

**Community Services Industry** (Portable Long Service Leave) Authority

# Annual Report 2022 – 23

[www.qlave.qld.gov.au](http://www.qlave.qld.gov.au)



**PORTABLE**  
LONG SERVICE  
LEAVE

### Acknowledgement of Country

QLeave acknowledges the Traditional Owners of the lands from across Queensland and pays respect to Elders past, present and emerging as we meet and operate. QLeave is committed to being part of the reconciliation journey so we can work towards addressing the issues that prevent Aboriginal and Torres Strait Islander peoples from having the same opportunities as others.

### Human rights commitment

QLeave will respect, protect and promote human rights in our decision-making and actions by building a culture that supports the *Human Rights Act 2019*.

### About the annual report

The annual report is an important accountability document that reports the Authority's non-financial and financial performance. This annual report provides a record of achievements against QLeave's Strategic Plan 2023–26, the body that administers the *Community Services Industry (Portable Long Service Leave) Act 2020* on behalf of the Community Services Industry (Portable Long Service Leave) Authority.

## OUR STRATEGIC GOVERNANCE

**OUR VISION** – Making a positive difference for our industries – today, tomorrow and in the future.

**OUR PURPOSE** – To provide equitable and efficient portable long service leave schemes.

**OUR VALUES** – Our values drive our actions and support us in achieving our strategic priorities and goals. QLeave has adapted the following five Queensland Public Service values:

#### Customers first

We are fair and consistent, and seek to understand and to make decisions for the long term

#### Empower people

We are all leaders, who thrive on learning and sharing knowledge

#### Unleash potential

We want to improve and deliver beyond the expectations of our stakeholders

#### Ideas into action

We challenge, try new things and seek different perspectives

#### Be courageous

We feel safe to be vulnerable, speak up, pursue opportunities and fail.

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# LETTER OF COMPLIANCE

23 August 2023

The Honourable Grace Grace MP  
Minister for Education and Minister for Industrial Relations and Minister for Racing  
PO Box 15033  
CITY EAST QLD 4002

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2022–23 and financial statements for the Community Services Industry (Portable Long Service Leave) Authority.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*; and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found in Appendix 1 to this report.

This report is prepared on the basis of the current administrative arrangements for this agency applying for the whole of the 2022–23 financial year.

Yours sincerely



**Glenys Fisher**  
CHAIRPERSON  
Community Services Industry (Portable Long Service Leave) Authority



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# ABOUT THE AUTHORITY

QLeave administers the portable long service leave scheme for the Community Services Industry (Portable Long Service Leave) Authority (the scheme), for workers and employers in Queensland's community services industry.

The Authority was established under the *Community Services Industry (Portable Long Service Leave) Act 2020* (the Act). For details of the annual mandatory reporting requirements for QLeave, refer to the QLeave – Building and Construction Industry (Portable Long Service Leave) Authority Annual Report 2022–23 at [www.qleave.qld.gov.au](http://www.qleave.qld.gov.au).

The scheme operates through a statutory authority that is governed by a Board with expertise in governance, finance and risk with members who represent workers and employers in the community services industry.

Under the Act, workers and employers in the community services industry can accrue long service leave entitlements based on their service to the industry rather than continuous service with a single employer. The portable long service leave scheme does not alter the entitlements of long-term employees but provides access for employees who, in the past, were not able to accrue long service leave because of the nature of their work.

The scheme commenced on 1 January 2021 and is funded by an actuarially informed levy. All Community Service Industry employers are required to pay the levy of 1.35% on the ordinary wages of their eligible workers.

Details about the numbers of registered workers and employers in the scheme and other metrics are outlined in the 'Client Service Delivery' section of this report.

In 2022–23, the scheme completed its second full financial year of operation. As the scheme is beginning to mature, we focused on optimising how we work to ensure we are delivering efficient services that support employers to meet their legislative obligations and workers to understand their entitlements.

We reviewed our processes, policies and procedures to ensure scheme participants received consistent advice and continued to update our online resources to ensure publicly available information reflected these changes.

We heard from employers and workers who told us about their experience with QLeave. This was the first time we received feedback directly from scheme participants, and it allowed us to gauge the current level of scheme understanding and awareness within the community services sector. Importantly, we could respond to feedback and adapt our approach to communication and engagement to ensure we are providing timely and relevant support that meets the complex needs of stakeholders and scheme participants. We also continued to engage with peak bodies and associations throughout the year by supporting industry events that provided us with the opportunity to provide early education to scheme participants.

We would like to express our appreciation to the Minister, the Honourable Grace Grace MP, Minister for Education, Minister for Industrial Relations and Minister for Racing, and the Queensland Government for continuing to ensure legislative provisions support long service leave benefits for the community services industry now and in the future.

We also appreciate the ongoing efforts and contributions of employees, management and Board members. The current term of the Community Services Industry Board commenced on 3 September 2020 and expires on 2 September 2023. Particular thanks go to Ms Belinda Drew who resigned from the Board in July 2022.

As we look towards 2023–24, our vision remains to make a positive difference for our industries – today, tomorrow and in the future. The Board and QLeave's management are committed to putting our people first, providing service with purpose, ensuring scheme sustainability and delivering functional and operational excellence.



# QUEENSLAND GOVERNMENT'S OBJECTIVES FOR THE COMMUNITY

We continued to contribute to the following Queensland Government's objectives for the community as aligned with our Strategic Plan 2023–26:

- good jobs: good, secure jobs in our traditional and emerging industries
- better services: deliver even better services right across Queensland
- great lifestyle: protect and enhance our Queensland lifestyle as we grow.

## STRATEGIC OBJECTIVES AND PERFORMANCE

Our Strategic Plan 2023–26 sets out our vision and includes four strategic objectives, tactics, and our goals.

We assessed our performance in meeting the objectives for 2022–23 by qualitatively measuring our performance against the achievement of our goals and monitored our progress quarterly.

Summarised in the tables below are the performance highlights demonstrating our achievement against our goals, strategies and strategic objectives. For a complete overview of the strategic plan performance highlights, including strategic objective 1, refer to the QLeave - Building and Construction Industry (Portable Long Service Leave) Annual Report 2022–23 at [www.qleave.gov.au](http://www.qleave.gov.au).

### STRATEGIC OBJECTIVE 2: DELIVER SERVICE WITH PURPOSE

#### Strategies

- Embed empathy, fairness and equity in all our interactions with scheme participants.
- Engage with stakeholders and scheme participants in an open and transparent manner.
- Our engagement and compliance framework will make it easy to comply.

GOALS	PERFORMANCE HIGHLIGHTS
Our services align to the provision of equitable and proficient schemes	<ul style="list-style-type: none"><li>• Commenced a review of our Regulatory Framework against best practice guides across state, Commonwealth and international governments.</li></ul>
Evidence that our services meet the changing complex needs of stakeholder and scheme participants	<ul style="list-style-type: none"><li>• Commenced implementation of a revised Controlled Documents Framework with supporting templates and checklists. As part of the roll-out, consultation with relevant business units and staff included communication of approved changes to support continual improvement.</li><li>• Completed seven reconsideration reviews during 2022–23 to enhance decision-making practices.</li></ul>
Increase voluntary compliance	<ul style="list-style-type: none"><li>• Enhanced communication and digital engagement with workers and employers about their entitlements and obligations as part of stakeholder interactions with the client service delivery function.</li><li>• Continued to apply the learnings from the previous pilot plan to improve the accuracy and internal compliance of employer and worker registrations.</li></ul>



**STRATEGIC OBJECTIVE 3: ENSURE THE SCHEMES REMAIN SUSTAINABLE**

**Strategies**

- Be financially responsible and transparent.
- Use information and technology, and risk-based regulatory models, to ensure appropriate regulatory focus and resourcing.
- Transition to leading practice scheme management standard.

GOALS	PERFORMANCE HIGHLIGHTS
QLeave's investment strategies, and scheme costs, are consistent with benchmarking	<ul style="list-style-type: none"><li>• Monitored and reviewed investment performance in consultation with our investment manager, Queensland Investment Corporation, and in alignment with our Investment Policy Statement, to ensure the scheme remained within the Board's risk and return profile. Scheme liabilities were determined by an independent actuarial assessment, performed by Mercer Consulting.</li></ul>
Operations are within the Accrued Benefit Reserve Index	<ul style="list-style-type: none"><li>• Completed a financial risk mitigation assessment, which identifies potential events that may impact our ability to meet our strategic objectives. It also identifies ways in which risks arising from those events may be mitigated.</li></ul>
Improved services through the use of informed, data driven analysis	<ul style="list-style-type: none"><li>• Completed a market research project, whose results were used to inform communication and engagement planning and priorities.</li><li>• Commenced the redevelopment of a National Reciprocal Agreement (NRA) to recognise workers' long service leave when moving across Australian jurisdictions. This work is being led nationally by QLeave.</li><li>• Commenced development of a Data Strategy roadmap to leverage our data sources, for more efficient generation of data-driven insights, analysis and reporting.</li><li>• Used the Workforce Management system to develop capabilities to develop a dashboard for capturing, reporting and monitoring data about call centre trends, workload management, and responses to information campaigns.</li></ul>

**STRATEGIC OBJECTIVE 4: DELIVER FUNCTIONAL AND OPERATIONAL EXCELLENCE**

**Strategies**

- Invest in, and embed, digital and data solutions to optimise our operations.
- Prioritise opportunities to continuously improve our processes and performance.
- Focus on effective governance structures and systems and allocating resources to deliver streamlined services.

GOAL	PERFORMANCE HIGHLIGHTS
Increased usage of digital front door	<ul style="list-style-type: none"><li>• Enhanced the online portal to support workers and employers to engage digitally.</li><li>• Published updated user guides, instructions and videos on our website to support self-service.</li></ul>



# STRATEGIC OPTIMISATION AND COMMUNICATIONS

The Strategic Optimisation and Communications function works in partnership across QLeave to enable business-led optimisation, deliver projects and initiatives and provide strategic internal and external communication that facilitates change.

