



THE COMMON GOOD

AN INITIATIVE OF THE PRINCE CHARLES HOSPITAL FOUNDATION

ANNUAL REPORT

2022 - 2023

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Glossary

Term	Definition
A/Prof	Associate Professor
Act	Human Rights Act 2019
Board	The Board of the Foundation
CCRG	Critical Care Research Group
CEO	Chief Executive Officer
CH-FIT	Congenital Heart Fitness Intervention Trial
COO	Chief Operating Officer
COPD	Chronic Obstructive Pulmonary Disease
COVID-19	Coronavirus Disease
CPAP	Continuous Positive Airway Pressure
FAA	<i>Financial Accountability Act 2009</i>
FAR	Finance, audit, and risk committee
Foundation	The Prince Charles Hospital Foundation
FTE	Full Time Equivalent
FPMS	Financial and Performance Management Standard 2019
GRDS	General retention and disposal schedule
HEVP	Hypothermic Ex-Vivo Perfusion
HR	Human resources
ICU	Intensive Care Unit
IRI	Ischaemia Reperfusion Injury
ISO	International Organisation for Standardisation
ISSN	International Standard Serial Number
MNHHS	Metro North Hospital and Health Service
MP	Member of Parliament

Term	Definition
OHS	Occupational Health and Safety
OSA	Obstructive Sleep Apnoea
PK/PD	Pharmacokinetic/Pharmacodynamic
PhD	Doctor of Philosophy
PSEA	<i>Public Service Ethics Act 1994</i>
pa	Per annum
Purpose	The overall aim of the agency
QAO	Queensland Audit Office
QLD	Queensland
Strategic Goal	Specific metric for achievement
Target	Statement of operational activity to be undertaken for achievement towards a strategic goal
TPCH	The Prince Charles Hospital
TPCHF	The Prince Charles Hospital Foundation
VA-ECMO	Veno-Arterial Extracorporeal Membrane Oxygenation

1. Letter of compliance

31 August 2023

The Honourable Shannon Fentiman MP
Minister for Health, Mental Health and Ambulance Services and Minister for Women
GPO Box 48
Brisbane QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2022-2023 and financial statements for The Prince Charles Hospital Foundation.

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 is provided at page 63 of this Annual Report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Morton', with a stylized flourish at the end.

Christopher Morton

Chair

The Prince Charles Hospital Foundation

2. General Information

2.1 Chief Executive Officer report

About us

The Prince Charles Hospital Foundation was established in 1986. It is marketed as “The Common Good”. It’s simple - yet vitally important - aim is ‘to enable people to live healthier for longer’.

Act: Hospital Foundations Act 2018.

Purpose: To fund medical research and save lives.

We are people powering medical discoveries.

Core activities:

- Fund and administrate such funding to support health care and medical research targeting heart disease, lung disease, mental health, ageing and associated health initiatives. Projects funded align with the clinical expertise at The Prince Charles and Caboolture Hospitals.
- Conduct a broad range of fundraising programs and community engagement activities.
- Operate sustainable Social Enterprise programs.

Highlights

- Equivalent to 98,000 hours of research funded within the year.
- Over 140 research grants currently funded.
- Direct funding support of the inaugural Director of Research role at The Prince Charles Hospital.

- The December 2022 launch and opening of two revolutionary patient-focused Intensive Care Unit (ICU) bed spaces at The Prince Charles Hospital, known as ICU of The Future. It has attracted global interest and allows for specific research into the link between ICU patients and delirium.
- Funding of a Mental-Health-led short-stay evaluation program to occur at Caboolture and The Prince Charles Hospitals.
- Personal and direct engagement with over 70 industry, regulatory and government bodies interested in our Tradie Health Institute and our focus on occupational lung disease, including the deadly disease silicosis.
- Direct funding of an Omni-bed for Caboolture Hospital Children’s ward and infrastructure improvements for the Eat, Walk, Engage team caring for older adults with dementia.

Important reflective milestones:

- The Living Heart project, which has revolutionised donor heart transportation, has now aided in saving 37 Australian lives. The developed device allows donor hearts to rest and be rejuvenated before transplantation, essentially kept ‘alive’ with a medical supplement rich in oxygen and nutrients. This initiative culminated from pre-clinical research made possible through supporters of The Common Good.
- The 1,000th robotic-arm-assisted joint replacement surgery was performed by Orthopaedic surgeons this year at The Prince Charles Hospital. The Common Good fully funded this state-of-the-art robotic arm in 2019. The Prince Charles Hospital is the only Queensland public hospital with this machine.

- COVID-19 Critical – the world’s largest known COVID-19 ICU database now has over 27,000 enrolled patients and includes collaboration from over 460 sites, across 65 countries and all seven continents. The COVID-19 Critical program is committed to using ground-breaking technology to identify the most effective treatments for critically ill COVID-19 patients.

Summary

The Prince Charles Hospital Foundation provided \$4.73 million to research and patient-centred care projects during the year, an increase of around 9 per cent on the previous year.

Combined revenue activities saw Community Engagement (representing 64 per cent), Philanthropy (5 per cent) and Social Enterprise (23 per cent) activity provide an overall revenue increase of circa 13 per cent compared to the previous year.

The support of research groups across The Prince Charles and Caboolture Hospitals has again been a highlight for TPCHF. Research groups including The Critical Care Research Group, Cardiovascular Molecular and Therapeutics Translational Group, Queensland Lung Transplant Service Research Centre, The Allied Health Research Collaborative, and The Caboolture Research Development Unit have led the way in their approach, and we congratulate them on their translational benefits to patients.

We were also delighted to help fund the inaugural TPCH Director of Research role. Associate Professor Michael Nissen was appointed in September 2022 and has been working to set the collaborative research plan for TPCH.

Our Social Enterprise activities had another challenging start to the year, and we implemented a well-structured rebuilding phase as we emerged from the COVID-19 affected period.

The pandemic particularly impacted our cafes in hospitals, as restrictions reduced customer numbers and exacerbated staff attendance and recruitment issues. There has been a significant increase in revenue for social enterprise of around 23 per cent on the previous year due to restrictions easing during the year and the strategies implemented by our team.

Social Enterprise is integral to our organisational strategy and provides much-needed funds to help offset our charitable operating costs.

We were pleased to participate in our two major public events during the year: the Ekka Strawberry Sundaes program and the Australian Unity Tour de Brisbane.

We have proudly delivered the iconic Strawberry Sundaes at the Royal Queensland Show for over 30 years. In 2022, it was back to normal pre-COVID-19 operations, with our 1,700 volunteers scooping, constructing, and selling over 127,000 strawberry sundaes during the nine-day show period.

We also hosted our second annual Giving Day, raising funds for The Prince Charles Hospital and the Caboolture Hospital. The generosity bestowed at this event led to noteworthy updates in several patient areas.

In March 2023, the organisation farewelled long-term Chief Executive Officer Michael Hornby OAM who served TPCHF for almost a decade (before resigning to pursue business opportunities). Mr. Hornby contributed

significantly to the evolution of the Foundation to its next level of growth and maturity. The Foundation then welcomed me, Steve Francia as the new CEO in March 2023.

The Prince Charles Hospital Foundation also welcomed three new members of the Board during the year. Martin Rowen, Corinne Mulholland and Shannon Willoughby were officially appointed on 8 December 2022 and provide great insight and complimentary skills to our Board.

Challenges

As the world transitions back to pre-COVID-19 activities, our organisation understands that we still need to continue to adapt.

Whilst activities we are involved in are similar by nature, the expectations, application and execution of tasks are now a combination of old and new. Our resourcing, our staff development, and our infrastructure requirements continue to be redefined.

The last two to three years have taught the organisation resilience, adaptability and resourcefulness. Our greatest challenge is to harness these new skills and apply them in measured and innovative ways to reach our identified goals.

What is clear, is that a collaborative approach is required to make a significant mark on the advancement of health in the State of Queensland and to be a global leader.

As individuals, we can do what we can. As a collective, we become a movement that can have a material impact on the quality of the lives of our community and, in particular, our families.

Our staff, our generous and wonderful volunteers, our research community and

TPCHF Board have worked tirelessly to drive positive results.

Our direct relationship with The Prince Charles Hospital and Caboolture Hospital, and Metro North Hospital and Health Service is strong and aligned.

Notably, though, we are truly indebted to our sponsors, donors and activity participants, as without their support, we would not achieve such significant milestones. They are our guide and our compass. Their generosity and the collaborative approach with industry and government are promising indicators of a future of growth and success.

A handwritten signature in black ink, appearing to read 'Steve Francia', with a stylized flourish at the end.

Steve Francia
Chief Executive Officer

3. Non-financial performance

3.1 Queensland Government objectives for the community

The Foundation supports the Queensland Government's Statement on the objectives for the community '*Good jobs; Better services; Great lifestyle*' through:

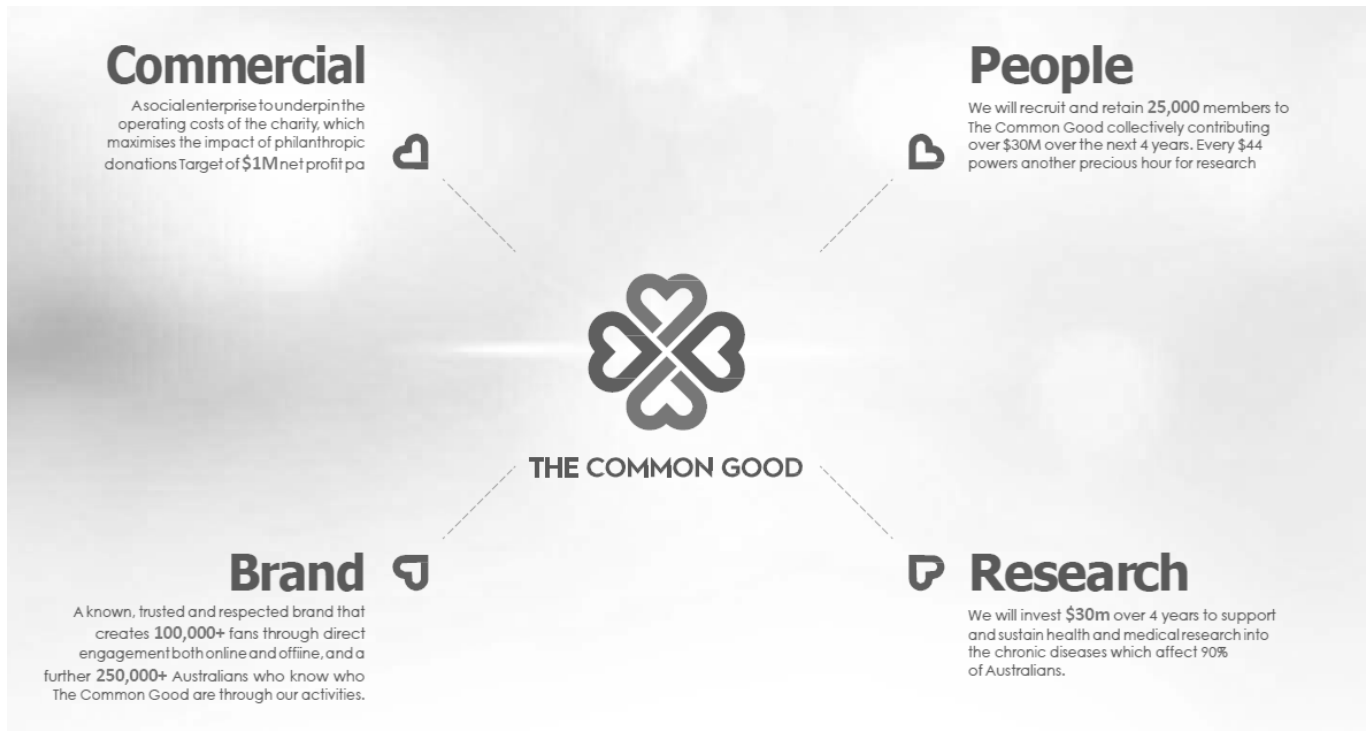
- Supporting jobs;
- Investing in skills;
- Keeping Queenslanders healthy;
- Backing our frontline services; and
- Protecting the environment.

