variance Notes	\$'000	Budget	Variance	\$'000
			\$'000	\$'000	
Current Assets					
Cash and cash equivalents	6	7,431	539	(6,892)	6,740
Receivables		385	23	(362)	142
Prepayments		147	-	(147)	47
Other current assets		-	65	65	-
Total Current Assets		7,963	627	(7,335)	6,929
Non Current Assets					
Plant and equipment		322	116	(206)	360
Intangible assets	7	969	-	(969)	-
Total Non Current Assets		1,291	116	(1,174)	360
Total Assets		9,254	743	(8,510)	7,289
Current Liabilities					
Payables		901	163	(738)	1,688
Accrued employee benefits		220	145	(75)	195
Total Current Liabilities		1,121	308	(813)	1,883
Total Liabilities		1,121	308	(813)	1,883
Net Assets		8,133	435	(7,698)	5,406
Equity					
Accumulated surplus		8,133	435	(7,698)	5,406
Total Equity		8,133	435	(7,698)	5,406

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

20. Budgetary Reporting Disclosures (continued)

Statement of Cash Flows

		2022	2022	2022	2021
		Actual	Original	Budget	Actual
	Variance Notes	\$'000	Budget	Variance	\$'000
			\$'000	\$'000	
Cash flows from operating activities					
<i>Inflows:</i>					
Grants and other contributions	8	39,948	45,929	5,981	38,633
GST collected from customers		-	-	-	57
GST input tax credits from ATO		531	-	(531)	2,374
Interest receipts		143	-	(143)	139
Other		1	-	(1)	7
<i>Outflows:</i>					
Employee expenses	9	(7,768)	(4,512)	3,256	(5,871)
Outsourced service delivery		-	-	-	-
Supplies and services	10	(6,465)	(41,417)	(34,952)	(1,651)
GST paid to suppliers		(608)	-	608	(2,468)
GST remitted to ATO		-	-	-	(58)
Service Procurement	11	(22,318)	-	22,318	(23,231)
Other	12	(1,795)	-	1,795	(1,462)
Net cash provided by (used in) operating activities		1,669	-	(1,669)	6,469
Cash flows from investing activities					
<i>Inflows:</i>					
Payments for plant and equipment		(10)	-	10	(268)
Payments for intangibles		(969)	-	969	-
Net cash provided by (used in) investing activities		(979)	-	979	(268)
Net increase (decrease) in cash held		690	-	(690)	6,201
Cash at beginning of financial year		6740	539	(6,201)	539
Cash at end of financial year		7,430	539	(6,891)	6,740

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

20. Budgetary Reporting Disclosures (continued)

Explanations of Major Variances

Statement of Comprehensive Income

- 1 *Grants and other contributions:* The reduction in original budget to actual of -\$5,981 (net) refers to the approved deferral of previous allocated funding from 2021-22 FY to 2024-25 FY.
- 2 *Employee expenses:* Increase in FTE budget resulting FTE increase from 2020-21 FY (44.05 FTE) to 21-22 FY (55.05 FTE) to implement new programs and projects during the FY.
- 3 *Supplies and services:* Decrease in the Supplies and Services budget line item related to identifying service procurement, depreciation and other expenses as separate line items in the budget. The increase in Supplies and Services expenditure from 2020-21 FY to 2021-2022 FY is a result of increased FTE, increased operational expenses and associated project expenses.
- 4 *Service Procurement:* Increase in Service procurement due to identification as a separate line item in 2021-22 FY budget. This had previously been included in Supplies and Services line item. The increase in Service Procurement expenses from 2020-21 FY to 2021-22 FY relates to HWQld increasing partnerships and contracts.
- 5 *Other expenses:* Increase in Other expenses due to identification as a separate line item in the 2021-22 FY budget. This had previously been included in Supplies and Services line item.

Statement of Financial Position

- 6 *Cash and Cash Equivalents:* The increase in the Cash and Cash Equivalent from 2020-21 FY to 2021-22 FY is a result of the accumulated equity surplus to date.
- 7 *Intangible Assets:* Expenditure on research activities relating to an internally-generated intangible asset that has been commenced in 2021-22 FY. This is noted in Note 13 against Work In Progress.