Between July 2022 and February 2023, Strategic Optimisation and Communications partnered with business units across QLeave, and an external provider reviewed QLeave's core business processes. For details on the service delivery review and its outcomes, refer to the QLeave – Building and Construction Industry (Portable Long Service Leave) Authority Annual Report 2022–23 at [www.qleave.qld.gov.au](http://www.qleave.qld.gov.au).

## DRIVING IMPROVEMENTS THROUGH FEEDBACK

In 2022–23, we heard from 1,305 industry workers and employers as part of a QLeave-wide market research project. We used this feedback to guide our 2022–23 External Communication and Engagement Plan, under which we implemented activities focused on increasing scheme awareness and understanding across Queensland's community services industry.

Activities implemented to date include publishing employer information newsletters, making more use of LinkedIn as an additional communication channel and introducing community-services-focused surveys to our annual feedback schedule as an ongoing way to measure satisfaction and changes in understanding and awareness.

## ENGAGING WITH STAKEHOLDERS

During 2022–23, we continued engaging closely with industry stakeholders to raise awareness of the scheme. Ongoing engagement activities included presenting during webinars, visiting community services organisations and participating in industry conferences delivered by peak bodies and associations.

We also shared information through our industry partners by contributing content to digital publications, including Community Door, a resource and information hub for the community services sector, managed by Queensland Council of Social Service.

## DIGITAL ENGAGEMENT AND WEBSITE VISITS

In 2022–23, we continued enhancing our digital engagement to provide timely and effective communication to scheme participants. This included launching a new employer information newsletter in response to feedback we received during the market research project, which indicated that scheme participants wanted to hear from QLeave more frequently.

Our website remains the primary communication channel for engaging with scheme participants. In 2022–23, we had over 35,000 visitors to our community services website.

We continued to update our online resources and YouTube channel, which attracted more than 2,000 views of our instructional videos.

Mobile device traffic accounted for 46% of all website visits. Recognising the growing shift to mobile device usage, particularly among workers, we ensured all updates to our website and online portal would improve customer experience on these devices.



# CLIENT SERVICE DELIVERY

We engage with workers, employers and other stakeholders to provide information about their obligations and entitlements.

We recognise the importance of using data to support enhanced service delivery and organisational performance. During 2022–23, QLeave focused on enhancing service delivery and improving contact centre operations through stakeholder feedback, systems, training, and data analysis and reporting.

## VALUING STAKEHOLDER FEEDBACK

We reviewed stakeholder feedback and survey results that we used during 2022–23 to continually improve our client service delivery. In applying a customer-centric approach, we focused on enhancing the engagement experience for our workers, employers and other stakeholders through our tailored advisory assistance by telephone and responding to emails we received in our contact centre.

During 2022–23, we received a total of 4,773 inbound calls related to the community services industry. We continued to use our quality assurance program to ensure scheme participants received reliable information and efficient support in response to their enquiries. During 2022–23, we distributed 117,183 statements to registered workers in the scheme for the financial year 2021–22.

## IMPROVEMENTS IN CONTACT CENTRE OPERATIONS

### Leadership development and peer support

We understand the pivotal role of effective leadership and technical peer support in creating a positive work environment and providing high-quality service delivery. During 2022–23, we focused on developing our leaders and fostering a culture of continuous improvement and support within the contact centre. Through targeted leadership development programs, team leaders were equipped with the necessary skills to inspire and guide their teams, thereby fostering growth and empowerment. Additionally, we implemented effective technical peer support systems, which encouraged knowledge sharing and collaboration among the Client Services teams.

### Real-time reporting and resource allocation

During 2022–23, we adopted real-time reporting and resource allocation practices by monitoring call centre metrics and daily workloads related to claims. The monitoring of data provided valuable insights into demand levels across our communication channels that enabled proactive decision-making in allocating resources, adjusting staffing levels and prioritising responses based on urgency and complexity. Through these data-driven practices, we have optimised operations, minimised response times and provided timely and accurate assistance to scheme participants.

We also implemented a Workforce Management System to streamline our contact centre operations, allowing staff to address client enquiries promptly and accurately across all communication channels. The system improved scheduling, advanced reporting and trend analysis, and provided insights into performance and workload patterns.



## OUR STATISTICS

We compared our key metrics for 2021–22 and 2022–23 below, to show the types and volume of services delivered in 2022–23. In some instances, the outcomes are driven by scheme participants.

STATISTICS	2021–22	2022–23
<b>Workers registered</b>	107,205	<b>148,558</b>

*What this means:*

The number of all registered workers with a registration date on or before 30 June 2023.

*Conclusion:*

There was an increase in the number of registered workers in 2022–23 compared to 2021–22.

<b>Employers registered</b>	1,143	<b>1,435</b>
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*What this means:*

The number of employers with a registration date on or before 30 June 2023.

*Conclusion:*

There was an increase in the number of registered employers in 2022–23 compared to 2021–22.

<b>Number of claims paid to employers</b>	1,054	<b>2,776</b>
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*What this means:*

The number of claims paid to employers registered during the financial year.

Employer reimbursement claims are paid to the employer and are subject to the employer's contract with that worker.

Claims are defined as an application for entitlement to long service leave or financial payment instead of long service leave.

*Conclusion:*

There was an increase in the number of claims paid to employers in 2022–23 compared to 2021–22.

<b>Value of claims paid to employers</b>	\$739,953 (or \$0.7m)	<b>\$3.3m</b>
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*What this means:*

The total financial value of claims paid to employers during the financial year.

Claims are defined as an application for entitlement to long service leave or financial payment instead of long service leave.

*Conclusion:*

There was an increase in the value of claims paid to employers in 2022–23 compared to 2021–22.

<b>Number of claims paid to workers</b>	0	<b>0</b>
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*What this means:*

The total number of claims paid during the financial year to registered workers.

*Conclusion:*

There were no claims paid to workers in either 2021–22 or 2022–23. This is due to the scheme having commenced on 1 January 2021. Workers will be able to claim long service leave from QLeave once they have recorded seven years of service with the scheme (2,555 credits). This will be in January 2028.

STATISTICS	2021-22	2022-23
Value of claims paid to workers	\$0	\$0

*What this means:*

The total financial value of claims paid to registered, eligible workers during the financial year.

Claims are defined as an application for entitlement to long service leave or financial payment instead of long service leave.

*Conclusion:*

There were no claims paid to workers in either 2021-22 or 2022-23. This is due to the scheme having commenced on 1 January 2021. Workers will be able to claim long service leave from their employer once they have seven years' service recorded with the scheme (2,555 credits). This will be in January 2028.

Levy collected	\$54.6m	<b>\$70.6m</b>
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*What this means:*

The total financial value of levies collected by the scheme during the financial year. The Community Services Industry levy is paid electronically.

For each worker the amount of the levy is the percentage, prescribed under a regulation, of the ordinary wages paid to the worker.

*Conclusion:*

There was an increase in the financial value of the levy collected in 2022-23 compared to 2021-22.

## COMPLIANCE REPORT

During 2022-23, we continued to focus on informing the industry about legislative obligations and lending support. We met with employers in the sector, assisted workers to register and provided information and education services.

In the reporting period, we increased compliance activities through education, engagement and a regulatory program of work that included scheduled field-based compliance visits. This resulted in greater scheme engagement and awareness. The compliance investigations component increased levy collections and new registrations that drew 41,353 new workers into the scheme during 2022-23.

## RECONSIDERATIONS

The Reconsiderations function allows affected parties to have certain decisions of the Authority internally reviewed if they disagree with the decision. During 2022-23, we focused on strengthening the Reconsiderations function to enhance and promote robust and timely decision-making. As a result, the Reconsiderations function provided carefully considered outcomes to applicants.

The Reconsiderations function continued to enhance its processes to ensure that reconsideration decisions are dealt with appropriately and meet legislative timeframes.



# FINANCIAL PERFORMANCE

The Authority has ended the financial year with a positive operating result, following the scheme's second full financial year in operation.

## SUMMARY OF FINANCIAL PERFORMANCE AND POSITION

We returned a net addition to fund of \$8.7 million and a balance sheet equity position of \$32.2 million during the 2022–23 financial year.

The total income of \$74.1 million was derived predominantly from portable long service leave levies of \$70.6 million.

The total expenditure of \$65.4 million was mostly made up of the portable long service leave scheme benefits expense of \$63.4 million. The actuarial review as at 30 June 2023 resulted in an increase to the provision for portable long service leave claim entitlements of \$60 million, in addition to \$3.4 million in long service leave claims being paid throughout the year.

The statement of financial position reflects our sound financial status with a net asset position of \$32.2 million at the end of the first full financial year of the scheme. This indicates that we have an appropriate level of assets to cover all liabilities including future claims.

The scheme is now 105.4% funded.

## INVESTMENT POWERS

An investment fund portfolio was set up with the Authority's Funds Manager, the Queensland Investment Corporation (QIC), during the 2022–23 financial year, where the scheme commenced receiving investment income to further boost its financial position.

## EXPLANATIONS OF SIGNIFICANT BUDGET VERSUS ACTUAL VARIANCES

Portable long service leave levies were ahead of budget by \$21.1 million, due to higher-than-expected leviable wages. This was driven by an increase in the number of scheme registered workers, increasing to 148,558 as at 30 June 2023 from 107,205 in 2021–22.

Investment income is \$3 million behind budget. The budget assumed that cash would be invested in QIC Funds from 1 July 2022. Subsequent to the approval of the CSI Authority's investment power, the first application of funds was processed in May 2023. As a result, bank interest is over budget by \$3.2 million.