Queensland Government Objectives	TPCH Foundation Response
Good Jobs Supporting jobs	Supporting 85 staff in the Foundation and over 130 active researchers.
Good Jobs Investing in skills	53 research grants supporting skill development.
Better Services Keeping Queenslanders safe	<p>\$4.73 million in medical research funding. 127 active medical research projects.</p> <ul style="list-style-type: none"> • Living Heart project secured a new world record with a heart kept 'alive' via Hypothermic Ex-Vivo Perfusion for over seven hours and transported from the East to the West coast of Australia before successful transplantation. • COVID-19 ICU of the Future project – world's largest known COVID-19 ICU database which now has over 27,000 enrolled patients and collaboration from all seven continents. • ICU of the Future opened for use at TPCH in January 2023. • Gastroenterology Online platform translated into six languages. • TPCH Orthopaedic surgeons performed their 1000th robotic-arm-assisted joint replacement surgery with a state-of-the-art machine, (fully funded by TPCHF). It allows for surgeries that are more accurate than manual procedures and promotes faster recovery and less pain. • Focussed approach to tackling occupational lung disease treatment through the Tradie Health Institute initiative.
Better Services Backing our frontline services	Direct and ongoing support of staff at The Prince Charles Hospital and Caboolture Hospital.
Great Lifestyle Protecting the environment	Cafes utilising environmentally friendly packaging and food waste reduction.

Note: The Prince Charles Hospital Foundation's updated strategic plan for 2023-2026 has been submitted. Outcomes for 2022-2023 have been reconciled against the former four-year strategic plan 2019-2022, which was in effect during the reporting period.

3.2 Agency objectives and performance indicators

The Foundation's four-year strategic plan 2019-2022, which was in effect during the reporting period, outlines measurements of performance and the actual outcomes achieved during 2022-2023 are listed in the table below.



Strategic Plan 2022-2023 Report Card

Activity	Target	Result 2022-2023	Qld Government Objectives
Research	We will invest \$30m over 4 years to support and sustain health and medical research into the chronic diseases which affect 90 per cent of Australians.	\$4.73 million provided in 2022-2023 \$22.7 million provided over past five years	Keeping Queenslanders safe Investing in skills
People	We will recruit and retain 25,000 members to The Common Good collectively contributing over \$30M over the next 4 years. Every \$44 powers another precious hour for research	6,606 active financial donors Maintained Hospital Volunteer programs with 124 hospital volunteers across TPC and Caboolture Hospitals	Backing our frontline services
Commercial	A social enterprise to underpin the operating costs of the charity, which maximises the impact of philanthropic donations Target of \$1M net profit pa	Social Enterprise net profit of \$708,000 in 2022-2023	Supporting jobs Protecting the environment
Brand	A known, trusted and respected brand that creates 100,000+ fans through direct engagement both online and offline, and a further 250,000+ Australians who know who The Common Good are through our activities.	130,000 fans 837,273 individual customer transactions with each receiving an introduction to the work of The Common Good. Engaged over 1700 volunteers for leading Queensland engagement activities	Backing our frontline services

Note: The Prince Charles Hospital Foundation's updated strategic plan for 2023-2026 has been submitted. Outcomes for 2022-2023 have been reconciled against the former four-year strategic plan 2019-2022, which was in effect during the reporting period.

4. Financial performance

A successful year for TPCHF with \$4.73 million expenditure in medical research and patient centred care projects. This was enabled by a mix of donations, corporate partnerships, research project income, investment returns and social enterprise activity. TPCHF continues to support sustainable research outcomes year-on-year due to these diversified income streams. More detail on the \$4.73 million expenditure in medical research and patient care projects reconciled to the Statement of Comprehensive Income can be found in Appendix 1.

Our balance sheet remains in a very solid financial position with net assets of \$21 million. This provides a strong base and supports significant future funding allocations for specific research projects over the next few years, sustainability for some research projects and awarding multi-year funding guarantees for research.

During the period, TPCHF reallocated a large portion of its term deposit holdings into longer term investment holdings. All investments were in line with TPCHF's Investment Policy Statement. Other balance sheet movements of note were payment of a large research liability that had been provided for a number of years previously, and an increase in contractual liability payments received.

The Statement of Comprehensive Income shows surplus of \$1.2 million for the year. The increase in surplus compared to the prior year is primarily due to recovery of TPCHF investments with unrealised market movement

showing \$1.8 million movement on last years unrealised market value loss.

This is the first year, post COVID-19, that all TPCHF events ran per traditional calendar schedule. Managed events include Ekka Strawberry Sundae stalls at the Royal Queensland Show, Tour de Brisbane Charity Cycle event and the Echo Cardiology Conference with collectively events contributing a net profit of \$334,000. Participation at events increased with the Echo conference showing increased attendance and sales. At Ekka, over 1,700 volunteers helped sell and serve a record 127,000 strawberry sundaes.

Interest income increased significantly during the year in line with increased interest rates. Investment income remained constant as reallocation to investments from term deposits occurred very late in the financial year. Along with its investment managers, TPCHF closely monitored its investment portfolio during the period. All investment transactions are in line with TPCHF's Investment Policy Statement.

Social enterprise sales increased 23 per cent assisted by a full years' trade at our Queensland Police Head Quarters site. During the period, all sites returned to trade patterns to those pre COVID-19. A General Manager of Social Enterprise was appointed during the year having a positive impact on net profit with increased margins and greater profitability focus. The Queensland Police Head Quarters site concluded trade on 30 June 2023.

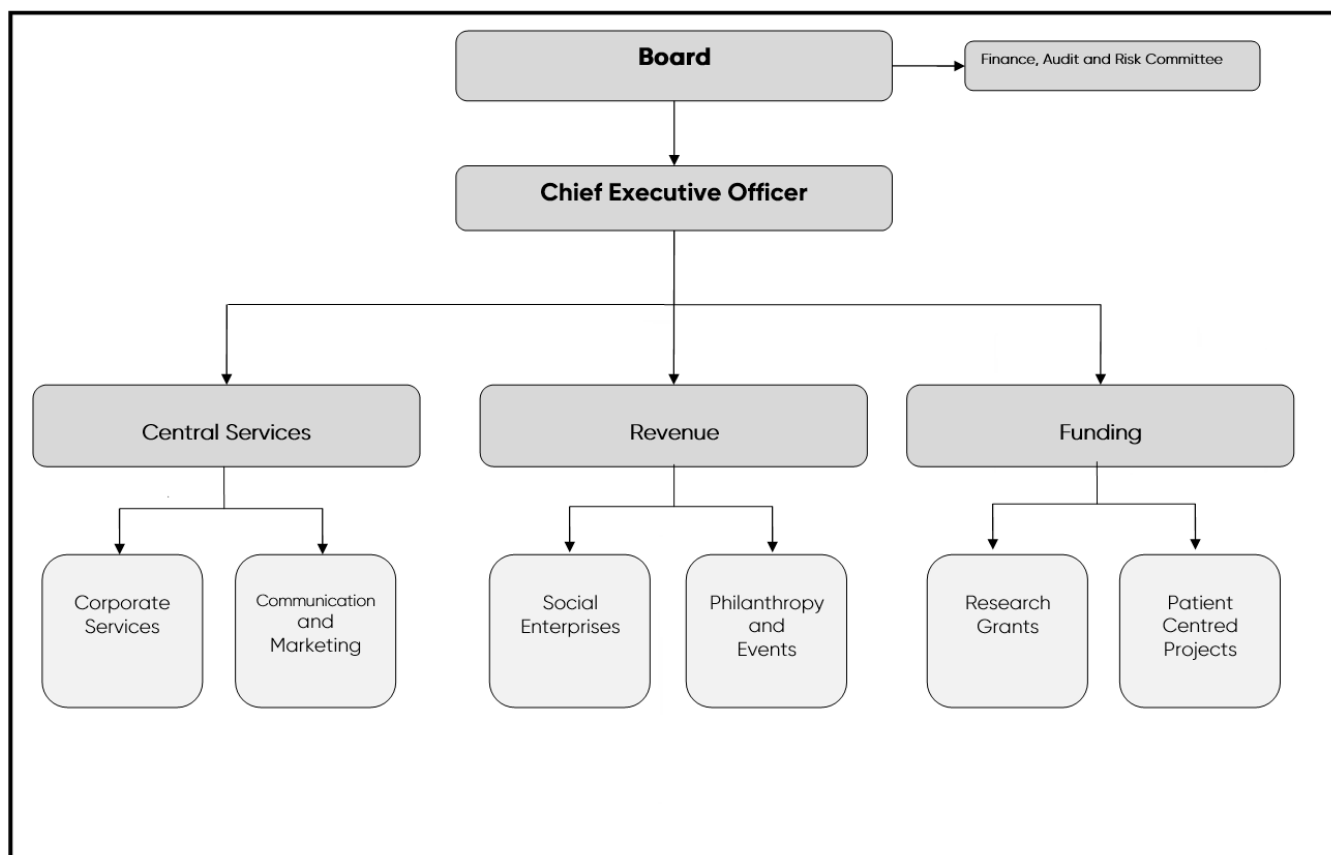
Our sustainable social enterprise activities and investment income assist to offset normal operating costs to maximise public donations.

The \$4.73 million allocation to medical research and patient centred care projects in 2023 supports 98,000 hours of research across over 140 research projects during the year.

The full financial statements for TPCHF for the 2022-2023 financial year are included in Appendix 2 of this Annual Report.

5. Governance – management and structure

5.1 Organisational structure



TPCHF adopts a governance and support structure. Overarching Organisational Direction, Operating Parameters and Risk Assessment are set by the Board and Executive and assisted through specific Board Committees.

Business and Program activity is executed through the Executive and Senior Leadership team.

The organisation has a central support service in the areas of Corporate Services and Communications and Marketing. Volunteer support services for both The Prince Charles and Caboolture Hospitals fall under the direction of Corporate Services, as do the areas of Finance, Information Technology, Human Resources, Infrastructure and Business Management.

Our Communications and Marketing team set organisational tone for brand awareness, message in market and community engagement. All major events and public activities including Ekka Strawberry Sundaes, Tour De Brisbane activities and medical conferences, fall under the Communication and Marketing banner.