Statement of Cash Flows

- 8 *Grants and other contributions:* The reduction in original budget to actual of -\$5,981 (net) refers to the approved deferral of previous allocated funding from 2021-22 FY to 2024-25 FY.
- 9 *Employee Expenses:* Increase in FTE budget resulting FTE increase from 2020-21 FY (44.05 FTE) to 2021-22 FY (55.05 FTE) to implement new programs and projects during the FY.
- 10 *Supplies and Services:* Decrease in the Supplies and Services budget line item related to identifying service procurement, depreciation and other expenses as separate line items in the budget. Increase expenditure in Supplies and Services relates to increased FTE, increased operational expenses and associated project expenses.
- 11 *Service Procurement:* Increase in Service procurement due to identification as a separate line item in 2021-22 FY budget. This had previously been included in Supplies and Services line item. The increase in Service Procurement expenses from 2020-21 FY to 2021-22 FY relates to HWQld increasing partnerships and contracts.
- 12 *Other expenses:* Increase in Other expenses due to identification as a separate line item in the 2021-22 FY budget. This had previously been included in Supplies and Services line item.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

21. Key Management Personnel (KMP) Disclosures

Details of Key Management Personnel

The following details for non-Ministerial KMP reflect those positions that had authority and responsibility for planning, directing and controlling the activities of HWQld during 2021-22. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Position Responsibility
Board Chairperson	Provides strategic leadership, guidance and effective oversight of management, operations and financial performance
Board Member	Provides strategic leadership, guidance and effective oversight of management, operations and financial performance
Chief Executive Officer	The Chief Executive Officer directs the overall efficient, effective and economical administration and guides the strategic direction of HWQld.
Chief Operating Officer	The Chief Operating Officer leads the business, corporate governance and service delivery functions.
Executive Director	The Executive Director leads the planning, directing and controlling of HWQld's business.

KMP remuneration policies

The responsible Minister is the Minister for Health and Ambulance Services. Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The HWQld does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for HWQld's Chief Executive Officer, Chief Operating Officer and Executive Director are set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*. Individual remuneration and other terms of employment (including motor vehicle entitlements and performance payments if applicable) are specified in employment contracts. Appointment to the Board is made by Governor in Council under s18 of the Health and Wellbeing Act 2019.

Remuneration expenses for those KMP comprise the following components:

Short term employee expenses, including:

- salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a KMP position;
- non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- No performance payments were made during the financial year

Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses include amounts expensed in respect of employer superannuation obligations.

Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

Performance Payments

No performance payments were made to the key management personnel of Health and Wellbeing Queensland.

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

21. Key Management Personnel (KMP) Disclosures (continued)

Remuneration Expenses

The following disclosures focus on the expenses incurred by the agency attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the statement of comprehensive income.

2021-22

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	262	5	6	32	-	305
Chief Operating Officer	200	-	5	21	-	226
Executive Director	198	6	5	23	-	232
Total Remuneration	660	11	16	76	-	763

2020-21

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	255	7	6	32	-	300
Chief Operating Officer	192	-	4	20	-	216
Executive Director (formerly General Manager)	194	7	4	21	-	226
Total Remuneration	641	14	14	73	-	742

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

21. Key Management Personnel (KMP) Disclosures (continued)

2021-22

Board Remuneration

Position	Terms		Total remuneration	Out of Pocket expenses
	Date of initial appointment	Date of cessation	\$'000	\$'000
Current Members				
Ms Clare O'Connor ^{^*}	20/11/2020		-	-
Mr Stephen Ryan ^{~#}	1/07/2019		19	-
Ms Stella Taylor-Johnson	1/04/2020		17	-
Ms Anna Voloschenko	1/04/2020		17	-
Professor Ian Lowe	1/04/2020		17	-
Ms Jane Williams [~]	1/04/2020		20	-
Mr John Lee ^{^%}	2/08/2021		-	-
Mr Shea Spierings	03/02/2022		7	-
Mr Shaun Drummond (as Acting Director-General, Department of Health) [^]	14/03/2022		-	-
Former Members				
Dr John Wakefield (Chair and Director-General, Department of Health)	7/09/2019	11/03/2022	-	-
Finance Audit and Risk Management Committee				
Christopher Johnson ^{^^}	2/07/2020		3	-
Total Remuneration			100	-