The portable long service leave scheme benefits expense is over budget by \$25.6 million, due to a higher-than-expected increase to the provision for scheme benefits, as per the actuarial review finalised in May 2023.

## ACTUARIAL REPORTING

A full actuarial assessment is performed every year to investigate the sufficiency of the Authority's funds and the adequacy of the rate of long service leave levy, to ensure the scheme's financial viability to perpetuity. QLeave's actuary is Mercer Consulting.

Mercer Consulting works closely with our Funds Manager, QIC. Mercer Consulting forecasts whether investment strategies will continue to generate sufficient funds to meet future commitments for long service leave payments and maintain the long-term sustainability of the scheme.

The purpose of the finalised actuarial review was to:

- examine the financial position of the scheme in relation to the long service leave entitlements accrued up to 30 June 2023
- determine the theoretical long term levy rate, assuming that the scheme was neither in surplus nor deficit
- recommend the future levy rate having regard to the financial position of the scheme and the funding objectives and risk preferences of the Board
- provide projections of the scheme's future financial position under a number of scenarios.

## EXTERNAL AUDIT

The external audit function is undertaken by William Buck (Queensland) as a contract auditor for the Queensland Audit Office (QAO). The external audit program and timetable are presented to the Board in April of each year for approval. Annually in August, the findings, recommendations and audited financial statements are presented to the Board for approval and subsequently to the QAO for certification.

# INFORMATION TECHNOLOGY AND INNOVATION

Our technology and information management systems are designed to meet our business needs by leveraging opportunities and innovation to provide greater business value. Our Information Communication and Technology (ICT) Strategic Plan sets the strategic imperative for our ongoing journey to become a digital-first organisation.

In building trust and maintaining business continuity, our technology must be reliable and secure to support our business and service delivery activities and inform decisions. An enterprise approach to technology and information management solutions allows us to operate more cohesively and efficiently.

In 2022–23, we undertook the following ICT initiatives and activities to enable reliable and secure service delivery to scheme participants:

- improved business as usual responsibilities for the industry scheme's Customer Relationship Management (CRM) system by establishing a network of subject matter experts for each established CRM
- took steps to comply with Queensland state government Information Security Management System requirements.

The following ICT initiatives and activities were undertaken in supporting our internal computing operating environment to enable continued service delivery:

- implemented a range of technologies to enhance our ability to operate effectively within a hybrid working environment
- implemented technologies and processes to enhance the security, availability and integrity of data for the authority
- developed and implemented enhanced business intelligence reporting dashboards, and reporting metrics of our performance to the Board
- implemented our Workforce Management System.

During the 2022–23 mandatory annual reporting process, the General Manager attested to the appropriateness of information security risk management within QLeave, noting that appropriate assurance activities have been undertaken to inform this opinion and our information security risk position.

The ICT environment at QLeave continues to evolve to achieve the goals outlined in our ICT and data strategies and roadmaps by:

- raising information security capabilities and awareness
- providing data and analytics to inform evidence-based decision-making
- enabling remote and mobile work
- ensuring business continuity, sustainability and consistent user experience.

## INFORMATION PRIVACY

We are committed to complying with the objects of the *Right to Information Act 2009* (RTI Act) and to protecting the personal information held in accordance with its obligations under the *Information Privacy Act 2009* (IP Act) and information privacy principles. The IP Act regulates how all Queensland Government agencies and contracted service providers collect, store, use and disclose personal information. Our commitment is reflected through several policies, including:

- Privacy Policy
- Right to Information and Information Privacy Procedure
- Administrative Access Policy and Procedure.

In 2022–23, we commenced a review and update of the above policies and procedures, to support the effective and efficient management of matters under the RTI and IP Acts.



## RECORDS MANAGEMENT

We continued our commitment to quality information and records management. This included using technology to support sound decision-making, accountability and compliance, and reducing reliance on paper records through automation and digitisation.

Our Information Systems Coordinator performs a formal assignment of records management monitoring and advice. Our management is advised about the volume of records recorded in the electronic records management system, and improvement options for managing records. In addition, super users (individuals with expertise in using the system) established within QLeave continue to communicate with staff about the agency's records management function and activities and offer support to staff.

We are committed to meeting our responsibilities under the relevant legislation, Queensland State Archives policies, standards and guidelines, and best practice methods as outlined in applicable international standards. This is achieved through several policies, including:

- Records Management Policy
- Records Governance Policy
- Digitisation and Disposal Policy
- Digital Recordings and Images Policy
- Information Asset Custodian Policy.

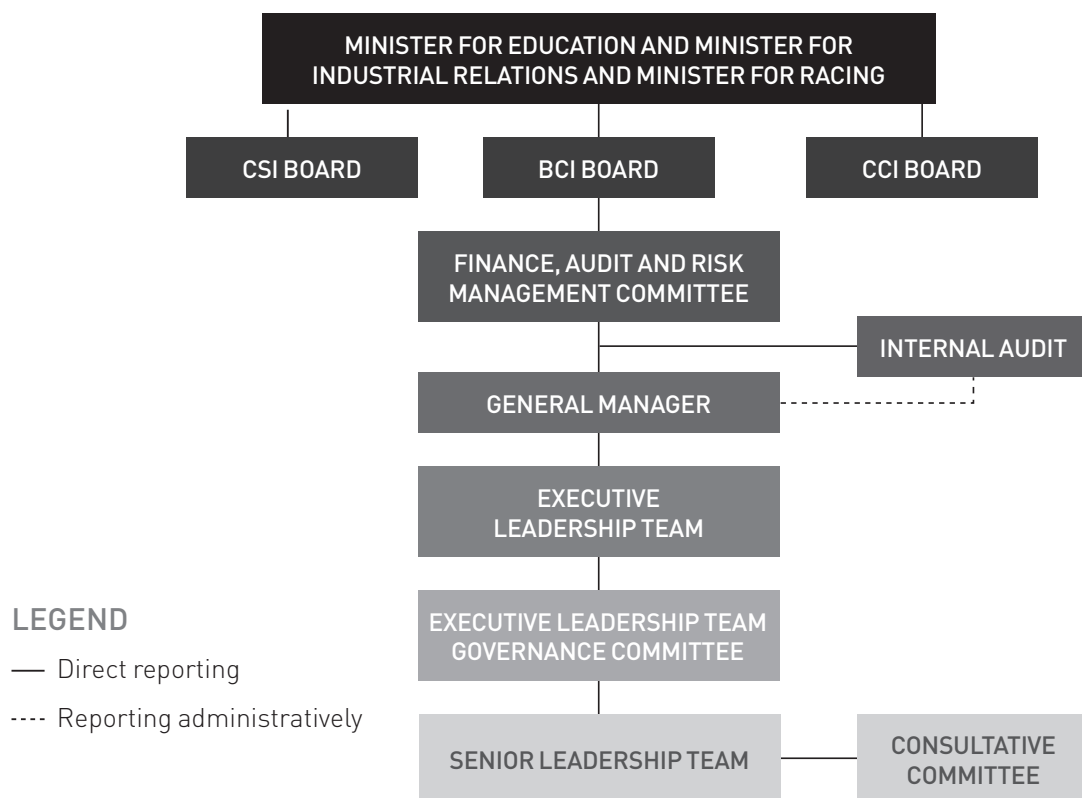
We use an electronic document and records management system called Micro Focus Content Manager to manage and secure administrative records. We also use several business management systems to capture, secure and manage our information.

In 2022–23, the following initiatives and activities were undertaken:

- continued education and engagement with staff regarding record-keeping obligations through the Content Manager Super Users Group
- completed the annual review of Corporate Records held in Content Manager
- completed updating policies and procedures for records management
- supported an internal audit by an external supplier in reviewing records management and addressing management actions to enhance the maturity of our records management
- conducted a self-assessment of records management awareness to benchmark performance and identify business improvements.

# GOVERNANCE AND ACCOUNTABILITY

QLeave's governance arrangements as at 30 June 2023 are shown below.



## THE BOARD

The Board is appointed by the Governor-in-Council. The Board reports to the Honourable Grace Grace MP, Minister for Education, Minister for Industrial Relations and Minister for Racing.

The scheme is administered by QLeave, on behalf of the Authority. QLeave is reimbursed for the provision of its services to the Authority through an administration cost sharing arrangement.

The Board has the following functions:

- to ensure the Authority performs its functions in an appropriate, effective and efficient way
- to perform any other function given to the Board under the Act or another Act.

The Board operates under the provisions of the Act, other governing legislation and within the scope of the Board Guidelines.

## COMPOSITION OF THE BOARD

The Board is appointed for a term of three years and directors are eligible for reappointment. The current Board's term commenced on 3 September 2020 and expires on 2 September 2023.

The Board consists of eight directors:

- the chairperson
- the deputy chairperson
- three directors representing employers in the community services industry
- three directors representing workers in the community services industry.

The person appointed as deputy chair must be appropriately qualified in at least one of the following areas: commerce, economics, finance and/or management.

Board directors are selected for their depth of knowledge, expertise and experience in either finance and investment, law, corporate governance and/or the community services industry. The Board is proactive in identifying factors affecting the community services industry, with a view to achieving a balance between the interests of workers, employers, stakeholders and the long-term sustainability of the scheme.

Directors are encouraged to undertake professional development through the Australian Institute of Company Directors and other development avenues. Directors' professional development is focused on enhancing existing skills and ensuring the Board maintains the high standard required by best practice corporate governance frameworks.

The Board for the financial year 2022–23 comprised the following directors:

- **Chairperson:** Glenys Fisher
- **Deputy Chairperson:** Jennifer Cullen
- **Employer Representatives:** Carly Hanson, Belinda Drew (who resigned on 20 July 2022), Annette Schoone and Matthew Gillett (who were both appointed on 16 March 2023)
- **Worker Representatives:** Rebecca Girard, Justine Moran and Aaron Santelises.