TPCHF has two main revenue areas consisting of a Philanthropy and Events, and Social Enterprise business units who undertake a range of ‘profit for purpose’ commercial activities.

Philanthropy and Events includes specialised approaches to Corporate, Significant Gifting, Gift in Wills, Regular Giving and general donations.

The Social Enterprise business unit comprises our retail outlets which are located at The Prince Charles Hospital, Caboolture Hospital, and Kedron Emergency Complex.

Our Funding team manage the provision of funding support which includes the identification, assessment and administration of direct research and innovation grants, and funding of patient centred projects that would otherwise not be funded through the health service

5.2 Executive management

Due to the size of the entity the only senior executive position is that of the Chief Executive Officer (CEO).

The CEO, Steve Francia, has extensive experience in commercial and non-profit organisations with his last 16 years leading some of Australia’s largest not-for-profit organisations.

The CEO is supported by a part-time Chief Operating Officer (COO).

Key responsibilities include:

- Strategic and Operational planning
- Organisational management
- Business development, reputation and risk
- Compliance

TPCHF is governed by a Board under our chair, Christopher Morton, with extensive experience in business, management, and community organisations.

Current Board members have been appointed by the Governor in Council (as recommended by the Minister for Health, Mental Health and Ambulance Services and Minister for Women), acting by and with the advice of the Executive Council, under the provisions of the *Hospital Foundations Act 2018*.

The Board sets TPCHF’s organisational strategic direction in consultation with the CEO.

The Board has additional responsibilities which influence the process of setting strategic direction and are relevant to the achievement, reporting, measurement, and communication of progress on organisation strategic goals.

The role of TPCHF Board includes:

- Providing strategic direction
- Ensuring fiscal accountability
- Undertaking fiduciary duties
- Ensuring responsible risk management is undertaken
- Monitoring and improving organisation performance
- Ensuring compliance with statutory and governance responsibilities.

TPCHF Board meeting schedule	
	August 2022
	November 2022
	December 2022
	February 2023
	April 2023

Mr Christopher Morton

Type of appointment: Chair of the Board

First appointed: 14 December 2018

Current term of appointment:
18 December 2022 to 30 September 2027

Chris is Managing Director of mCap Pty Ltd. He held the position of partner of the international legal firm Phillips Fox prior to moving into funds management. He was the Founder and Managing Director of fund manager Property Funds Australia Limited and was Managing Director and Deputy Chairman of ASX listed Trinity Limited from 2009 until 2016.

Chris provides strong governance, risk and investment knowledge.

Ms Veronica (Bonny) Barry

Member, Metro North Hospital and Health Service (MNHHS) Board

Type of appointment: Ex-officio appointment

Term of appointment: 18 May 2020 – 31 March 2024

Bonny is a registered nurse with over 30 years' experience in community, hospice, hospital and clinical settings in Queensland and Victoria. In 2001, she was elected State Member for Aspley and served on several parliamentary committees including Chair of Caucus, Chair of Health Estimates and the Assistant Minister for Education, Training, and the Arts (from 2006 - 2009). Bonny is a member of the MNHHS Board and connects the strategic goals of TPCHF with its key external stakeholders.

Mr Toby Innes

Type of appointment: Board Member

First appointed: 3 December 2009

Term of appointment: 12 December 2019 to 30 September 2024

Toby is Head of Retail and E-Commerce within the Brisbane Airport Corporation and has extensive experience in the public and private sector. He was instrumental in the strategic planning and execution of the Direct Factory Outlet shopping precinct and the re-design of the Brisbane International Airport. Toby's extensive retail management, contract management and strategic benchmarking experience allows TPCHF to further grow and improve its own retail business.

Mr Paul McMahon

Type of appointment: Board Member

First appointed: 10 July 2015

Appointed Deputy Chair: 23 November 2020

Term of appointment: 2 October 2020 to 11 October 2025

Paul has over 35 years' experience within the news and media industry having held a number of senior leadership positions within leading Queensland print media organisations. He also has a strong agricultural administration background and manages the operations of Kial Gorra, a 900-acre farming operation located in Warwick. Having held other Queensland hospital board positions, Paul brings a wealth of experience in management, funding and governance.

Mr Anthony White

Type of appointment: Board Member

First appointed: 10 July 2015

Term of appointment: 2 October 2020 to 1 October 2025

Anthony is a Director of Terry White Chemmart, and has held a number of senior leadership positions within the pharmaceutical industry.

He is a Doctor of Philosophy, holds master's in commerce, finance and business administration and is a member of the Australian Institute of Chartered Accountants. Anthony is an experienced executive with skills in leadership, finance and organisational change and brings this wealth of knowledge to TPCHF.

Ms Lara Lowndes

Type of appointment: Board Member

First appointed: 10 August 2018

Term of appointment: 2 October 2020 to 1 October 2025

Lara is a Director of Lowndes Marketing and Motorsport, holds a Bachelor of Health Science with Honours, specialising in Genetic Epidemiology and Pharmacology.

Currently Lara manages Lowndes Holdings, management and the operations of a consortium of companies related to Motorsport, intellectual property licensing, marketing and sponsorship agreements.

Ms Kim Wainwright

Type of appointment: Board Member
First appointed: 10 August 2018
Term of appointment: 2 October 2020 to 1 October 2025

Kim is the Managing Director of Explore Resources, and has both high-level government and private sector experience in advisory and management positions. After leaving the government sector Kim established her first business, consulting on strategy, risk management and policy development to private sector entities.

Ms Margo MacGillivray

Type of appointment: Board Member
First appointed: 14 December 2018
Term of appointment: 8 December 2022 to 30 September 2026

Margo MacGillivray LLB (Hons), BA, LLM (Hons), GAICD. Margo is currently a Senior Governance Advisor at Commonwealth Bank of Australia and an experienced lawyer and corporate executive. She has been a partner of DLA Piper, a leading international law firm, had more than 16 years' experience as a General Counsel and held numerous non-executive board positions in the health and medical research sectors. This includes on the boards of Metro South Hospital and Health Service, the PA Research Foundation and the Australian Clinical Trials Alliance.

Ms Catherine Donovan

Type of appointment: Board Member
First appointed: 12 December 2019
Term of appointment: 8 December 2022 to 30 September 2026

Catherine is VP Publicity and Communications, Network 10 and holds a Bachelor of Business Communication. Catherine joined Network 10 in 2004. Catherine possesses well-rounded skills

across the communication spectrum including media relations, event management, strategy communications, issues and crisis management and publicity campaigns.

Mr Martin Rowen

Type of appointment: Board Member
First appointed: 8 December 2022
Term of appointment: 8 December 2022 to 30 September 2026

Marty is currently Director, Clients and Markets with Gadens and has over 35 years of high-level work experience. Marty has been a Police Officer (worked for The Fitzgerald Inquiry for two years) and has worked in various Sales and Marketing roles at Nestle, Smith Kline Beecham and more recently the Brisbane Broncos (eight years). Marty recently had four years in a senior role with the City of Brisbane, working as the "Executive Officer to the then Lord Mayor of Brisbane", Graham Quirk. Marty was then engaged as the General Manager of FOGS (Former Origin Greats) .

Ms Corinne Mulholland

Type of appointment: Board Member
First appointed: 8 December 2022
Term of appointment: 8 December 2022 to 30 September 2026

Corinne is Head of Public Affairs Queensland with Star Entertainment Group and has over 15 years' experience as a leader working in senior executive roles across local, and state government, and the corporate sector specialising in high-level strategic advice, economic development, corporate communications, disaster management, independent assurance activities, research, and stakeholder engagement. Corinne has a Bachelor of Journalism majoring in Political Science and is currently finishing a Juris Doctor in Law.

Ms Shannon Willoughby

Type of appointment: Board Member
First appointed: 8 December 2022
Term of appointment: 8 December 2022 to 30 September 2026

Shannon is Executive Director of Government Partnerships and Policy, Office of the Vice-

Chancellor and President, The University of Queensland.

Shannon brings expertise in leadership, economic development and strategic government partnerships and was the former Executive Director of Trade and Investment Queensland.

5.3 Government bodies (statutory bodies and other entities)

The Prince Charles Hospital Foundation					
Act or instrument	Hospital Foundations Act 2018				
Functions	<ul style="list-style-type: none">• Conducting fundraising activities to support health and medical research.• Operating social enterprises to support health and medical research.• Fund and administer research grant programs and patient centred projects that would otherwise not be funded through the health service.				
Achievements	<ul style="list-style-type: none">• Equivalent to 98,000 hours of research funded within the year.• Over 140 research grants currently funded.• Direct funding support of the inaugural Director of Research role at The Prince Charles Hospital.• The December 2022 launched and opened two revolutionary patient focussed new Intensive Care Units (ICU) of the Future at Prince Charles Hospital which has attracted world interest and allows for specific research into the link between ICU patients and delirium.• Funding of a Mental Health led “Short Stay” evaluation program to be conducted across both Caboolture and The Prince Charles Hospitals.• Personal and direct engagement with over 70 industry, regulatory and government bodies interested in our Tradie Health Institute and our focus on occupational lung disease including the deadly disease silicosis.• Direct funding of an Omni-bed for Caboolture Hospital Children’s ward and infrastructure improvements for the Eat, Walk Engage team caring for older adults with dementia.				
Financial reporting	Refer to the Independent Auditors Report page 60 of the Annual Financial Statements.				
Remuneration Board members serve in an honorary capacity and, therefore, do not receive any remuneration. Board members contribute their time, skills, travel costs and all additional attendance at sub-committees and relevant Foundation functions.					
Position	Name	Meetings/ sessions attendance	Approved annual, sessional or daily fee	Approved sub- committee fees if applicable	Actual fees received
Board Chair	Christopher Morton	5 of 5	Nil	Nil	Nil
Director	Paul McMahon	5 of 5	Nil	Nil	Nil
MNHHS Ex-officio	Veronica Barry	3 of 5	Nil	Nil	Nil
Director	Toby Innes	4 of 5	Nil	Nil	Nil
Director	Anthony White	2 of 5	Nil	Nil	Nil
Director	Lara Lowndes	5 of 5	Nil	Nil	Nil
Director	Kim Wainwright	4 of 5	Nil	Nil	Nil
Director	Margo MacGillivray	1 of 5	Nil	Nil	Nil
Director	Catherine Donovan	3 of 5	Nil	Nil	Nil
Director	Martin Rowen	2 of 5	Nil	Nil	Nil
Director	Corinne Mulholland	4 of 5	Nil	Nil	Nil
Director	Shannon Willoughby	3 of 5	Nil	Nil	Nil
No. scheduled meetings/sessions	The Foundation held 5 Board meetings in 2022-2023. The June 2023 Board meeting was postponed to July 2023 due to the Board Chair being unavailable.				
Total out of pocket expenses	Nil				

5.4 Public Sector Ethics

TPCHF's Code of Conduct (the Code), in consultation with an external HR consultant, reflects Section 4 of the *Public Sector Ethics Act 1994*. Under Section 12K(2) of the Public Sector Ethics Act, all employees, volunteers, contractors and consultants of TPCHF, as part of their onboarding process, participate in training including section 12L outlining the four key ethics principles and values:

- Integrity and impartiality
- Promoting the public good
- Commitment to the system of government
- Accountability and transparency

All individuals are required to sign an acknowledgement form, confirming that they understand and accept the expectations of the Code.

