

D. Legislative context

Frameworks

Health entities prepare their financial statements in accordance with the following legislative frameworks and reporting deadlines.

Figure D1
Legislative frameworks for the health sector

Entity type	Entities	Legislative framework	Legislated deadline
Departments	<ul style="list-style-type: none"> Department of Health 	<ul style="list-style-type: none"> <i>Financial Accountability Act 2009</i> Financial and Performance Management Standard 2019 	31 August 2023
Statutory bodies	<ul style="list-style-type: none"> 16 hospital and health service boards 13 hospital/health foundations The Council of the Queensland Institute for Medical Research (QIMR) Health and Wellbeing Queensland Office of the Health Ombudsman Queensland Mental Health Commission 	<ul style="list-style-type: none"> <i>Financial Accountability Act 2009</i> Financial and Performance Management Standard 2019 <i>Statutory Bodies Financial Arrangements Act 1982</i> <i>Hospital and Health Boards Act 2011</i> <i>Hospital Foundations Act 2018</i> <i>Queensland Institute of Medical Research Act 1945</i> <i>Health and Wellbeing Queensland Act 2019</i> <i>Health Ombudsman Act 2013</i> <i>Queensland Mental Health Commission Act 2013</i> <i>Australian Charities and Not-for-profits Commission Act 2012*</i> 	31 August 2023
Controlled entities that are companies	<ul style="list-style-type: none"> Endpoint Pty Ltd Tropical Australian Academic Health Centre Limited 	<ul style="list-style-type: none"> <i>Corporations Act 2001</i> Corporations Regulations 2001 	31 October 2023 [^]
Other	<ul style="list-style-type: none"> Sunshine Coast Health Institute 	<ul style="list-style-type: none"> Joint Venture Agreement 	30 April 2023

Note: Controlled entity – an entity owned by one or more public sector entities.

* The *Australian Charities and Not-for-profits Commission Act 2012* is applicable to the 13 hospital/health foundations that are registered charities.

[^] The *Corporations Act 2001* does not require all small proprietary companies to prepare financial statements. Where financial statements are required, they must be completed within 4 months after the end of the financial year.

Source: Queensland Audit Office.



Accountability requirements

The *Financial Accountability Act 2009* applicable to health sector entities requires these entities to:

- achieve reasonable value for money by ensuring the operations of the entity are carried out efficiently, effectively, and economically
- establish and maintain appropriate systems of internal control and risk management
- establish and keep funds and accounts that comply with the relevant legislation, including Australian accounting standards.

Queensland state government financial statements

Each year, Queensland state public sector entities must table their audited financial statements in parliament.

These financial statements are used by a broad range of parties, including parliamentarians, taxpayers, employees, and users of government services. For these statements to be useful, the information reported must be relevant and accurate.

The Auditor-General's audit opinion on these entities' financial statements assures users that the statements are accurate and in accordance with relevant legislative requirements.

We express an *unmodified opinion* when the financial statements are prepared in accordance with the relevant legislative requirements and Australian accounting standards. We *modify* our audit opinion when financial statements do not comply with the relevant legislative requirements and Australian accounting standards and are not accurate and reliable.

There are 3 types of modified opinions:

- qualified opinion – the financial statements as a whole comply with relevant accounting standards and legislative requirements, with the exceptions noted in the opinion
- adverse opinion – the financial statements as a whole do not comply with relevant accounting standards and legislative requirements
- disclaimer of opinion – the auditor is unable to express an opinion as to whether the financial statements comply with relevant accounting standards and legislative requirements.

Sometimes we include an *emphasis of matter* in our audit reports to highlight an issue that will help users better understand the financial statements. It does not change the audit opinion.