#### FOCUS FOR THE BOARD 2022–23

The major activities for the Board for the 2022–23 financial year were to:

- consult with the QIC to develop an Investment Policy Statement and establish an investment portfolio
- undertake a review of the cost allocation model to ensure the administration cost sharing arrangements remained appropriate across the three schemes
- ensure sufficient monitoring and mitigation of strategic risks
- monitor performance against the strategic plan
- ensure the Internal Audit Plan and associated frameworks appropriately monitor the internal controls so they remain effective and adequate in minimising risk
- ensure management addresses any findings and recommendations of the internal and external audit functions in a timely manner
- monitor the actuarial position to ensure sufficiency of funds and adequacy of the levy rate
- endorse the annual budget prior to seeking ministerial approval
- endorse the financial statements for Queensland Audit Office certification.

The Chair and the Chairs of the Building and Construction Industry (Portable Long Service Leave) Authority Board and the Contract Cleaning Industry (Portable Long Service Leave) Authority Board attended a workshop with management to discuss aligning the three Boards' position on risk management and to develop one risk appetite statement across the organisation. All Boards endorsed the Risk Appetite Statement in June 2023.

On 4 August 2022, the Board was granted category 2 investment powers under the Statutory Bodies Financial Arrangements Regulation 2019.

The Board attended a financial literacy workshop to be updated on contemporary financial analysis.





## REMUNERATION

The Board is classified as a Regulation, Administration and Advice – Level 3 category body under the *Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies*. Directors are remunerated per meeting attended.

## BOARD PERFORMANCE ASSESSMENT

The Board directors undertake an annual Board performance evaluation to highlight the achievements throughout the year and identify opportunities for improvement. The evaluation is a structured self-assessment process that allows individual directors to review their performance. The evaluation outcomes are discussed in an in-camera session led by the Chair to identify strengths and development opportunities for board operations, and review and measure the Authority's progress towards its goals, training requirements and open channels of communication.

## BOARD MEETINGS

The Board met five times during 2022–23 and made three decisions out of session. Out of session decisions are required where additional information is requested by the Board, and the decision cannot wait until the next Board meeting.

## BOARD SECRETARIAT

The Board Secretariat provides professional support services to the Boards, including:

- arranging and scheduling Board meetings, setting agendas, circulating papers and reports, attending and minuting meetings
- ensuring that documents presented to the Boards are of a high standard to inform decision-making
- accurately recording Board considerations in correspondence and minutes and realising decisions and actions arising from Board and Committee meetings.

## BOARD RECORDKEEPING

The minutes and documentation of each board meeting are recorded, and copies are provided to Queensland State Archives under the provision of the *Public Records Act 2002*.

# DIRECTORS OF THE BOARD

The following are the profiles of the Directors of the Community Services Industry Board.

## **GLENYS FISHER, CHAIRPERSON**

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Glenys Fisher resigned from the Queensland Industrial Relations Commission in 2019 after more than 25 years in the role of Industrial Commissioner. During her tenure, she presided over many complex proceedings between employers, employees and unions. Glenys also undertook two pay equity inquiries at the direction of the state government, resulting in legislative amendments. She also presided over three pay equity cases, including one for community services workers.

Glenys has served on the boards of two educational institutions, including for a period as Chair of one, and a community services organisation.

Glenys holds academic qualifications in arts, law and industrial relations, and is a Fellow of the Institute of Management and Leaders and a graduate of the Australian Institute of Company Directors.

Glenys is the founding Chairperson and was appointed to the Board on 3 September 2020.

## **JENNIFER CULLEN, DEPUTY CHAIRPERSON**

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Jennifer Cullen is the Chief Executive Officer of Synapse Australia Limited. She has extensive experience in providing a comprehensive range of community-based services to support and benefit people with a disability.

Jennifer has been a member of the National Disability Insurance Scheme's Independent Advisory Council since 2013 and was a member of the National Disability Carers' Advisory Council from 2013 to 2020.

Jennifer is also an Adjunct Associate Professor of James Cook University and Griffith University. In 2020, Jennifer was appointed Doctor of the University at Griffith University.

Jennifer is a graduate of the Australian Institute of Company Directors.

Jennifer is the founding Deputy Chairperson and was appointed to the Board on 3 September 2020.

## **CARLY HANSON, EMPLOYER REPRESENTATIVE**

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Carly Hanson (LLB, BJus, GDLP, GAICD) is the Sector Sustainability Coordinator for Community Legal Centres Queensland, the peak membership body for 32 independent, not-for-profit services that provide free legal support across Queensland.

Carly supports the development of organisational capacity of member organisations, including quality improvement processes, training and innovative and collaborative projects to improve service delivery, governance and professional standards.

Carly has over 20 years' experience in the private and community legal sectors and in the tertiary education sector. She is passionate about providing advocacy and holistic support to people experiencing vulnerability and disadvantage.

Carly is the President of a Brisbane-based community organisation and a member of the Risk and Finance Sub-committee.

Carly is a graduate of the Australian Institute of Company Directors.

Carly is a founding Director and was appointed to the Board on 3 September 2020.



## **ANNETTE SCHOONE, EMPLOYER REPRESENTATIVE**

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Annette Schoone is the Executive Director Operations for the Queensland Council of Social Service (QCOSS), in addition to holding the role of Company Secretary.

Annette is a graduate of the Australian Institute of Company Directors, and holds qualifications in Human Resources, Community Service Management, Community Development and Project Management. Her knowledge is coupled with more than 25 years' experience in management and leadership positions, strategy and operations, governance, and service management gained in local government and the not-for-profit sectors.

Annette was appointed to the Board on 16 March 2023.

## **MATTHEW GILLETT, EMPLOYER REPRESENTATIVE**

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Matthew Gillett is the General Manager of Community Services Industry Alliance.

Matthew is a community services professional with extensive experience in non-profit organisations across Queensland, New South Wales and the Australian Capital Territory. Matthew has more than 30 years' management experience gained from a variety of sectors including disability, aged care, health promotion, and workforce planning. He held executive roles in project management, business leadership, policy development, advocacy and consumer engagement, and was also a National Mediator Accreditation System mediator.

Matthew is also a member of the Pacific Australia Mobility Scheme Working Group, the National Disability Insurance Scheme Workforce Industry Reference Group and two Queensland Ministerial Roundtables: the Queensland Workforce Strategy and the LGBTIQ+ Roundtable.

Matthew was appointed to the Board on 16 March 2023.

## **BELINDA DREW, EMPLOYER REPRESENTATIVE**

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Belinda Drew was the Chief Executive Officer of Community Services Industry Alliance (CSIA).

Upon her resignation from CSIA, Belinda also resigned from the Board.

Belinda was a founding Director and was appointed to the Board on 3 September 2020. Belinda resigned from the Board on 20 July 2022.

## **JUSTINE MORAN, WORKER REPRESENTATIVE**

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Justine Moran is the Development Coordinator and Social and Community Services Industry Lead at the Australian Municipal, Administrative, Clerical and Services Union (Services and Northern Administrative) Branch (The Services Union).

Justine has worked in the union movement for over 20 years and has extensive experience in developing campaigns to assist workers to realise their goals in the workplace.

Justine is a member of the Australian Institute of Company Directors.

Justine is a founding Director and was appointed to the Board on 3 September 2020.



## **REBECCA GIRARD, WORKER REPRESENTATIVE**

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Rebecca Girard is the Industrial Coordinator at the Australian Municipal, Administrative, Clerical and Services Union (Services and Northern Administrative) Branch (The Services Union).

Rebecca has over 15 years' experience working in the industrial relations sector and is skilled in the coordination of service delivery, managing stakeholder engagement and resolving complex industrial issues.

Rebecca is also a member of the CareSuper Board of Directors and has completed the Australian Institute of Superannuation Trustees (AIST) Trustee Director course. Rebecca has a solid understanding of governance and risk management.

Rebecca is a graduate of the Australian Institute of Company Directors.

Rebecca is a founding Director and was appointed to the Board on 3 September 2020.

## **AARON SANTELISES, WORKER REPRESENTATIVE**

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Aaron Santelises is an Industrial Advocate and Legal Advisor for The Australian Workers' Union of Employees, Queensland. Aaron has a dual role in which he advocates for members from an array of industries such as community services and is responsible for the governance and compliance of the union.

Aaron has more than six years' experience in employment law and industrial relations through private law firms and the union movement. Aaron has been a Committee Member of the Queensland Law Society's Industrial Law Committee since 2020 and is a Board member for the Australian Retirement Trust.

Additionally, Aaron is an Infantry Lieutenant in the Army Reserves, where he has gained experience in risk management, leadership, working in a team and strategic planning.

Aaron is a graduate of the Australian Institute of Company Directors.

Aaron was appointed to the Board on 26 August 2021.

## **INTERNAL AUDIT**


BDO undertakes QLeave's internal audit. The internal audit helps us accomplish our objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of systems of internal control.

BDO reviews our operations to assure the Board that our systems are effective, efficient and economical for the administration of portable long service leave schemes.

The internal audit program has adopted an integrated approach on the issues of governance, risk management and compliance.

During 2022–23, BDO undertook the following internal audit work and reviews:

- accounts payable audit
- information security management system audit
- validation of completed recommendations from the following internal audit reports:
  - Governance Framework involving controlled documents
  - Risk Advisory
  - Fraud and Corruption Risk Register
  - Revenue
- monitoring of the reporting status of internal audit recommendations
- implementation of an internal audit plan for 2022–23
- development of an internal audit plan for 2023–24.



Also during the reporting period, to enhance business improvements, external suppliers completed internal audits and reviews of our records management and finance functions as well as the methodology for allocating costs between the three industry schemes.

## RISK MANAGEMENT

The Board and QLeave management strongly support an effective risk management culture that identifies and mitigates potential threats impacting on meeting objectives to sustain the financial strength of QLeave. This is central to providing financial certainty to scheme participants, now and into the future.