5.5 Human Rights

TPCHF actively supports the *Human Rights Act 2019* (the Act) by ensuring that all policies and procedures are in accordance with the main objects of the Act which are to protect and promote human rights and to help build promote a dialogue about the nature, meaning and scope of human rights.

The application of TPCHF's policies to the rights outlined in the Act are represented below.

TPCHF's Code of Conduct and Anti-Discrimination and Equal Opportunity Policy are reviewed annually and introduced to all new staff and volunteers as part of their onboarding.

TPCHF's Workplace Health and Safety Framework is reviewed annually in accordance with Section 16 of the Act which promotes 'Right to life'.

TPCHF's Bullying and Harassment Policy is reviewed annually in accordance with Section 17 of the Act which promotes 'Protection from torture and cruel inhuman or degrading treatment'.

TPCHF annually reviews its compliance across its industrial relations obligation for employees and volunteers in accordance with Section 18 of the Act which promotes 'Freedom from forced work'.

TPCH's Grievance Policy is reviewed annually in accordance with:

- Section 31 of the Act which promotes 'Fair hearing'
- Section 32 of the Act which promotes 'Rights in criminal proceedings'

There were no human rights complaints received by TPCHF in the reporting period.

5.6 Queensland Public service values

The Prince Charles Hospital Foundation's social enterprises provide café and catering services to hospital staff and their customers. We engage with donors through our philanthropic partnerships and support our researchers to ensure the success in delivering our 'WHY' - enabling people to live healthier for longer. We operate in an open and transparent manner which we believe align with the five core values of the Queensland Public Service:

Customers First:	<ul style="list-style-type: none"> • Know your customers • Deliver what matters • Make decisions with empathy
Ideas into action:	<ul style="list-style-type: none"> • Challenge the norm and suggest solutions • Encourage and embrace new ideas • Work across boundaries
Unleash potential:	<ul style="list-style-type: none"> • Expect greatness • Lead and set clear expectations • Seek, provide and act on feedback
Be courageous:	<ul style="list-style-type: none"> • Own your actions, success and mistakes • Take calculated risks • Act with transparency
Empower people:	<ul style="list-style-type: none"> • Lead, empower and trust • Play to everyone's strengths • Develop yourself and those around you

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TPCHF has five values we adhere to:

WE ARE TRANSPARENT	WE ARE COLLABORATIVE	WE ARE INNOVATIVE	WE ARE SUPPORTIVE	WE CELEBRATE DIVERSITY
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6. Governance – risk management and accountability

6.1 Risk management

Risk is a standing item on the Foundation Board agenda. In relation to risk reporting, the Board is presented with a risk dashboard, high level risks from the risk register, and proposed risk mitigation strategies.

The Finance, Audit and Risk (FAR) Committee is responsible for risk management which falls under the Foundation FAR Committee Charter. The Foundation risk framework is intrinsic within the organisation. It encompasses the following live documents:

- Risk management procedure
- Context map
- Risk matrix
- Risk register that includes strategic risks, financial risks, operational risks and project risks
- Event-specific risk registers
- Risk dashboard report
- Event risk dashboard report.

Risk is a standing agenda item at staff management meetings. All Foundation staff in management positions are members of the risk action team and responsible for identifying, evaluating, assessing risk and design/implementation of agreed risk treatment or mitigation strategies.

The COO of the Foundation is the Risk Champion and responsible for reporting to the FAR Committee and the Board.

The processes across the organisation are compliant with ISO 31000:2018 Risk management – Principles and guidelines and ISO 22301:2019 Security and resilience –

Business continuity management systems – Requirements.

To ensure food safety and quality is maintained consistently, TPCHF has also designed and implemented a Food Safety Plan that is compliant with Australia New Zealand Food Standards Code 2016, *Queensland Food Act 2006* and *Queensland Food Safety Regulation 2016*.

TPCHF risk treatment documentation includes:

- Business Impact Analysis
- Crisis Management Plan
- Recovery Plans for each of the Recovery Priorities
- Event-specific Resilience Plan (includes event-specific measures around risk, workplace health and safety, business continuity, food safety and emergency management)
- Food Safety Plan
- Emergency Response Procedures
- Document and Record Control Procedure
- Implementation and compliance monitoring measures include:
 - Training and awareness in risk detection, risk mitigation, crisis management and workplace health and safety
 - Exercise
 - Testing
 - Audit
 - After Action Reviews.

The design of the compliance program is based on a detailed assessment of the organisation's context, including internal systems, as well as the micro and macro environment. Specific, measurable, achievable, relevant, time-bound objectives and targets are set and continually reviewed.

TPCHF management under the guidance and support of the FAR Committee and the Board is committed to effective implementation and continuous improvement of the compliance program through:

- planning through mission, vision, values, objectives, milestones, and roadmaps
- provision of the required resources and support
- development of the required documents and procedures
- capability development and training
- consultation internally with external expertise
- conducting checks and controls throughout processes
- organising audits, inspections, tests, and exercises to review functioning of the program
- processing data from compliance checks and preparing performance reports
- reviewing performance at set intervals and designing corrective actions
- measuring the effectiveness of improvement initiatives.

Through a rigid compliance program, the customers, donors, stakeholders, and partners can feel assured in the ability of TPCHF to deliver on their promise.

6.2 Audit committee

TPCHF FAR Committee is a committee of the Board and are key staff of TPCHF.

The FAR Committee has due regard to its charter outlined by the Board approved document: ‘Terms of Reference for TPCHF FAR Committee’.

TPCHF FAR Committee responsibilities per this document are as follows:

- financial oversight and reporting
- management and execution of investment strategy and investment oversight

- oversight of audit processes
- Risk Management Policy and Risk Management Framework
- Occupational Health and Safety policies and OHS Framework
- Delegation of Authority Policy & Schedule
- Procurement
- Management of suspected fraud and corruption.

The FAR Committee meet eleven times during the reporting period.

Members of the FAR Committee include:

- Paul McMahon (Chair FAR Committee)
- Christopher Morton (Board Chair)
- Toby Innes (Board Member)
- Margo MacGillivray (Board Member)

All audit findings and any resulting actions are reported to TPCHF Board.

6.3 Internal audit

The functions of internal audit are governed by the FAR Committee.

6.4 External scrutiny

An external financial audit was conducted by a designate of the Queensland Audit Office (QAO). The independent audit on the financial report is in Appendix 2 of this document.

6.5 Information systems and recordkeeping

TPCHF complies with the provisions of the *Public Records Act 2002* and includes:

- Any key improvements or changes to records governance
- Progress in implementing the records governance policy
- Formal communication of roles and responsibility to all staff
- Whole of organisation recordkeeping program
- Transitioning from paper-based records to digital recordkeeping which is ongoing
- Reliability and security of record keeping systems, including any serious breaches of information security and remedies
- All records being retained in accordance with general or core retention and disposal legislation
- Record disposal program, including use of an approved electronic disposal schedule
- Ensuring the electronic documentation system is current and stored securely
- Staff being trained and complying with the use of the electronic and paper records system.

Annual Reports are classified in the General Retention and Disposal Schedule (GRDS) as public records requiring permanent retention under Disposal Authorisation 1042 (reports – significant) and 1147 (agency publication – significant). TPCHF also subscribes to the Health Sector (Corporate records) as at 4 January 2023.

Disposal will be in accordance with the GRDS Schedule, and Records Governance Policy being appropriately documented and approved by the CEO.

7. Governance – human resources

7.1 Strategic workforce planning and performance

The Board makes a specific commitment in relation to employee satisfaction with a focus on employee motivation, goal achievement and the maintenance of positive morale in the workplace. Foundation staff have regular pop-up meetings, team and management meetings.

Strategic workforce planning is conducted and reviewed in consultation with an external HR consultant. This process involves the Board, the Management team, and also takes into account feedback from team members and other key stakeholders. All workforce planning aligns with the guiding principles of TPCHF's strategic plan.

All staff are provided with detailed role descriptions which outline their own areas of contribution and inform them of the responsibilities that sit within their broader department. All performance and probation discussions correspond directly to the tasks and responsibilities outlined in these role descriptions. This serves as a prompt to ensure that role design for each employee is still relevant, clear and connected to the needs of the overall organisation.

Role descriptions and interactive practical interviews are used during recruitment to ensure we are employing skilled and capable staff that integrate well within our team.

New employees are comprehensively onboarded into the organisation. This commences with an induction that provides education around the vision, mission and values of TPCHF, along with its history and key functions. It also covers

off logistics, key contacts, first aid, evacuation processes and workplace policies.

Employees participate in a structured probation framework which consists of three structured conversations with their manager, along with a presentation to the team around their key learnings. This framework encourages two-way feedback and helps to ensure that the employee is comfortable, clear on their role and enabled to contribute as soon as possible.

Performance reviews are conducted with staff members annually. TPCHF utilises a platform called '15Five' which allows for the creation of a consolidated and holistic view of each individual employee consisting of their engagement and role satisfaction levels, their overall performance, and their career development pathways.

Professional development needs are assessed through strategic workforce planning activities and are identified through performance review processes. Staff are supported to attend relevant and inspiring training opportunities.

Periodically staff are offered the opportunity to work from home when suitable for particular projects. The organisation's Code of Conduct outlines expectations around ensuring that staff are working with integrity in these instances.

Foundation staff rate their work week online to track morale, identify trends and workload. This is conducted using 15Five, which automatically distributes a weekly check-in to gain employee feedback. Issues and trends are reviewed by staff, management and the Board. Feedback is filtered by department and provided to individual managers to provide insight into relevant strategies that will maximise the engagement within their own teams.

Role descriptions for management positions also identify specific leadership skills and responsibilities that should be demonstrated and

developed. These elements are specifically addressed as part of ongoing performance review processes. Relevant staff are also encouraged to attend leadership development to continuously build their capability levels.

A series of legislative policies have been developed in conjunction with an external HR consultant, to ensure that TPCHF remains compliant with any requirements outlined in the *Fair Work Act 2009*, relevant modern Awards, or any other relevant legislation.

Industrial and employee relations issues and processes are also managed in consultation with the external HR consultant.

The full-time equivalent of Foundation staff as at 30 June 2023 was 69.

7.2 Early retirement, redundancy and retrenchment

No redundancies were paid during the period.

8. Open data

Information about consultancies, overseas travel and the Queensland language services policy is available on the Queensland Government Open Data website: <https://data.qld.gov.au>.

TPCHF has no Open Data to report on in relation to Consultancies, overseas travel or Queensland Language Services Policy during the 2022-2023 reporting period.