[^] Officer of the Public Service - non-remunerated

[~] Additional \$2,000 p.a. remuneration as member of Finance Audit and Risk Management

^{*} This position is designated Chief Executive appointment for the Director-General, Department of Communities, Housing and Digital Economy

[%] This position is designated Chief Executive appointment for the Director-General, Tourism, Innovation and Sport

^{^^} Chair of Finance Audit and Risk Management Committee

[#] Deputy chair from 02/08/2021

2020-21

Board Remuneration

Position	Terms		Total remuneration	Out of Pocket expenses
	Date of initial appointment	Date of cessation	\$'000	\$'000
Current Members				
Dr John Wakefield (Chair) [^]	7/09/2019		-	-
Ms Clare O'Connor ^{^*}	20/11/2020		-	-
Mr Stephen Ryan [~]	1/07/2019		18	-
Ms Stella Taylor-Johnson	1/04/2020		16	-
Ms Anna Voloschenko	1/04/2020		16	-
Professor Ian Lowe	1/04/2020		16	-
Ms Jane Williams [~]	1/04/2020		18	-
Former Members				
Mr Thomas (Preston) Campbell	1/07/2019	24/11/2020	7	-
Ms Liza Carroll ^{^*}	1/07/2019	31/10/2020	-	-
Ms Trish Wooley ^{^*}	17/10/2020	19/11/2020	-	-
Finance Audit and Risk Management Committee				
Christopher Johnson ^{^^}	2/07/2020		3	-
Total Remuneration			94	-

[^] Officer of the Public Service - non-remunerated

[~] Additional \$2,000 p.a. remuneration as member of Finance Audit and Risk Management

^{*} This position is designated Chief Executive appointment for the Director-General, Department of Communities, Housing and Digital Economy

^{^^} Chair of Finance Audit and Risk Management Committee

Health and Wellbeing Queensland

Notes to the Financial Statements for the period ended 30 June 2022

22. Related Party Transactions

Transactions with people/entities related to KMP

There were no transactions with people or entities related to our KMP.

Transactions with other Queensland Government-controlled entities

HWQld received funding from Queensland Health. The funding provided is predominately for operational requirements (refer Note 4).

HWQld transacts with the Department of Energy and Public Works for accommodation services (Queensland Government Accommodation Office) (Refer Note 7 – Property Rental).

HWQld has a service level agreement with the Corporate Administration Agency (refer Note 7 - Corporate service charges).

23. Accounting Standards Early Adopted

No Australian Accounting Standards have been early adopted for 2021-22.

24. Future Impact of Accounting Standards Not Yet Effective

At the date of authorisation of the financial report, Australian accounting standards and interpretations with future effective dates are either not applicable to HWQld's activities or have no material impact.

25. Climate Risk Disclosure

Current Year Impacts

No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

**Management Certificate
for Health and Wellbeing Queensland (HWQld)**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of HWQld for the financial year ended 30 June 2022 and of the financial position of HWQld at the end of that year; and

We acknowledge responsibility under section 7 and section 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.



Name: Dr Robyn Littlewood
Title: Chief Executive Officer

Date: 04/08/2022



Name: Mr Stephen Ryan
Title: Acting Board Chairperson

Date: 04/08/2022

INDEPENDENT AUDITOR'S REPORT

To the Board of Health and Wellbeing Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Health and Wellbeing Queensland.

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 and Australian Accounting Standards.

The financial report comprises the statement of financial position 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 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 and Australian Accounting Standards, 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.



8 August 2022

David Adams
as delegate of the Auditor-General

Queensland Audit Office
Brisbane