We manage risks by involving all business units to identify risks, and record mitigation actions in a central risk register for implementation by the appropriate areas. The register is reviewed by all managers and QLeave directors, and quarterly reports are provided to the Executive Leadership Team Governance Committee, the Finance, Audit and Risk Management Committee and the Boards.

During 2022–23, we developed an enhanced Enterprise Risk Management Framework, tailored risk assessment tools, and revised our Risk Management Policy and Procedure. Considerable effort was also made to increase and embed risk management awareness and capability through dedicated training, engagement, establishment of a Risk Officers Network, and streamlined quarterly risk review processes. Our enhanced Enterprise Risk Management Framework was developed in alignment with the following legislation, standards and best practice guides:

- *Financial Accountability Act 2009*
- Financial and Performance Management Standard 2019
- AS/NZS ISO 31000:2018 Risk management – Principles and Guidelines
- Prudential Standard SPS 220 Risk Management
- A Guide to Risk Management by Queensland Treasury (2020).

As part of the enhanced Enterprise Risk Management Framework, we adopted the concept of ‘material risk’ from the Prudential Standard SPS 220. Material risks are those that may have a material impact (i.e. a significant impact) on our operations and the ability to meet our obligations. This strategic approach allows us to capture both strategic and operational material risks on one material risk register – which enables us to focus time, effort and resources on risks that pose the most significant threat to the agency.

Throughout the development phase of the Enterprise Risk Management Framework, we undertook extensive internal consultation to ensure our risk assessment tools meet the needs of our business. This body of work also involved the development of a single Board-approved Risk Appetite Statement, which documents the levels of risk that we are willing to accept in pursuit of meeting our objectives.

In 2023–24, we will continue to enhance risk maturity through the delivery of a risk maturity plan and will monitor and report material risks using a material risk register.



# FINANCIAL STATEMENTS

**Community Services Industry  
(Portable Long Service Leave) Authority**  
For the Year Ended 30 June 2023

# Community Services Industry (Portable Long Service Leave) Authority

## Financial Statements

For the Year Ended 30 June 2023

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# Community Services Industry (Portable Long Service Leave) Authority

## Statement of Comprehensive Income

for the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>OPERATING RESULT</b>			
<b>Income from continuing operations</b>			
Portable long service leave (PLSL) levies	B1-1	70,631	54,591
Income from investments	B1-2	599	-
Net fair value gain on investments	B1-3	(317)	-
Interest		3,209	272
<b>Total income from continuing operations</b>		<b>74,122</b>	<b>54,863</b>
<b>Expenses from continuing operations</b>			
Supplies and services	B2-1	1,998	2,028
Impairment losses	B2-2	38	46
Portable long service leave (PLSL) scheme benefits	C5	63,406	31,940
<b>Total expenses from continuing operations</b>		<b>65,442</b>	<b>34,014</b>
<b>Operating result from continuing operations</b>		<b>8,680</b>	<b>20,849</b>
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>8,680</b>	<b>20,849</b>

*The accompanying notes form part of these financial statements.*



# Community Services Industry (Portable Long Service Leave) Authority

## Statement of Financial Position

as at 30 June 2023

	Note	2023 \$'000	2022 \$'000
<b>Current assets</b>			
Cash and cash equivalents	C1	83,527	60,016
Receivables	C2	17,809	13,360
Investments	C3	40,276	-
<b>Total current assets</b>		<b>141,612</b>	<b>73,376</b>
<b>Total assets</b>		<b>141,612</b>	<b>73,376</b>
<b>Current liabilities</b>			
Payables	C4	137	581
Provision for scheme benefits	C5	38,000	12,600
<b>Total current liabilities</b>		<b>38,137</b>	<b>13,181</b>
<b>Non-current liabilities</b>			
Provision for scheme benefits	C5	71,300	36,700
<b>Total non-current liabilities</b>		<b>71,300</b>	<b>36,700</b>
<b>Total liabilities</b>		<b>109,437</b>	<b>49,881</b>
<b>Net assets</b>		<b>32,175</b>	<b>23,495</b>
<b>Equity</b>			
Accumulated surplus		32,175	23,495
<b>Total equity</b>		<b>32,175</b>	<b>23,495</b>

*The accompanying notes form part of these financial statements.*

**Community Services Industry (Portable Long Service Leave) Authority**  
**Statement of Changes in Equity**  
for the year ended 30 June 2023

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	<b>Accumulated surplus \$'000</b>
<b>Balance as at 1 July 2021</b>	2,646
Total comprehensive income for the year	20,849
<b>Balance as at 30 June 2022</b>	<u><b>23,495</b></u>
Total comprehensive income for the year	8,680
<b>Balance as at 30 June 2023</b>	<u><u><b>32,175</b></u></u>

*The accompanying notes form part of these financial statements.*

**Community Services Industry (Portable Long Service Leave) Authority**  
**Statement of Cash Flows**

for the year ended 30 June 2023

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Note</b>	<b>2023 \$'000</b>	<b>2022 \$'000</b>
<i>Inflows:</i>			
Interest receipts		2,944	212
Portable long service leave (PLSL) levies		67,161	52,536
Other revenue		-	1
Goods and Services Tax (GST) input credits from Australian Tax Office (ATO)		251	263
<i>Outflows:</i>			
Supplies and services		(3,300)	(2,712)
Portable long service leave		(3,304)	(713)
GST paid to suppliers		(241)	(231)
<b>Net cash provided by operating activities</b>	<b>CF-1</b>	<b>63,511</b>	<b>49,356</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Inflows:</i>			
Proceeds from investments		5	-
<i>Outflows:</i>			
Purchase of investments		(40,000)	-
Investment expenses paid		(5)	-
<b>Net cash used in investing activities</b>		<b>(40,000)</b>	<b>-</b>
 <b>Net increase in cash and cash equivalents</b>		<b>23,511</b>	<b>49,356</b>
 <b>Cash and cash equivalents - opening balance</b>		<b>60,016</b>	<b>10,660</b>
<b>Cash and cash equivalents - closing balance</b>	<b>C1</b>	<b>83,527</b>	<b>60,016</b>

*The accompanying notes form part of these financial statements.*

**Community Services Industry (Portable Long Service Leave) Authority**

**Statement of Cash Flows**

for the year ended 30 June 2023

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**NOTES TO THE STATEMENT OF CASH FLOWS**

**CF-1 Reconciliation of operating result to net cash provided by operating activities**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Operating surplus/(deficit)	8,680	20,849
<i>Adjustments to investment items:</i>		
Investment income	(282)	-
Investment expense	5	-
<i>Changes in assets and liabilities</i>		
Increase/(decrease) in PLSL scheme benefits provision	60,000	31,200
(Increase)/decrease in receivables	(4,449)	(2,082)
(Decrease)/increase in payables	(443)	(611)
<b>Net cash provided by operating activities</b>	<b>63,511</b>	<b>49,356</b>

# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### SECTION 1

#### ABOUT THE AUTHORITY AND THIS FINANCIAL REPORT

## A1 BASIS OF FINANCIAL STATEMENT PREPARATION

### A1-1 GENERAL INFORMATION

The Community Services Industry (Portable Long Service Leave) Authority (Authority) was established under the *Community Services Industry (Portable Long Service Leave) Act 2020* from 22 June 2020.

The principal place of business of the Authority is Unit 1, 62 Crockford Street, Northgate QLD 4013.

### A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The Authority has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019* and the *Financial Accountability Act 62(1)*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations, other authoritative pronouncements and comply with the *Community Services Industry (Portable Long Service Leave) Act 2020*. In addition, the financial statements comply with Queensland Treasury's Financial Reporting Requirements for reporting periods beginning on or after 1 July 2022.

The financial statements are for the Authority as a single entity. With respect to compliance with Australian Accounting Standards and Interpretations, the Authority has applied those requirements applicable to not-for-profit entities, as the Authority is a not-for-profit statutory body which commenced operations on the 22 June 2020 following the assent of the *Community Services Industry (Portable Long Service Leave) Act 2020*.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note E3.

### A1-3 PRESENTATION

#### Currency and 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 2021-22 financial statements and has been reclassified where necessary to be consistent with disclosures in the current reporting period.

#### 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 the Authority 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.

#### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### A1-4 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the Chair of the Authority's Board and the General Manager of QLeave at the date of signing the management certificate.

### A1-5 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except for the following:

- Provisions expected to be settled 12 or more months after reporting date which are measured at their present value.

#### Historical cost

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.

# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

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### A1 BASIS OF FINANCIAL STATEMENT PREPARATION (continued)

#### A1-5 BASIS OF MEASUREMENT (continued)

##### Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using one of the following three approaches:

- The *market approach* uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The *cost approach* reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.
- The *income approach* converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Where fair value is used, the fair value approach is disclosed.

##### Present value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

### A2 AUTHORITY OBJECTIVES

The objective of the Authority is to administer a paid long service leave scheme for eligible workers within the community services industry in accordance with the *Community Services Industry (Portable Long Service Leave) Act 2020*.

The Authority is funded by a levy imposed on worker wages, currently 1.35%, and the income earned on the investment of these funds.

For the 2022-23 financial year, the Authority reported to the Minister for Education, Minister for Industrial Relations and Minister for Racing (Hon Grace Grace MP).

The Authority does not employ staff. The General Manager of the Authority is the person appointed as the General Manager of the Building and Construction Industry (Portable Long Service Leave) Authority (BCI or QLeave) and manages the business of the Authority. QLeave provides the Authority with the staff and administrative support services that it requires to carry out its functions. Costs shown in the statement of comprehensive income under supplies and services represents QLeave's fee for these services.

# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### SECTION 2

#### NOTES ABOUT OUR FINANCIAL PERFORMANCE

#### B1 REVENUE

##### B1-1 INCOME FROM LEVIES

	2023 \$'000	2022 \$'000
Portable long service leave (PLSL) levies	<u>70,631</u>	<u>54,591</u>

##### B1-2 INCOME FROM INVESTMENTS

	2023 \$'000	2022 \$'000
Distribution from:		
QIC Cash Enhanced Fund	51	-
QIC Long Term Diversified Fund	548	-
<b>Total</b>	<u><b>599</b></u>	<u><b>-</b></u>

##### B1-3 NET FAIR VALUE LOSS ON INVESTMENTS

	2023 \$'000	2022 \$'000
QIC Cash Enhanced Fund		
Earnings	32	-
Less: Distributions	(51)	-
<b>Fair value movement</b>	<u><b>(19)</b></u>	<u><b>-</b></u>
QIC Long Term Diversified Fund		
Earnings	250	-
Less: Distributions	(548)	-
<b>Fair value movement</b>	<u><b>(298)</b></u>	<u><b>-</b></u>
<b>Total fair value movement</b>	<u><u><b>(317)</b></u></u>	<u><u><b>-</b></u></u>

#### Accounting policy - Income from levies

Revenue is recognised where it can be reliably measured and the entity has an unconditional right to receive it in the period to which it relates. Levy revenue applicable to the last quarter, April to June 2023, has been estimated and accrued based on levies recognised year to date and specifically the average of the quarter return periods, July 2022 to March 2023. Retrospective levies income is recognised when invoiced.

#### Accounting policy - Income from investments

Distribution income and earnings from investments are recognised when the right to receive the payment is established.

#### Accounting policy - Net fair value gain on investments

Gains arising from changes in the fair value measurement of investment funds are included in the operating result for the period in which they arise.

Net fair value movement on investments is disclosed in Note D1-4.

## Community Services Industry (Portable Long Service Leave) Authority

### Notes to the Financial Statements

for the year ended 30 June 2023

#### B2 EXPENSES

##### B2-1 SUPPLIES AND SERVICES

	2023	2022
	\$'000	\$'000
QLeave fees <sup>(1)(2)(3)</sup>	1,980	2,025
Other expenses	18	3
<b>Total</b>	<b>1,998</b>	<b>2,028</b>

##### Accounting policy - Procurement

For a transaction to be classified as supplies and services, the value of goods and services received by the Authority must be of approximately equal value to the value of the consideration exchanged for those goods or services.

##### QLeave fees

(1) The Authority, under agreement, pays to QLeave a fee for the administrative services that it requires to carry out its functions effectively and efficiently, including the collection of levies.

##### Audit fees

(2) The total audit fees quoted by the Queensland Audit Office relating to the external audit of the 2022-23 financial statements are estimated to be \$27,428 (2021-22: \$19,800). This amount includes an Actuary Peer Review component of \$7,128. The audit fees are included in the QLeave fees.

##### Insurance premiums - QGIF

(3) The Authority's risks are insured through the Queensland Government Insurance Fund and premiums are paid on a risk assessment basis. In addition, the Authority pays premiums to WorkCover Queensland in respect of its obligations for Director compensation. The insurance premiums - QGIF are included in the QLeave fees.

##### B2-2 IMPAIRMENT LOSSES

	2023	2022
	\$'000	\$'000
Trade receivables	38	46

##### Accounting policy - Impairment

Impairment losses may arise on assets held by the Authority from time to time. Accounting for impairment losses is dependent upon the individual asset (or group of assets) subject to impairment.

The trade debtors loss allowance reflects the lifetime expected credit loss method and includes known doubtful debts.



# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### SECTION 3 NOTES ABOUT OUR FINANCIAL POSITION

#### C1 CASH AND CASH EQUIVALENTS

	2023 \$'000	2022 \$'000
Cash at bank	<u>83,527</u>	<u>60,016</u>

#### Accounting policy - Cash and cash equivalents

For the purpose of the statement of financial position and the statement of cash flow, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

#### C2 RECEIVABLES

	2023 \$'000	2022 \$'000
Trade debtors	2,248	1,235
Less: Loss allowance	<u>(38)</u>	<u>(46)</u>
	2,210	1,189
Accrued Income	722	-
Accrued revenue*	14,809	12,096
GST input tax credits receivable	<u>68</u>	<u>75</u>
	15,599	12,171
<b>Total</b>	<u><b>17,809</b></u>	<u><b>13,360</b></u>

#### Accounting policy - Receivables

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

Trade debtors are recognised at the amounts due at the end of a return quarter. Settlement of these amounts is required within 14 days from the end of the quarter.

The collectability of receivables is assessed periodically with an allowance being made for impairment. All known bad debts were written off as at 30 June. The allowance for impairment is based on loss events in conjunction with current debtor monitoring and analysis.

The trade debtors loss allowance reflects the lifetime debts.

\* Includes the fourth quarter levy revenue accrual.

#### C3 INVESTMENTS

	2023 \$'000	2022 \$'000
QIC - Cash Enhanced Fund	6,031	-
QIC - Long Term Diversified Fund	<u>34,245</u>	<u>-</u>
<b>Total</b>	<u><b>40,276</b></u>	<u><b>-</b></u>

#### Accounting policy - Investments

The Authority's investments are held at fair value through profit and loss and are limited to unlisted unit trusts managed by Queensland Investment Corporation (QIC). The fair value of these investments were estimated using market approach based on unit price of the relevant trust at reporting date. The unit price is derived based on observable market data for underlying investments held by the Fund.

#### C4 PAYABLES

	2023 \$'000	2022 \$'000
Accrued charges	<u>137</u>	<u>581</u>

#### Accounting policy - Payables

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, net of applicable trade and other discounts. Amounts owing are unsecured and generally settled on 30 day terms.

## Community Services Industry (Portable Long Service Leave) Authority

### Notes to the Financial Statements

for the year ended 30 June 2023

#### C5 PROVISION FOR SCHEME BENEFITS

	2023 \$'000	2022 \$'000
<b>Current</b>		
Provision for scheme benefits expected to be settled within 12 months	8,600	3,500
Provision for scheme benefits expected to be settled after 12 months	29,400	9,100
<b>Total *</b>	<b>38,000</b>	<b>12,600</b>
<b>Non-current</b>		
Provision for scheme benefits	<b>71,300</b>	<b>36,700</b>
<b>Total</b>	<b>109,300</b>	<b>49,300</b>
<b>Movement in provisions</b>		
Balance as at 1 July	49,300	18,100
Additional provision recognised	63,406	31,940
Reduction in provision from payments	(3,406)	(740)
<b>Balance as at 30 June</b>	<b>109,300</b>	<b>49,300</b>

#### Accounting policy - Provisions

Provisions are recorded when the Authority has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. Where the settlement of the obligation is expected after 12 or more months, the obligation is discounted to the present value using an appropriate discount rate.

Payments for long service leave claims are assessed and calculated in accordance with the Community Services Industry (Portable Long Service Leave) Act 2020 and Regulations.

Scheme eligible members as at 30 June were 148,558 (2021-22: 107,205).

\* The total current provision of \$38 million (2021-22: \$12.6 million) represents the value for which the Authority does not have an unconditional right to defer settlement for at least 12 months. The Authority only expects to pay \$8.6 million (2021-22: \$3.5 million) over the next 12 months.

The liability has been recorded as both a current liability and a non-current liability in accordance with AASB 101 *Presentation of Financial Statements* and AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* whereby the current liability represents any amount of Scheme benefits liability for which the Authority does not have an unconditional right to defer settlement for at least 12 months after the reporting date.

#### Key Estimates and Judgements: Provisions

The long service leave liability of the scheme was determined via actuarial assessment as required by the Community Services Industry (Portable Long Service Leave) Act 2020 at intervals of at least every two years to investigate the sufficiency of the Authority's funds and the adequacy of the rate of long service leave levy. The Authority ensures an independent actuarial assessment is undertaken in accordance with legislation.

Mercer Consulting (Australia) Pty Ltd was appointed by the Authority on 8 April 2021. The latest actuarial assessment of the scheme's liabilities by Mercer Consulting (Australia) Pty Ltd dated 10 May 2023 was prepared utilising 30 September 2022 worker data based on a number of theoretical and Board-approved assumptions.

The major assumptions used in the actuarial valuation of the scheme benefits were:

- The long-term investment return of 6.95% per annum net of management fees (2021-22: 5.2% per annum).
- The rate of wage increase of 4.8% per annum (2021-22: 2.5% per annum).
- The average weekly wage rate for long service leave claims of \$1,626.39 from 1 July 2023 (\$1,485.96 from 1 July 2022).

The provision has been discounted using a rate of 6.95% reflecting the long-term rate of return on the Authority's assets to determine the present value.

# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### SECTION 4

#### NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES

## D1 FAIR VALUE MEASUREMENT

### D1-1 ACCOUNTING POLICIES AND INPUTS FOR FAIR VALUES

#### What is fair value?

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Authority include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Authority's assets/liabilities, internal records of recent costs (and/or estimate of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

#### Fair value measurement hierarchy

All assets and liabilities of the Authority for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

Level 1	represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
Level 2	represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
Level 3	represents fair value measurements that are substantially derived from unobservable inputs.

### D1-2 BASIS FOR FAIR VALUES OF ASSETS AND LIABILITIES

The Authority's holdings in financial assets at fair value through profit and loss is limited to unlisted unit trusts managed by QIC Limited. The fair value of these holdings was based on the unit price of the relevant trust at reporting date. The unit price is derived based on observable market data for underlying investments held by the trust. Accordingly, the Authority classifies these financial assets as level 2.