Appendix 1: Medical Research and Patient Centred Care Projects Expenditure

A detailed analysis of the various medical research and patient centred care projects reconciling back to the financial statements per the table below:

Medical Research and Patient Care Centred Projects Expenditure

Activity	Appendix 1 reference	Financial Statements reference: Statement of Comprehensive Income			
		Research grants expenditure (\$)	Collocation funding expenses (\$)	Other research expenditure (\$)	TOTAL Medical Research and Patient Care Centred Projects Expenditure
Innovation Grants	1 In- Round Scheduled Grant Schemes	689,001			
New Investigator Grants	1 In- Round Scheduled Grant Schemes	127,162			
PHD Scholarships	1 In- Round Scheduled Grant Schemes	223,675			
Research Fellowships	1 In- Round Scheduled Grant Schemes	660,000			
Endowment Research Grants	2 Out of Rounds Funding	80,000			
Innovation and Capacity Building Research Grants	2 Out of Rounds Funding	78,800			
Mental Health Short Stay Unit Evaluation	2 Out of Rounds Funding		200,000		
TPCH Director of Research and Cardiology Research Fellows	2 Out of Rounds Funding		178,988		
Caboolture Hospital Research Support	3 Caboolture Annual Grants Program Allocation	150,000			
Caboolture Hospital Equipment	3 Caboolture Annual Grants Program Allocation	24,200			
Specified Research Fund	4 Specified Research Fund			2,555,261	
Less: Research grant writebacks returned from previous period		-238,723			
TOTAL		\$1,794,115	\$378,988	\$2,555,261	\$4,728,364

1. In-Round Scheduled Grant Schemes

Innovation Grants - Total Allocation - \$689,001

Fund innovative projects that address a clinical or health need.

Researcher Name	Project Title
Natalie Edwards	Prognostic value of non-invasive myocardial work and global longitudinal strain in patients with significant coronary artery disease confirmed by angiography
Dr Gabriele Fior, Prof John Fraser, Dr Jacky Suen, A/Prof Gianluigi Li Bassi	BIOFluid-induced Lung injury: a nOvel pathOgenic mechanism in acute respiratory Distress syndrome (the BIO-FLOOD study)
Mr Oystein Tronstad, Prof John Fraser, Mrs Jiville Latu, A/Prof Dylan Flaws, A/Prof Frederic Gachon, A/Prof Veronica Garcia Hansen, Dr Francisca Rodrigues	Can sleep and circadian physiological disruptions caused by the intensive care unit environment be prevented by environmental and lighting modifications?
Dr Hideaki Nonaka, Prof John Fraser, Dr Kei Sato, Dr David Platts, Dr Jacky Suen, Dr Gianluigi Li Basso, Dr Nchafatso Obonyo, Dr Silver Heinsar, Prof Johnathan Chan	A Novel Right Ventricular Assessment using Speckle-Tracking Echocardiography in Swine Right Ventricular Failure
Mr Luke Churchill	Can lung ultrasound predict post-operative pulmonary complications in high-risk post-operative cardiac surgery patients? A multi-centre prospective observational cohort study
Prof Ian Yang, Dr Marlien Varnfield, Dr Jane Li, Mr Mark Khair, Prof Jillian Francis, Prof Christine McDonald, A/Prof Eli Dabscheck	Transforming the care of people living with chronic obstructive pulmonary disease (COPD) using digital health: an implementation feasibility study
Dr Robert Horvath, Mrs Cassandra Vale, Prof Jason Roberts, Dr Menino Cotta	PK/PD in prolonged beta-lactam antibiotics
Dr Eric Wu	Decompressing the Stressed Heart - An Innovative Unloading Device for Extracorporeal Membrane Oxygenation Support
Dr Shinichi Ijuin, Dr Keibun Liu, Dr Denzil Gill, Dr Jacky Suen, Prof John Fraser	A Novel and Innovative Therapeutic strategy for patients with refractory Cardiopulmonary Arrest requiring Veno-Arterial Extracorporeal Membrane Oxygenation Support to improve neurological impairments and outcomes

Researcher Name	Project Title
Dr Tian Mun (Kelly) Chee, Prof Kwun Fong, Prof IanYang	Molecular testing for lung cancer genetic aberrations in bronchoscopy specimens by nanopore whole genome sequencing
Dr Maithri Siriwardena, Dr Wendy Chan, Prof Mark Richards, Prof Christopher Pemberton, Ms Elizabeth Cheesman, Prof Peter Molenaar	The effects of human B- Type natriuretic peptide signal peptide (BNPsp) in human atrial tissue in an in vitro model of ischaemia reperfusion injury (IRI)
Dr Senthil Muthuswamy (Michael Power)	Extension of Restorative Practice in mental health services The Prince Charles Hospital

New Investigator Grants - Total Allocation - \$127,162

New Investigator Grants provide funding up to \$10,000 for a one-year project to junior researchers who have not previously held a grant. It provides research training under the mentorship of an experienced researcher.

Researcher Name	Project Title
Mrs Felicity Loel	Contemporaneous Management of Percutaneous Endoscopic Gastrostomies in Adults with Cystic Fibrosis
Dr Samia Farah	A Comparative Assessment of the Distribution of Antibiotics in Pulsatile- and Continuous-Flow Veno-arterial Extracorporeal Membrane Oxygenation: An Ovine Model of Severe Cardiogenic Shock
Mr E-Peng Seah	Monitoring the Heart Function of Patients on VA-ECMO using Arterial Pressure
Dr Angelo Milani	Assessment of kidney damage in a model of cardiogenic shock treated with pulsatile VA-ECMO: does improved microcirculation protect from renal injury?
Mr Carl Francia	Incidence and prevalence of acute rheumatic fever and rheumatic heart disease in Queensland (2017-2021): A retrospective data linkage study
Mrs Robyn Cobb	The impacts of self-initiated modifications of maintenance physiotherapy on clinical stability in people with cystic fibrosis commencing Elexacaftor – Tezacaftor- Ivacaftor
Ms Jazmin Guayco Sigcha	Plasma and serum miRNAs for lung cancer screening
Dr Julieta Castellini	Core Beliefs and Coping in Cystic Fibrosis, and How These Relate to Health and Adherence
Mr Thomas Georgeson	Cognitive impairment and residual risk in patients with OSA before and after 2 months of CPAP intervention

Researcher Name	Project Title
Dr James Nolan	Forced Oscillometry Technique to improve detection and management of pulmonary exacerbations in adults with cystic fibrosis
Mr Zohaib Nadeem	Genetic pathways underlying sepsis tolerance in an ovine model of bacterial sepsis.
Mr Trent Segal	A pre-post trial evaluating the impact of co-designed educational materials on health literacy and Continuous Positive Airway Pressure (CPAP) compliance in patients with Obstructive Sleep Apnoea (OSA)
Ms Sarah Mackay	Malnutrition – Call it what it is or something else?

PhD Scholarships - Total Allocation - \$223,675

Provide a scholarship to students completing full-time PhD studies for up to a three-year term. Extensions of up to six months are approved at Board discretion.

Researcher Name	Project Title
Mr Taylor Sing	Six-month extension
Miss Melanie Spratt	Six-month extension
Ms Saroeun Ven	Pressure injury risk assessment for palliative care patients in the acute hospital setting
Mr Luke Churchill	Can lung ultrasound predict post-operative pulmonary complications in the adult cardiac surgery population, alter physiotherapy practice and improve patient outcomes?

Research Fellowships – Total Allocation - \$660,000

Provides three-year funding for full-time post-doctoral researchers.

Researcher Name	Project Title
Dr Keibun Liu	A Novel Hydrogen Gas Treatment comprising an innovative delivery method for Refractory Severe Acute Respiratory Distress Syndrome
Dr Amy Pham	New pathways to treat intractable lung infection

2. Out of Rounds Funding

Equipment Grants - Total Allocation - \$0

Funds essential pieces of research equipment. No applications received during the 2022-2023 financial year.

Projects Funded – Total Allocation - \$537,788 awarded at the Board's discretion to projects that align with the Foundation.

Researcher Name	Project Title	Account
Professor Dan Chambers	Antibody mediated rejection - let me refresh your memory	Innovation and Capacity Building
Professor Peter Molenaar	Keeping Failing Hearts Beating - Research towards the Prevention of Sudden Cardiac Death (co-funded Perpetual Grant)	Innovation and Capacity Building
Professor Norm Morris	Optimising Exercise Prescription and Delivery in Congenital Heart Disease – The Congenital Heart Fitness Intervention Trial: CH-FIT	Endowment
A/Prof Dylan Flaws	Metro North Mental Health Short Stay Unit Evaluation	Colocation
Cardiology	Cardiology Research Fellows	Colocation
TPCH Director of Research	50/50 contribution with TPCH for 0.7FTE position	Colocation

3. Caboolture Annual Grants Program Allocation

Caboolture Hospital Research Grants - Total Allocation - \$0

Funds research that addresses a health need at Caboolture Hospital. No funds allocated in the 2022-2023 financial year.

Caboolture Hospital Research Support - Total Allocation - \$150,000

Funds research capacity building at Caboolture Hospital.

Caboolture Hospital Equipment - Total Allocation - \$24,200

One-off direct funding of an Omni-bed for Caboolture Hospital Children's.

4. Specified Research Fund – Total Allocation - \$2,555,261

Research Fund
Adult Congenital
Allied Health Research Collaborative
Caboolture Research
Cardiology
Critical Care Research Group
Critical Care Research Group Gates Foundation
Thuy Frakking
Foundation Charity Council
Infective Endocarditis Collaborative
Gastroenterology
Specified Hospital Grants
ICU Staff Development and Support
Infection Control
Marfan Association Queensland
Mental Health
Nursing Education
Paediatric Emergency
Palliative Care
Lung Transplant and Vascular Disease Trust
Coles Kids Campaign
Giving Day Campaigns
Tradie Health Institute
Woolworths

Appendix 2: Annual financial statements, including Management Certificate for the Foundation and Independent Auditor's report.

The Prince Charles Hospital Foundation

Annual Financial Statements for the year ended 30 June 2023

THE PRINCE CHARLES HOSPITAL FOUNDATION

FINANCIAL STATEMENTS 2022-23

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General Information

These financial statements cover The Prince Charles Hospital Foundation (the Foundation).

The Foundation is a Statutory Body established under the *Hospital Foundations Act 2018*.

To the best of the knowledge of the Board of the Foundation, during the last financial year there have been no breaches by the Foundation of the *Hospital Foundations Act 2018*.

For information in relation to the Foundation's financial statements, please call (07) 3139 4636, e-mail finance@tpchfoundation.org.au, or visit the Foundation's website www.thecommonsgood.org.au

THE PRINCE CHARLES HOSPITAL FOUNDATION

Statement of Comprehensive Income For the Year Ended 30 June 2023

		2023	2022
	Notes	\$	\$
Income from Continuing Operations			
Café sales		8,244,412	6,681,775
Collocation car park income	2	541,662	551,488
Collocation funding income		692,841	653,582
Donations and other contributions	3	5,504,409	6,208,010
Functions and special events		1,319,016	694,862
Other income		63,804	45,131
Investment income		553,042	563,947
Interest income		397,438	61,317
Increase in fair value of financial assets designated at FVPL		361,364	-
Gain on sale of financial assets designated at FVPL		21,776	9,532
Total Income from Continuing Operations		17,699,764	15,469,644
Expenses from Continuing Operations			
Research grants expenditure		1,794,115	1,791,254
Employee expenses	4	5,050,090	4,291,272
Cost of sales		3,958,064	3,211,364
General and administration expenses		1,639,399	1,567,049
Collocation funding research expenses	17	378,988	349,521
Other research expenditure		2,555,261	1,901,111
Functions and special events		933,919	325,981
Depreciation	11	123,316	103,524
Depreciation – right of use assets		42,779	21,389
Amortisation	12	-	8,455
Interest expense		4,020	2,705
Decrease in fair value of financial assets designated at FVPL		-	1,476,007
Loss on disposal of financial assets designated at FVPL		30,535	16,713
Loss on disposal of fixed assets		14,513	-
Total Expenses from Continuing Operations		16,524,999	15,066,345
Operating Result from Continuing Operations		1,174,765	403,299
Other Comprehensive Income:			
Total Other Comprehensive Income for the Year		-	-
Total Comprehensive Income		1,174,765	403,299

The accompanying notes form part of these financial statements

THE PRINCE CHARLES HOSPITAL FOUNDATION

Statement of Financial Position As at 30 June 2023

	Notes	2023 \$	2022 \$
Current Assets			
Cash and cash equivalents	7	5,963,195	14,491,674
Receivables	8	559,498	1,015,036
Inventories		67,738	78,556
Other current assets	9	265,744	246,535
Other financial assets	10	3,311,666	2,326,838
Total Current Assets		10,167,841	18,158,639
Non Current Assets			
Other financial assets	10	19,607,413	12,166,738
Property, plant and equipment	11	451,443	455,404
Right of use asset		-	106,947
Intangible assets	12	2,412	-
Total Non Current Assets		20,061,268	12,729,089
Total Assets		30,229,109	30,887,728
Current Liabilities			
Payables	13	1,100,933	3,224,751
Contract liabilities	14	2,252,610	1,447,302
Accrued employee benefits	15	286,231	254,620
Provision for research grant funding	16	4,179,299	4,557,077
Provision for collocation research	17	320,000	120,000
Lease liability	18	-	41,798
Total Current Liabilities		8,139,073	9,645,548
Non Current Liabilities			
Accrued employee benefits	15	58,864	70,585
Provision for research grant funding	16	248,854	497,708
Lease liability	18	-	66,334
Total Non Current Liabilities		307,718	634,627
Total Liabilities		8,446,791	10,280,175
Net Assets		21,782,318	20,607,553
Equity			
Accumulated surplus		21,782,318	20,607,553
Total Equity		21,782,318	20,607,553

THE PRINCE CHARLES HOSPITAL FOUNDATION

Statement of Changes in Equity For the Year Ended 30 June 2023

	Accumulated Surplus \$	Total \$
Balance at 1 July 2021	20,204,254	20,204,254
Operating result from continuing operations	403,299	403,299
Balance at 30 June 2022	20,607,553	20,607,553
Balance at 1 July 2022	20,607,553	20,607,553
Operating result from continuing operations	1,174,765	1,174,765
Balance at 30 June 2023	21,782,318	21,782,318

The accompanying notes form part of these statements

THE PRINCE CHARLES HOSPITAL FOUNDATION

Statement of Cash Flows For the Year Ended 30 June 2023

	Note	2023 \$	2021 \$
Cash Flow from Operating Activities			
<i>Inflows:</i>			
Receipts from cafe sales		8,689,802	6,537,995
Receipts from collocation income		1,234,503	1,204,056
Donation and event income receipts		7,277,909	7,647,035
Dividends and managed funds distributions income		730,411	535,322
Interest receipts		384,022	54,987
GST collected from customers		1,006,814	922,623
GST input tax credits from ATO		1,057,122	849,262
<i>Outflows:</i>			
Payments of grants		(4,776,008)	(3,702,353)
Payments to employees		(5,030,199)	(4,284,694)
Payments to suppliers		(8,827,575)	(4,725,556)
GST paid to suppliers		(747,962)	(550,506)
GST remitted to ATO		(1,315,974)	(1,221,379)
Net cash provided by operating activities	22	(317,135)	3,266,792
Cash Flow from Investing Activities			
<i>Inflows:</i>			
Sales of investments		5,223,714	1,879,000
Net proceeds from other financial assets		3,608,724	272,733
Proceeds for property, plant and equipment		2,227	-
<i>Outflows:</i>			
Payments for property, plant and equipment		(138,260)	(77,896)
Payments for intangibles		(2,412)	-
Payments for investments		(16,905,337)	(2,387,364)
Net cash used in investing activities		(8,211,344)	(313,527)
 Net increase / (decrease) in cash and cash equivalents		 (8,528,479)	 2,953,265
Cash and cash equivalents at beginning of year		14,491,674	11,538,409
Cash and cash equivalents at end of financial year	7	5,963,195	14,491,674

The accompanying notes form part of these statements

THE PRINCE CHARLES HOSPITAL FOUNDATION

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

- Note 1: Summary of Significant Accounting Policies
- Note 2: Collocation Car Park Income
- Note 3: Donations and Other Contributions
- Note 4: Employee Expenses
- Note 5: Auditor's Fees
- Note 6: Key Management Personnel
- Note 7: Cash and Cash Equivalents
- Note 8: Receivables
- Note 9: Other Current Assets
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- Note 11: Property, Plant and Equipment
- Note 12: Intangible Assets
- Note 13: Payables
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- Note 16: Provision for Research Grants
- Note 17: Provision for Collocation Research
- Note 18: Lease liabilities
- Note 19: Capital Commitments
- Note 20: Lease Commitments
- Note 21: Commitments and Contingencies
- Note 22: Reconciliation of Operating Surplus to Net Cash from Operating Activities
- Note 23: Services Received Free of Charge or for Nominal Value
- Note 24: Endowment Fund
- Note 25: Events Occurring After Balance Date
- Note 26: Related Party Transactions

THE PRINCE CHARLES HOSPITAL FOUNDATION

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE PRINCE CHARLES HOSPITAL FOUNDATION

The Prince Charles Hospital Foundation (the Foundation) has the principal objective of increasing distributions for medical research at The Prince Charles Hospital and Caboolture Hospital. The Foundation specialises in raising money for research related to heart disease, lung disease, mental health, ageing and special projects.

The Prince Charles Hospital Foundation has two additional principal activities:

1. To support research work linked to The Prince Charles Hospital and Caboolture Hospital via an accountable framework.
2. To drive knowledge of and support for research at The Prince Charles Hospital and Caboolture Hospital.

Note 1: Summary of Significant Accounting Policies

(a) Statement of Compliance

The financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards—Simplified Disclosure Requirements and Interpretations. The presentation and functional currency of the financial report is Australian Dollars.

With respect to compliance with Australian Accounting Standards and Interpretations, the Foundation has applied those requirements applicable to not-for-profit entities, as the Foundation is a not-for-profit statutory body. Except where stated, the historical cost convention is used.

(b) The Reporting Entity

The Foundation does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity of the Foundation as an individual entity.

(c) New and Revised Accounting Standards

First time mandatory application of Australian Accounting Standards and Interpretations

No new accounting standards applicable for first time in 2022-23 had a material impact on the Foundation.

Early adoption of Australian Accounting Standards and Interpretations

No accounting pronouncements were early adopted in the 2022-23 financial year.

Voluntary changes in accounting policy

No voluntary changes in accounting policies occurred during the 2022-23 financial year.

THE PRINCE CHARLES HOSPITAL FOUNDATION

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Impact of future changes in accounting policy

Australian Accounting Standard changes applicable for the first time in future periods, that may have a significant impact on the Foundation's financial statements are described below.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as current or non-current. AASB 2020-1 makes amendments to AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. When AASB 2020-1 is applied for the first time in the period ending 30 June 2024, the Foundation expects that there will be no material impact on the transactions and balances recognised in the financial statements.

AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates. AASB 2021-2 amends the following Australian Accounting Standards:

- AASB 7 Financial Instruments: Disclosures
- AASB 101 Presentation of Financial Statements
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 134 Interim Financial Reporting

When AASB 2021-2 is applied for the first time in the period ending 30 June 2024, the Foundation expects that there will be no material impact in the transactions and balances recognised in the financial statements

(d) Revenue

Revenue is recognised when the Foundation is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Café Retail Sales

Revenue from cafe sales comprises revenue earned (net of returns, discounts and allowances) from the sale of goods purchased for resale and gifts donated for resale. These sales are made through the Café for the Common Good Chermside, Café for the Common Good Caboolture, Café for the Common Good Kedron and Café for the Common Good Police Head Quarters. Sales revenue is recognised when our performance obligations are fulfilled, which occurs at the point of customer payment.

Collocation Income

Revenue from collocation agreements relates to income received under agreements with Metro North Hospital and Health Service, involving the St Andrews Northside Hospital and International Parking Group (the external carpark operator), operating at The Prince Charles Hospital. As these transactions do not contain sufficiently specific performance obligations they are recognised as revenue when the Foundation gains control of the underlying asset.

Donations and other Contributions and Fundraising from Functions and Special Events

Donations, bequests and fundraising collected, including cash, goods for resale and donated services, arise from transactions that are non-reciprocal in nature (i.e. do not require any goods or services to be provided in return). As these transactions do not contain sufficiently specific performance obligations they are recognised as revenue when the Foundation gains control of the underlying asset.

THE PRINCE CHARLES HOSPITAL FOUNDATION

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Other Income

Revenue from administration agreements relates to vending machine commissions and research report income and is recognised when our performance obligations are fulfilled and a tax invoice is created.

Investment Income

Investment income comprises dividends and distributions from managed funds. Dividends from listed companies and distributions from managed funds are recognised when the right to receive the interest or distribution has been established.

Interest Income

Interest income is recognised as it accrues, using the effective interest method.

(e) Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions. It also includes cash equivalents that are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

(f) Inventories

Inventories held for sale are comprised of cafeteria stock and are valued at the lower of cost and net realisable value. Cost is assigned on a first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition. Net realisable value is determined on the basis of the Foundation's normal selling pattern.

(g) Acquisitions of Assets

Actual cost is used for the initial recording of all non current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. Any property, plant and equipment donated to the Foundation or acquired for nominal cost are recognised at fair value at the date the Foundation obtains control of the assets.

(h) Recognition of Property, Plant and Equipment

Assets with a cost or other value equal to or in excess of \$2,000 are recognised for financial reporting purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

Plant and equipment is measured on the cost basis less accumulated depreciation and impairment losses.

(i) Revaluations of Non Current Physical and Intangible Assets

The carrying amounts for plant and equipment at cost do not materially differ from their fair value.

Intangible assets are measured at their historical cost, unless there is an active market for the assets concerned (in which case they are measured at fair value).

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(j) Intangibles

Intangible assets with a cost or other value equal to or in excess of \$2,000 are recognised for financial reporting purposes in the year of acquisition.

Items with a lesser value are expensed in the year of acquisition.

Intangible assets are measured on the cost basis less accumulated amortisation and impairment losses.

(k) Amortisation and Depreciation of Intangibles and Property, Plant and Equipment

All intangible assets of the Foundation have finite useful lives and are amortised on a straight line basis.