### D1-3 CATEGORISATION OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

#### Financial assets

##### Investments

QIC Cash Enhanced Fund  
QIC Long Term Diversified Fund

#### Total

Level 1		Level 2		Level 3		Total carrying amount	
2023	2022	2023	2022	2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
-	-	6,031	-	-	-	6,031	-
-	-	34,245	-	-	-	34,245	-
-	-	40,276	-	-	-	40,276	-

**Community Services Industry (Portable Long Service Leave) Authority**

**Notes to the Financial Statements**

for the year ended 30 June 2023

**D1 FAIR VALUE MEASUREMENT (continued)**

**D1-4 LEVEL 2 FAIR VALUE MEASUREMENT - RECONCILIATION**

		<b>2023</b>	<b>2022</b>
		<b>\$'000</b>	<b>\$'000</b>
QIC Cash Enhanced Fund	Carrying amount at 1 July	-	-
	Plus		
	Earnings	32	-
	Contributions	6,000	-
	Distributions Reinvested	51	-
	Less		
	Distributions	(51)	-
	Redemptions	-	-
	Redemptions - Fees	(1)	-
	<b>Carrying amount at 30 June</b>	<b>6,031</b>	<b>-</b>
QIC Long Term Diversified Fund	Carrying amount at 1 July	-	-
	Plus		
	Earnings	250	-
	Contributions	34,000	-
	Distributions Reinvested	548	-
	Less		
	Distributions	(548)	-
	Redemptions	-	-
	Redemptions - Fees	(5)	-
	<b>Carrying amount at 30 June</b>	<b>34,245</b>	<b>-</b>
<b>Total Carrying amount at 30 June</b>		<b>40,276</b>	<b>-</b>

# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### D2 FINANCIAL RISK DISCLOSURES

#### D2-1 FINANCIAL INSTRUMENT CATEGORIES

Financial assets and financial liabilities are recognised in the statement of financial position when the Authority becomes party to the contractual provisions of the financial instrument. The Authority has the following categories of financial assets and liabilities:

Category	Note	2023 \$'000	2022 \$'000
<b>Financial assets</b>			
Cash and cash equivalents	C1	83,527	60,016
Financial assets at amortised cost:			
Receivables	C2	17,809	13,360
Financial assets at fair value through profit or loss:			
QIC - Cash Enhanced		6,031	-
QIC - Long Term Diversified Fund		34,245	-
	C3	40,276	-
<b>Total financial assets</b>		<b>141,612</b>	<b>73,376</b>
<b>Financial liabilities</b>			
Financial liabilities measured at amortised cost:			
Payables	C4	137	581
<b>Total financial liabilities</b>		<b>137</b>	<b>581</b>

No financial assets and financial liabilities have been offset and presented net in the statement of financial position.

#### D2-2 RISKS ARISING FROM FINANCIAL INSTRUMENTS

##### (a) Risk exposure

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

Risk exposure	Definition	Exposure
Credit risk	The risk that the Authority may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	The Authority is exposed to credit risk in respect of its receivables (Note C2).
Liquidity risk	The risk that the Authority may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	The Authority is exposed to liquidity risk in respect of its payables (Note C4) and payments for long service leave claims (Note C5).
Market risk	<p>The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, interest rate risk and currency risk.</p> <p><i>Price Risk</i> is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.</p> <p><i>Interest rate risk</i> is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market interest rates.</p> <p>The Authority is not exposed to <i>currency risk</i>.</p>	<p>The Authority is exposed to price risk through investments with QIC (Note C3). The Authority is exposed to adverse movements in the level of volatility of the financial markets in respect to these investments.</p> <p>The Authority is exposed to interest rate risk through cash and cash equivalents (Note C1) which is subject to variable interest rates.</p>

## Community Services Industry (Portable Long Service Leave) Authority

### Notes to the Financial Statements

for the year ended 30 June 2023

#### D2 FINANCIAL RISK DISCLOSURES (continued)

##### D2-2 RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

###### (b) Risk measurement and management strategies

The Authority measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method	Risk management strategies
Credit risk	Aging analysis	The Authority manages credit risk through the use of a <i>debtor management strategy</i> . This strategy ensures all funds owed are monitored on a timely basis. Exposure to credit risk is monitored on an ongoing basis.
Liquidity risk	Sensitivity analysis	The Authority manages liquidity risk through the use of a <i>liquidity management strategy</i> . This strategy aims to reduce the exposure to liquidity risk by ensuring the Authority has sufficient funds available to meet all obligations as they fall due.
Market risk	Price sensitivity analysis  Interest rate sensitivity analysis	To manage the risk of a decline in portfolio value due to adverse movements in market price the QIC investment structure diversified in 2018-19 to include the QIC International Equities Fund and the QIC Diversified Australian Equities Fund.  The Authority does not undertake any hedging in relation to interest risk.  The Authority's <i>Investment Policy Statement</i> is reviewed annually to ensure investment objectives are aligned with the Authority's strategic plan and that an appropriate asset allocation exists to give expected returns for given levels of risk over time.

##### D2-3 CREDIT RISK DISCLOSURES

###### Credit risk management practices

The Authority typically considers a financial asset to be in default when it becomes 90 days past due. However, a financial asset can be in default before that point if information indicates that the Authority is unlikely to receive the outstanding amounts in full. The Authority has included a loss allowance on trade receivables (Note C2).

###### Credit risk exposure

The following table represents the Authority's maximum exposure to credit risk based on statutory amounts net of any allowances:

Category	Note	2023 \$'000	2022 \$'000
<b>Financial assets</b>			
Receivables	C2	<u>17,809</u>	<u>13,360</u>

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security and there are no other credit enhancements relating to the Authority's receivables.

##### D2-4 LIQUIDITY RISK - CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES

The following table sets out the liquidity risk of financial liabilities held by the Authority.

Financial liabilities	2023	Contractual maturity			2022	Contractual maturity		
	Total \$'000	<1 year \$'000	1-5 years \$'000	>5 years \$'000	Total \$'000	<1 year \$'000	1-5 years \$'000	>5 years \$'000
Payables	<u>137</u>	<u>137</u>	<u>-</u>	<u>-</u>	<u>581</u>	<u>581</u>	<u>-</u>	<u>-</u>

# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### D2 FINANCIAL RISK DISCLOSURES (continued)

#### D2-5 MARKET RISK

The following market sensitivity analysis reflects the outcome to profit and loss if investment unit price would change by +/- 10% applied to the carrying amount as at 30 June 2023 (2021-22: +/- 10%). These fluctuations are considered appropriate given the current world economic and market climate. With all other variables held constant, the Authority would have a surplus/(deficit) and equity increase/(decrease) of \$4 million if there was a +/- 10% fluctuation in investment markets. This is attributable to the Authority's exposure to investment returns on funds held with QIC.

+ / - 10%	Carrying amount \$'000	2023 Market rate risk			
		- Sensitivity		+ Sensitivity	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial Instruments					
QIC - Cash Enhanced Fund	6,031	(603)	(603)	603	603
QIC - Long Term Diversified Fund	34,245	(3,425)	(3,425)	3,425	3,425
<b>Potential Impact</b>	<b>40,276</b>	<b>(4,028)</b>	<b>(4,028)</b>	<b>4,028</b>	<b>4,028</b>

+ / - 10%	Carrying amount \$'000	2022 Market rate risk			
		- Sensitivity		+ Sensitivity	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial Instruments					
QIC - Cash Enhanced Fund	-	-	-	-	-
QIC - Long Term Diversified Fund	-	-	-	-	-
<b>Potential Impact</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### D3 CONTINGENCIES

As at 30 June 2023, there were no contingent assets or liabilities.

### D4 EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no events occurring after balance date which would materially affect the financial statements or disclosures.

# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### SECTION 5

#### OTHER INFORMATION

#### E1 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 the Authority during 2022-23. Further information about these positions can be found in the body of the Annual report under the section relating to The Board.

Position	Position Responsibility
Board Director	Commercial policy and management of the Authority
General Manager	Management of the Authority under direction of the Board

The following persons held the position of Director during the year ended 30 June 2023.

Ms Glenys Fisher	Chair
Ms Jennifer Cullen	Deputy Chair
Ms Belinda Drew (resigned 22 July 2022)	Employer Representative - Community Services Industry Alliance
Mr Matthew Gillett (appointed 16 March 2023)	Employer Representative - Community Services Industry Alliance
Ms Rebecca Girard	Worker Representative - The Services Union
Ms Carly Hanson	Employer Representative - Community Legal Centres Queensland
Ms Justine Moran	Worker Representative - The Services Union
Mr Aaron Santelises	Worker Representative - The Australian Workers Union
Ms Annette Schoone (appointed 16 March 2023)	Employer Representative - Queensland Council of Social Services

##### KMP remuneration policies

Board members remuneration is guided by the provisions of the 'Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities' issued by the Department of the Premier and Cabinet and paid in accordance with the remuneration assessment approved by Cabinet.

##### Remuneration expenses

The following disclosures focus on the expenses incurred by the Authority 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.

Short term employee expenses represent board attendance fees, paid following each meeting attended.

##### 2022-23

Position	Short term employee expenses	Total
	Monetary expenses \$	\$
Ms Glenys Fisher	4,095	4,095
Ms Jennifer Cullen	2,550	2,550
Ms Belinda Drew (resigned 22 July 2022)	150	150
Mr Matthew Gillett (appointed 16 March 2023)	300	300
Ms Rebecca Girard	1,650	1,650
Ms Carly Hanson	2,250	2,250
Ms Justine Moran	1,350	1,350
Mr Aaron Santelises	2,100	2,100
Ms Annette Schoone (appointed 16 march 2023)	600	600
<b>Total Remuneration</b>	<b>15,045</b>	<b>15,045</b>



# Community Services Industry (Portable Long Service Leave) Authority

## Notes to the Financial Statements

for the year ended 30 June 2023

### SECTION 5

#### OTHER INFORMATION

## E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

### Remuneration expenses (continued)

2021-22

Position	Short term employee expenses	Total
	Monetary expenses \$	\$
Ms Glenys Fisher	2,340	2,340
Ms Jennifer Cullen	1,800	1,800
Ms Belinda Drew	1,200	1,200
Ms Rebecca Girard	2,700	2,700
Ms Carly Hanson	2,100	2,100
Ms Aimee McVeigh (resigned 30 June 2022)	1,500	1,500
Ms Justine Moran	1,500	1,500
Mr Aaron Santelises (appointed 26 August 2021)	1,500	1,500
<b>Total Remuneration</b>	<b>14,640</b>	<b>14,640</b>

Ms G Fisher and Ms J Cullen were paid directly for committee attendance. All other director payments were paid to their respective organisations.