The depreciable amount of leasehold improvements, plant and equipment and the motor vehicle is depreciated on a straight line basis, commencing from the time the asset is held ready for use.

The amortisation and depreciation rates used for each class of amortisable and depreciable assets based on their useful lives are:

Asset Class	Rate Range
Leasehold Improvements	2.5 - 50%
Plant and Equipment	10-33%
Motor Vehicle	10-20%
Intangible Assets: Website	50%
Intangible Assets: Database & Modules	20%

Assets at Kedron and Police Head Quarters sites may have higher depreciation and amortisation rates to reflect where there is a shorter lease term.

The assets' useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

(l) Right of use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

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The entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(m) Impairment of Non Current Assets

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

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost. An impairment loss is recognised immediately in the statement of comprehensive income.

(n) Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within general and administration expenses.

Classifications are determined by both:

- The entity's business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Foundation's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as government bonds that were previously classified as held-to-maturity under AASB 139.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Foundation considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Foundation makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Foundation uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

The Foundation assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Classification and measurement of financial liabilities

The Foundation's financial liabilities include trade and other payables. Accounts payable and accrued expenses represent payables that are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Foundation designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(o) Employee Benefits

Employer superannuation contributions, annual leave and long service leave are regarded as employee benefits.

Worker's compensation insurance is a consequence of employing employees but is not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, Salaries, and Sick Leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the nominal salary rates.

As the Foundation expects such liabilities to be wholly settled within 12 months of the reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non vesting, an expense is recognised for this leave as it is taken.

Annual and Long Service Leave

Annual and long service leave liabilities are accounted for as short term employee benefits if the Foundation expects to wholly settle all such liabilities within the 12 months following reporting date. Otherwise, long service leave liabilities are accounted for as 'other long-term employee benefits' in accordance with AASB 119 and split between current and non current components.

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Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments take into account anticipated future wage levels, expected employee departures and periods of ineligible service. These are discounted using market yields on Australian Government bond rates at the end of the reporting period that coincide with the expected timing of estimated future payments. All directly associated on-costs (e.g. employer superannuation contributions and workers' compensation insurance) are also recognised as liabilities, where these on-costs are material.

Superannuation

The default superannuation fund for the Foundation is Sunsuper. All employees are given a choice as to where their superannuation contributions are paid. Contributions to employee superannuation plans are charged as expenses as the contributions are paid or become payable.

Key Management Personnel

Key management personnel include those positions that have authority and responsibility for planning, directing and controlling the activities of the Foundation. Refer to note 6 for the disclosures on key management personnel and remuneration.

(p) Provisions

Provisions are recorded when the Foundation 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.

Provisions for research grants relate to research grants made by the Foundation and are recognised when the Finance, Audit and Risk Committee or the Board has approved the payment of a grant, and the recipient has been notified and signed as agreeing to the terms and conditions of the grant. The grant balance is drawn down by the recipient over the term of the grant. The term of the grants is generally for 12 months with the recipient eligible to apply for an extension at the completion of that term.

Provisions for collocation research relate to grants funded through the collocation funds received, with the process for the grant, and the recognition of liability, being the same as with research grants above.

(q) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the

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corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(r) Insurance

The Foundation's non-current physical assets and other risks are insured through City Cover (Aust) Pty Ltd, premiums being paid on a risk assessment basis. In addition, the Foundation pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(s) Taxation

The Foundation has been endorsed by the Commissioner of Taxation as an income tax exempt charity pursuant to Section 50-5 of the *Income Tax Assessment Act 1997*. The Foundation is exempted from Fringe Benefits Tax under Section 57a of the *Fringe Benefit Tax Assessment Act 1986*.

Accordingly, the Foundation is exempted from Commonwealth taxation with the exception of Goods and Services Tax (GST). GST is the only tax accounted for by the Foundation. GST credits receivable from, and GST payable to the ATO are recognised.

(t) Issuance of Financial Statements

The financial statements are authorised for issue by the Board of The Prince Charles Hospital Foundation at the date of signing the Management Certificate of the Foundation.

(u) Key Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have that potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Other Financial Assets – Note 10

Payables – Note 13

Contract liabilities – Note 14

Accrued Employee Benefits – Note 15

Provision for Research Grants – Note 16

Provisions for Collocation Research Grants – Note 17

Commitments and Contingencies - Note 21

Service Received Free of Charge or for Nominal Value – Note 23

Depreciation and amortisation – Note 1(k)

(v) Presentation Matters

Currency and rounding

Amounts included in the financial statements are in Australian dollars. Amounts are rounded to the nearest dollar.

Comparatives

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period. Comparative information reflects the audited

Annual Financial Statements for the financial year ended 30 June 2023

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

2021-22 financial statements, with a small reclassification of the non current portion of the Provision for Research Grant Funding in Note 16.

Current / non-current classification

Assets are classified as 'current' where their carrying value amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Foundation does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non current.

Note 2: Collocation Car Park Income

The Prince Charles Hospital Car Park is operated under an agreement between Queensland Health and International Parking Group. Under the agreement the Foundation is entitled to a share of carpark fees. For the financial year 2023 and in accordance with the collocation agreement this amount was \$541,662 (2022: \$551,488).

Note 3: Donations and other contributions

	2023	2022
	\$	\$
Donations	2,710,339	2,887,013
Bequests	885,954	945,843
Research income	1,908,116	2,375,154
Total donations and other contributions	5,504,409	6,208,010

Note 4: Employee Expenses

Employee Benefits

Wages and salaries	4,251,815	3,570,475
Annual leave expense	179,327	201,887
Long service leave expense	9,119	23,213
Employer superannuation contributions	452,503	371,154

Employee Related Expenses

Worker's compensation premium	67,934	50,372
Other employee related expenses	89,392	74,171
Total Employee Expenses	5,050,090	4,291,272

	No.	No.
The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:	69	58

Note 5: Auditor's Fees

	2023	2022
	\$	\$
Audit of the financial statements	26,500	25,000

The Prince Charles Hospital Foundation's auditor is the Queensland Audit Office. Audit fees are included in general and administration expenses.

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 6: Key Management Personnel

(a) Key Management Personnel

The following details for key management personnel include those positions within the Foundation that had authority and responsibility for planning, directing and controlling the activities of the Foundation during 2022-23.

Position	Position Responsibilities
Board of Directors	The strategic leadership, guidance and effective oversight of the management of the Foundation, including its operational and financial performance
Chief Executive Officer (CEO)	Responsible for the strategic leadership, efficient, effective and economic management of the Foundation

(b) Remuneration

The remuneration and other terms of employment for the key management personnel are set by the Board and specified in employment contracts. The contracts provide for the provision of performance-related cash bonuses.

Remuneration packages for key management personnel comprise the following components:

* Short term employee benefits include salaries, allowances and leave entitlements earned and expensed for the entire year or that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the profit or loss. Post employment benefits include superannuation contributions.

* Long term employee expenses include long service leave accrued.

* Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

* Performance bonuses may be paid annually depending upon satisfaction of key performance indicators and is set by the Board.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base, long term employee benefits and post employment benefits.

The Board of Directors is responsible for the governance of the Foundation. Their services are provided on an honorary basis.

1 July 2022 – 30 June 2023					
Position (date resigned if applicable)	Short Term Employee benefits		Long Term Employee expenses	Post Employment benefits	Total Remuneration
	Monetary \$	Non-monetary \$	\$	\$	\$
CEO (appointed 6/3/23)	75,963	-	-	7,252	83,215
CEO (resigned 17/3/23)	170,261	22,778	(30,019)	22,237	185,257

1 July 2021 – 30 June 2022					
Position (date resigned if applicable)	Short Term Employee benefits		Long Term Employee expenses	Post Employment benefits	Total Remuneration
	Monetary \$	Non-monetary \$	\$	\$	\$
CEO	216,774	25,102	4,406	20,762	267,044

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

(c) Performance Payments

The basis for performance bonuses paid or payable in the 2022-23 financial year is set out below:

Position	Date Paid	Basis for payment
CEO (resigned 17/3/23)	21-3-2023	The cash performance bonus was set by reference to satisfaction of key performance indicators and is set by the Board. Key performance indicator categories include financial performance, research grants, leadership and employees, donors, customers and brand management, and organisational planning and compliance.

The basis for performance bonuses paid or payable in the 2020-21 financial year is set out below:

Position	Date Paid	Basis for payment
CEO	28-6-22	The cash performance bonus was set by reference to satisfaction of key performance indicators and is set by the Board. Key performance indicator categories include financial performance, research grants, leadership and employees, donors, customers and brand management, and organisational planning and compliance.

The aggregate performance bonuses paid to all key management personnel are as follows:

	2023 \$	2022 \$
CEO (resigned 17/3/23)	27,149	18,182

Note 7: Cash and Cash Equivalents

	2023 \$	2022 \$
Cash on hand	9,050	10,210
Cash at bank	1,559,152	4,065,414
Cash on deposit	4,394,993	10,416,050
	5,963,195	14,491,674

Note 8: Receivables

	2023 \$	2022 \$
Trade receivables	152,040	447,223
Collocation debtors	63,510	59,912
Accrued interest and investment income	345,448	509,401
	560,998	1,016,536
Provision for impairment of receivables	(1,500)	(1,500)
	559,498	1,015,036

Note 9: Other Current Assets

Prepayments and deposits	265,744	246,535
	265,744	246,535

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 10: Other Financial Assets

Financial assets held at fair value through profit and loss:

<u>Managed Funds Held Separated by Asset Class</u>	2023	2022
Current:	\$	\$
Cash	3,311,666	82,103
Fixed Interest	-	2,244,735
Total current	3,311,666	2,326,838
Non current:		
Cash	-	259,780
Fixed Interest	6,499,439	2,214,526
Australian Equities	6,010,807	2,426,782
International Equities	3,994,077	2,107,184
Property	960,082	540,291
Infrastructure/Utilities	-	122,790
Alternative Assets	2,143,008	886,661
	19,607,413	8,558,014

All non-cash investments are market traded incentives and are valued at the quotes market

Financial assets held at amortised cost:

Non current:		
Endowment fund cash held on deposit	-	3,608,724
Total Non current	19,607,413	12,166,738

The Endowment Fund has been established to deliver sustainable scholarships and individual grants through the general fund while health specific projects will be funded through nominated allocations at the direction of our benefactors. The Endowment Fund cash held on deposit at 30 June 2022 has now been invested as part of non current Financial Assets. Refer Note 24: Endowment Fund for a schedule of yearly movements.

Note 11: Property, Plant and Equipment

	2023	2022
Leasehold Improvements:	\$	\$
At cost	606,447	606,447
Less: Accumulated amortisation	(372,792)	(334,052)
	233,655	272,395
Plant and Equipment:		
At cost	643,000	669,622
Less: Accumulated depreciation	(491,025)	(571,437)
	151,975	98,185
Motor Vehicle:		
At cost	156,827	156,827
Less: Accumulated depreciation	(91,014)	(72,003)
	65,813	84,824
Total	451,443	455,404

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

	Leasehold Improvement	Plant and Equipment	Motor Vehicle	Total
Movements in Carrying Values:				
	\$	\$	\$	\$
Carrying amount at 1 July 2022	272,395	98,185	84,824	455,404
Acquisitions	-	138,260	-	138,260
Disposals	-	(18,905)	-	(18,905)
Depreciation	(38,740)	(65,565)	(19,011)	(123,316)
Carrying Amount at 30 June 2023	233,655	151,975	65,813	451,443

Note 12: Intangible Assets

	2023 \$	2022 \$
CRM Database, App Development:		
At cost	75,049	76,423
Less: Accumulated amortisation	(72,637)	(76,423)
Total	2,412	-

Movements in Carrying Values:

	CRM Database \$	Online Order Website	Total \$
Carrying amount at 1 July 2022	-	-	-
Acquisitions	-	2,412	2,412
Disposals	-	-	-
Amortisation	-	-	-
Carrying Amount at 30 June 2023	-	2,412	2,412

Note 13: Payables

	2023 \$	2022 \$
Current		
Accounts payable	435,640	560,035
Accrued expenses	236,177	294,949
Research expenses accrual	429,116	2,369,767
	1,100,933	3,224,751

Note 14: Contract liabilities

Current		
Unearned income	2,252,610	1,447,302
	2,252,610	1,447,302

Note 15: Accrued Employee Benefits

Current		
Annual (Recreational) Leave	213,318	193,550
Long Service Leave	72,913	61,070
	286,231	254,620
Non Current		
Long Service Leave	58,864	70,585
	58,864	70,585

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 16: Provision for Research Grants

The Foundation's research grant programs incorporate multiyear funding. Allocation of Research Grants Provision as follows:

Provision for Research Grants: Current	4,179,299	4,557,077
Provision for Research Grants: Non current	248,854	497,709
Total Provision for Research Grants	4,428,153	5,054,785

The movement of the total grants provisions:

Opening Balance	5,054,785	4,890,350
TPCH Grants Awarded	1,699,838	1,596,574
TPCH Capacity Building Grants Awarded	78,800	-
Caboolture Grants Awarded	174,200	248,739
Endowment Grants Awarded	80,000	174,545
Grants written back (unused provisions)	(238,724)	(151,915)
Payments of TPCH grant expenditure	(2,104,569)	(1,350,736)
Payments of endowment grant expenditure	(65,133)	(138,407)
Payments of Caboolture grant expenditure	(174,200)	(150,000)
Payments innovation and capacity building	(76,844)	(64,365)
Closing Balance	4,428,153	5,054,785

Note 17: Provision for Collocation research Current

Opening Balance	120,000	294,423
Collocation funds allocated	578,988	473,944
Grants written back (unused provisions)	-	(124,423)
Payments of Collocation research	(378,988)	(523,944)
Closing Balance	320,000	120,000

Note 18: Lease liabilities

	2023	2022
Current liabilities	\$	\$
Lease liability	-	41,798
	-	41,798

Non-current liabilities

Lease liability	-	66,334
	-	66,334

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Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Future lease payments

Payable – minimum lease payments:

- not later than 12 months	-	45,818
- between 12 months and five years	-	68,727
- More than 5 years	-	-
	-	114,545
Less future interest	-	(6,413)
	-	108,132

A Deed of Release was signed for The Café for the Common Good Police Headquarters premises releasing the Foundation of all lease liability as of 28 June 2023. This Café ceased trade on 28 June 2023.

Note 19: Capital Commitments

There are no capital commitments.

Note 20: Lease Commitments

The Café for the Common Good Chermside premises are leased from Metro North Hospital and Health Service. The deed of occupation is a five year term commencing on the 1 July 2019 to 30 June 2024 with one option period of five years. The rent payable is \$1 (GST-inclusive) per annum. The Deed of Occupation was signed 16 July 2021.

The Café for the Common Good Caboolture premises are leased from Metro North Hospital and Health Service. The deed of occupation is a five year term commencing on the 1 July 2019 to 30 June 2024 with one option period of five years. The rent payable is \$1 (GST-inclusive) per annum.

The Café for the Common Good Kedron premises are leased from Kedron Emergency Services. The lease is currently on extension of lease term commencing 1 July 2022 to 30 June 2023. Negotiations are underway for a new two year lease term.

Lease Commitments

Payable – minimum lease payments:

	2023	2022
	\$	\$
- not later than 12 months	25,000	26,740
- between 12 months and five years	-	1,885
	25,000	28,625

Note 21: Commitments and Contingencies

Other Commitments – Specified Hospital Funds

The Foundation has restricted funds available for Specified Hospital Research which are yet to be expended by recipients. There are over 35 sub funds of Specified Hospital Research across the different departments and medical faculties of The Prince Charles Hospital and Caboolture Hospital. The balance of Specified Hospital Research funding yet to be expended as of 30 June 2023 was \$4,579,314 (2022: \$4,557,011).

THE PRINCE CHARLES HOSPITAL FOUNDATION

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 22: Reconciliation of Operating Surplus to Net Cash from Operating Activities

	2023 \$	2022 \$
Surplus/(Deficit) from Continuing Operations	1,174,765	403,299
Amortisation expense	-	8,455
Depreciation expense	123,316	103,524
Depreciation expense – right of use	42,779	21,389
Non-cash lease adjustments	(41,798)	(20,204)
(Gain) / loss on disposal of investments	30,535	16,713
(Gain) / loss on disposal of investments	(21,776)	(9,532)
(Gain)/Loss on disposal of equipment	14,513	-
Movement in market value of available for sale financial assets	(361,364)	1,476,007
Changes in assets and liabilities:		
Decrease / (Increase) in receivables	455,539	(314,881)
Decrease / (Increase) in inventories	10,817	(13,516)
Decrease/ (Increase) in other current assets	(19,209)	32,236
(Decrease) / Increase in payables	(2,123,818)	279,041
(Decrease) / Increase in contract liabilities	805,308	1,287,671
(Decrease) / Increase in accrued employee benefits	19,890	6,578
(Decrease) / Increase in research provisions	(426,632)	(9,988)
Net cash provided by operating activities	(317,135)	3,266,792

Note 23: Services Received Free of Charge or for Nominal Value

During the financial year, the Foundation received in-kind contributions from external parties that assisted with the operation of the Foundation. Where possible the fair value of these services has been estimated below:

	2023 \$	2022 \$
Provision of office building	82,160	103,740
Provision of Chermshire Café area – under peppercorn lease	159,385	191,693
Provision of Caboolture Café area – under peppercorn lease	63,750	47,100
Pro Bono goods and services provided by external parties	45,530	63,475
	350,825	406,008

The Foundation included the value of services received free of charge or for nominal value in the Statement of Comprehensive Income as donations and bequests income with an offset expense in general and administration expenses.

THE PRINCE CHARLES HOSPITAL FOUNDATION

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 24: Endowment Fund

	2023	2022
	\$	\$
Opening Balance	3,608,724	3,689,881
Allocation of endowment grants	(80,000)	(90,000)
Earnings allocated to endowment assets	-	8,843
Closing Balance	3,528,724	3,608,724

The Endowment Fund has been established to deliver sustainable scholarships and individual grants through the general fund while health specific projects will be funded through the specified endowment allocations at the direction of our benefactors. The endowment funds are invested as part of the overall portfolio of non current Financial Assets noted in note 10.

Note 25: Events Occurring after Balance Date

There were no events affecting the financial position of the Foundation subsequent to 30 June 2023.

Note 26: Related Party Transactions

There have been no related party transactions in the current period, other than those disclosed as part of the key management personnel disclosure in note 6.

An informal assessment has been made that concluded that the Prince Charles Hospital is not a related party. This is due to there being no shared control between the Prince Charles Hospital and the Foundation and that grant recipients are individuals rather than paid through the Prince Charles Hospital.

MANAGEMENT CERTIFICATE OF THE FOUNDATION

These general purpose financial statements have been prepared pursuant to section 62(1) (a) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019*, the *Australian Charities and Not-for-profits Commission Act 2012* and other prescribed requirements. In accordance with section 62(1)(b) of the Act and subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022* 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 Prince Charles Hospital Foundation for the financial year ended 30 June 2023 and of the financial position of the foundation as at the end of that year; and

We acknowledge under s.7 and s.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.



Christopher Morton
Chairperson

Date 29/8/23



Steve Francia
Chief Executive Officer

Date 29/8/23

INDEPENDENT AUDITOR'S REPORT

To the Board of The Prince Charles Hospital Foundation

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of The Prince Charles Hospital Foundation.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2023, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the *Financial Performance and Management Standard 2019*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations 2022* and *Australian Accounting Standards – Simplified Disclosures*.

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 management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the *Financial Performance and Management Standard 2019*, the *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations 2022* and *Australian Accounting Standards – Simplified Disclosures*, and for such internal control as the Board determine 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 in 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.



D J Toma
as delegate of the Auditor-General

30 August 2023

Queensland Audit Office
Brisbane

Appendix 3: Compliance Checklist

Summary of requirement		Basis for Requirement	Annual report reference Page
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	1
Accessibility	Table of Contents	AARs – section 9.1	ii
	Glossary		iii
	Public availability	AARs – section 9.2	i
	Interpreter service statement	Queensland Government <i>Language Services Policy</i> ARRs - section 9.3	i
	Copyright notice	Copyright Act 1968 AARs – section 9.4	i
	Information licensing	<i>QGEA – Information Licensing</i> AARs – section 9.5	i
General information	Introductory Information	AARs – section 10	2
Non-financial performance	Government’s objectives for the Community and whole-of-government plans/specific initiatives	ARRs – section 11.1	5
	Agency objectives and performance indicators	ARRs – section 11.2	6
	Agency service areas, and service standards	ARRs – section 11.3	N/A
Financial performance	Summary of financial performance	AARs-section 12.1	8
Governance management and structure	Organisational structure	AARs – section 13.1	10
	Executive management	AARs – section 13.2	11
	Government bodies (Statutory bodies and other Entities)	ARRs – section 13.3	14
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	15
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	15
	Queensland Public Service Values	AARs – section 13.6	16

Summary of requirement		Basis for Requirement	Annual report reference Page
Governance – risk management and accountability	Risk Management	ARRs – section 14.1	17
	Audit committee	ARRs – section 14.2	18
	Internal audit	ARRs – section 14.3	18
	External scrutiny	ARRs – section 14.4	18
	Information systems and recordkeeping	ARRs – section 14.5	19
	Information Security attestation	ARRs – section 14.6	N/A
Governance – Human Resources	Strategic workforce planning and performance	ARRs – section 15.1	20
	Early retirement, redundancy and retrenchment	<i>Directive No. 04/18 Early Retirement, Redundancy and Retrenchment</i> AARs section 15.2	21
Open Data	Statement advising publication of information	ARRs – section 16	21
	Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	Overseas Travel	ARRs – section 31.2	https://data.qld.gov.au
	Queensland Language service policy	ARRs – section 31.3	https://data.qld.gov.au
Financial Statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	59 Appendix 2
	Independent Auditor's report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	60 Appendix 2

FAA *Financial Accountability Act 2009*
 FPMS *Financial and Performance Management Standard 2019*
 ARRAs *Annual report requirements for Queensland Government agencies*