### Performance payments

No KMP remuneration packages provide for performance or bonus payments.

## E2 RELATED PARTY TRANSACTIONS

### Transactions with people/entities related to KMP

Apart from the details disclosed in these financial statements, no Director has entered into a material contract with the Authority.

The terms and conditions of any transaction with Directors and their related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Director related entities on an arm's length basis.

From time to time, particular Directors of the Authority may be required to comply with the Community Services Industry (Portable Long Service Leave) Act 2020 in respect of payment of levies for their own business undertakings in community services work. The levying of these charges is on the same terms and conditions as those entered into by other liable parties.

**Community Services Industry (Portable Long Service Leave) Authority**

**Notes to the Financial Statements**

for the year ended 30 June 2023

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**E3 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY**

**Accounting standards early adopted**

No Australian Accounting Standards have been early adopted for 2022-23.

**Accounting standards applied for the first time**

No Australian Accounting Standards or Interpretations that apply to the Authority for the first time in 2022-23 have any material impact on the financial statements.

**E4 TAXATION**

The activities of the Authority are exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the Authority. GST credits receivable from, and GST payable to the ATO, are recognised (refer to Note C2).

The collection of levies is not subject to GST.

**E5 CLIMATE RISK DISCLOSURE**

The Authority has not identified any material climate related risks relevant to the financial report at the reporting date, however constantly monitors the emergence of such risks under the Queensland Government's Climate Transition Strategy.

**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.

**COMMUNITY SERVICES INDUSTRY  
(PORTABLE LONG SERVICE LEAVE) AUTHORITY**

**Management Certificate**  
for the year ended 30 June 2023

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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 the Community Services Industry (Portable Long Service Leave) Authority for the financial year ended 30 June 2023 and of the financial position of the Authority at the end of that year.

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.



**B Bassett**  
**General Manager**

23 August 2023



**G Fisher**  
**Chair**

23 August 2023

## INDEPENDENT AUDITOR'S REPORT

To the Board of the Community Services Industry (Portable Long Service Leave) Authority

### Report on the audit of the financial report

#### Opinion

I have audited the accompanying financial report of Community Services Industry (Portable Long Service Leave) Authority.

In my opinion, the financial report:

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

The financial report comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the certificates given by the Chair and the General Manager.

#### 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 board 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 forming an opinion on the effectiveness of the entity's internal controls, but allows me to form an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

## **Report on other legal and regulatory requirements**

### **Statement**

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

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

### **Prescribed requirements scope**

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.

*mluwinga*

24 August 2023

Martin Luwunga  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane



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# APPENDIX 1: COMPLIANCE CHECKLIST

# QLeave administers the Community Services Industry Portable Long Service Leave scheme on behalf of the Authority. QLeave is the trading name for the Building and Construction Industry (Portable Long Service Leave) Authority. For specific details of statutory requirements please access the QLeave Annual Report 2022-2023 at <https://www.qleave.qld.gov.au/about-us/corporate-publications/annual-report> (select 'Building and Construction Industry').

Summary of requirement		Basis for requirement	Annual report reference
<b>Letter of compliance</b>	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	i
<b>Accessibility</b>	Table of contents	ARRs – section 9.1	ii
	Glossary		46
	Public availability	ARRs – section 9.2	47
	Interpreter service statement	<i>Queensland Government Language Services Policy</i>	47
	Copyright notice	<i>Copyright Act 1968</i>	Inside front cover
	Information Licensing	<i>QGEA – Information Licensing</i>	
		ARRs – section 9.3	
<b>General information</b>	Introductory Information	ARRs – section 10	1
<b>Non-financial performance</b>	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	2
	Agency objectives and performance indicators	ARRs – section 11.2	2, 3
	Agency service areas and service standards	ARRs – section 11.3	Not applicable*
<b>Financial performance</b>	Summary of financial performance	ARRs – section 12.1	8
<b>Governance – management and structure</b>	Organisational structure	ARRs – section 13.1	11, 18#, 26#
	Executive management	ARRs – section 13.2	26# to 28#
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	47
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i>	30#
	Human Rights	<i>Human Rights Act 2019</i>	
		ARRs – section 13.4	
		ARRs – section 13.5	29#
	Queensland public service values	ARRs – section 13.6	Inside front cover





Summary of requirement		Basis for requirement	Annual report reference
Governance – risk management and accountability	Risk management	ARRs – section 14.1	3, 8, 9, 12, 16, 17
	Audit committee	ARRs – section 14.2	20#, 21#
	Internal audit	ARRs – section 14.3	16
	External scrutiny	ARRs – section 14.4	8
	Information systems and recordkeeping	ARRs – section 14.5	10
	Information Security attestation	ARRs – section 14.6	9
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	30#, 31#
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i>	30#
		ARRs – section 15.2	
Open Data	Statement advising publication of information	ARRs – section 16	47
	Consultancies	ARRs – section 31.1	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	Overseas travel	ARRs – section 31.2	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	Queensland Language Services Policy	ARRs – section 31.3	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
Financial statements	Certification of financial statements	FAA – section 62	Financial Statements section
		FPMS – sections 38, 39 and 46	
		ARRs – section 17.1	21
	Independent Auditor's Report	FAA – section 62	Financial Statements section
		FPMS – section 46	
		ARRs – section 17.2	22 to 24

Note: \* The Authority is not an agency included in the Service Delivery Statements.

Acronyms used in the above table:

**ARRs** Annual report requirements for Queensland Government agencies

**FAA** *Financial Accountability Act 2009*

**FPMS** Financial and Performance Management Standard 2019

**QGEA** Queensland Government Enterprise Architecture.

## APPENDIX 2: GLOSSARY

<b>AIST</b>	Australian Institute of Superannuation Trustees
<b>AS/NZS ISO</b>	Australian and New Zealand International Standard Organisation
<b>ATO</b>	Australian Taxation Office
<b>BCI</b>	Building and Construction Industry (Portable Long Service Leave) Authority
<b>BJus</b>	Bachelor of Justice
<b>CCI</b>	Contract Cleaning Industry (Portable Long Service Leave) Authority
<b>CRM</b>	Customer Relationship Management
<b>CSI</b>	Community Services Industry (Portable Long Service Leave) Authority
<b>CSIA</b>	Community Services Industry Alliance
<b>FBT</b>	Fringe Benefits Tax
<b>GAICD</b>	Graduate of the Australian Institute of Company Directors Course
<b>GDLP</b>	Graduate Diploma in Legal Practice
<b>GST</b>	Goods and Services Tax
<b>ICT</b>	Information Communication and Technology
<b>i.e.</b>	that is
<b>IP</b>	Information Privacy
<b>KMP</b>	Key Management Personnel
<b>LGBTIQ+</b>	lesbian, gay, bisexual, transgender, intersex, and queer/questioning, and the +represents other identities not captured in the letters of the acronym
<b>LLB</b>	Bachelor of Laws
<b>m</b>	million/s
<b>MP</b>	Member of Parliament
<b>NRA</b>	National Reciprocal Agreement
<b>PLSL</b>	Portable Long Service Leave
<b>QAO</b>	Queensland Audit Office
<b>QCOSS</b>	Queensland Council of Social Service
<b>QIC</b>	Queensland Investment Corporation
<b>QGIF</b>	Queensland Government Insurance Fund
<b>Qld</b>	Queensland
<b>RTI</b>	<i>Right to Information Act 2009</i>

## INTERSTATE SCHEMES

### AUSTRALIAN CAPITAL TERRITORY

#### ACT Leave

Trevor Pearcey House  
Unit 1, 28 Thynne Street  
Bruce ACT 2617  
Telephone: 02 6247 3900  
Email: [community@actleave.act.gov.au](mailto:community@actleave.act.gov.au)  
[www.actleave.act.gov.au](http://www.actleave.act.gov.au)

### VICTORIA

#### Portable Long Service Leave Authority

Level 1, 56-60 King Street  
Bendigo VIC 3550  
Telephone: 1800 517 158  
Email: [enquiries@pls.vic.gov.au](mailto:enquiries@pls.vic.gov.au)  
[www.vic.gov.au/portable-long-service](http://www.vic.gov.au/portable-long-service)

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### OPEN DATA

For 2022-23, QLeave had no expenditure to report on overseas travel. Information on the Queensland Language Services Policy and consultancies expenditure can be accessed at [www.qld.gov.au/data](http://www.qld.gov.au/data).

### PUBLIC AVAILABILITY

This annual report can be viewed online at [www.qleave.qld.gov.au](http://www.qleave.qld.gov.au)

Copies of this report are available from:

#### QLeave

PO Box 348  
ARCHERFIELD BC QLD 4108  
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[yoursay@qleave.qld.gov.au](mailto:yoursay@qleave.qld.gov.au)

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See additional information published on our website at [www.qleave.qld.gov.au/about-us/corporate-publications](http://www.qleave.qld.gov.au/about-us/corporate-publications).



### INTERPRETER SERVICE STATEMENT

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you need assistance in understanding the annual report, please contact us on 07 3018 0333 and we will arrange a language interpreter to effectively communicate the report to you.





**PORTABLE**  
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LEAVE

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