

Financial Accountability Handbook

Volume 5 – Reporting systems

April 2025

Volume 5 details reporting obligations under the *Financial Accountability Act 2009* and its subordinate legislation, the roles of internal and external audit in the reporting process, and information for the development and production of effective management reports for use by agency management.

The *Financial and Performance Management Standard 2019* requires agencies to have regard to the Financial Accountability Handbook (the Handbook) when establishing their internal control structures, systems and processes. Agencies must comply with the Handbook when they apply to agency circumstances. Agencies will therefore need to be mindful of this requirement when implementing internal financial controls and operational processes.

This volume consists of the following information sheets:

Reference	Information sheet title	Date issued
5.1	Management reporting	April 2025
5.2	Preparation of financial statements	April 2025
5.3	Financial record management	April 2025
5.4	Audit role in financial statements preparation	April 2025
5.5	Annual reports	April 2025

Further information

If you have any questions concerning the Financial Accountability Handbook, please contact your Treasury Analyst. Alternatively, email the Financial Management Helpdesk at fmhelpdesk@treasury.qld.gov.au with details of your query and a response will be provided.

Information sheet 5.1 – Management reporting

Introduction

Management reporting is the process of providing agency management with timely, accurate and relevant information that is designed to assist in the strategic and operational management of an agency (as required under section 10(2) of the *Financial and Performance Management Standard 2019* (the FPMS)).

This information sheet is intended to assist agencies to design and implement effective management reporting.

Benefits of effective management reporting

Effective management reporting is critical in making appropriate decisions for the efficient, effective and economical delivery of agency objectives and services.

By focusing on timely and effective management reporting, agencies benefit from:

- improved decision making
- improved management effectiveness
- more efficient use of resources in the delivery of agency services
- increased confidence in the quality of management decisions by agency staff
- improved responsiveness to issues as they arise.

Effective management reporting

Developing management reporting structures and formats are fundamental elements in providing agency management and staff with appropriate, accurate and timely information.

For example, reporting provided to senior management would normally be 'summary' reports on various aspects of agency operations. These reports would be supported ideally by 'drill-down' functionality allowing for transactional review by management, if required.

Reporting provided to line management and staff would generally provide more targeted and transactional reporting on agency functions than the higher-level management reports. Reporting at the lower level should also be supported by drill-down functionality as a quick and efficient means of reviewing transactional details if needed. Where appropriate, high level summary reports may also be made available to line management.

When designing effective management reports, consideration may be given to:

- presenting reports in a form and with content that satisfies users' needs

- ensuring reports are free from bias, errors or material misstatement
- ensuring that reports are checked for accuracy prior to release
- completing and distributing reports in a timely manner
- recognising changing reporting requirements, and adapting reports accordingly
- reviewing report formats that may be available from similar agencies, and adopting, after discussion, elements of these reports to enhance the quality of current agency reports
- seeking feedback from agency management on changes to report formats
- recognising specific reporting preferences for users, for example, in the presentation of financial data, some management members may better understand the data when presented graphically, rather than in a numeric table form.

Reports can be set up as standard reports which are generated on a regular basis, or ad hoc reports which are developed in response to specific agency demands.

Standard report formats should provide management with the information required for day-to-day agency activities and may, depending on user requirements, include:

- reports on key performance indicators, implementation of government commitments, operational/service delivery
- capital project reports, including information such as:
 - budget and actual cost review
 - project timelines
 - project variations
 - estimated time to completion
- budget/forecast versus actual results (financial and non-financial performance)
- other reports, such as:
 - human resourcing metrics (e.g. staffing levels)
 - revenue and expenses by line item, program, category, asset class or project
 - schedules of assets, including estimates of remaining useful lives
 - schedules of liabilities, including payment due dates
 - cash flow reports.

While the timing of standard reports will differ depending upon the nature of the information, many of the above reports should be prepared and actioned (as appropriate) monthly. Note, legislation may require at a minimum, reporting on a quarterly basis (for example, section 10(2)(b)(i) of the FPMS – performance information).

Ad hoc reports should be available to management in timeframes and formats that allow effective and timely decision making by management. For example, performance reporting on high-risk projects might be more regularly reported than projects considered to be low risk. A simple ‘traffic light’ approach may be incorporated to draw attention to urgent or problem areas requiring immediate attention.

Assessment of the effectiveness of management reporting can be enhanced through:

- seeking feedback from users on the format, content and usefulness of reports
- implementing a formal feedback process
- presenting options to users (based on management reporting systems capabilities)
- presenting and discussing revised formats with users prior to release of revised reports.

Adoption of common report formats

Where agencies share similar functions and processes, opportunities may exist to share management reporting formats or systems/applications, leading to a potential improvement in formats which will enhance the effectiveness of management reporting. Another significant benefit in adopting a collaborative approach is a potential reduction in duplication of effort and cost in the design of report formats that may have application across more than one agency.

Internal access to management reports

Access to an agency's management reports should be determined following an assessment of user needs, report contents, potential benefits to be derived by sharing information and with authorisation by an appropriate level of management. Access to management reports may provide benefits to agencies that include:

- positive improvements in agency operations through a better-informed agency management team and staff
- identification and communication of possible risks to agency operations
- a better understanding of the agency's operating environment
- improved efficiencies through encouraging greater collaboration within the agency
- potential to break down 'silos' within agencies through better understanding of the whole of agency operations.

Right to Information Act implications

In the preparation of management reports, agencies should be aware of the provisions of the *Right to Information Act 2009* and prepare reports accordingly.

Related resources

- [Queensland Government Performance Management Framework Policy, Department of the Premier and Cabinet](#)
- [Right to Information, Queensland Government](#)

Information sheet 5.2 – Preparation of financial statements

Introduction

The *Financial Accountability Act 2009* (the FA Act) and the *Financial and Performance Management Standard 2019* (the FPMS) detail the obligations that each accountable officer and statutory body have in the preparation of the agency's financial statements.

This information sheet is intended to assist agencies to meet their obligations in the preparation of the statements mandated by the FA Act, the FPMS and other prescribed requirements.

It also incorporates requirements for the inclusion of the results of controlled entities in agency financial statements.

Prescribed requirements – the FA Act

Section 62 of the FA Act prescribes the requirements for the preparation, certification and audit of agency financial statements. The FA Act also requires the financial statements to be included in the annual report of the department or statutory body. No changes may be made to the financial statements once they have been certified by the Auditor-General (or delegate) and the statements shown in the report must be exactly as certified and not abridged or amended in any way when they are reproduced in the annual report.

Section 77 of the FA Act prescribes that the accountable officer must delegate responsibility for preparation of financial statements to the chief finance officer. However, the accountable officer remains accountable for the accuracy of those statements.

Prescribed requirements – the FPMS

Part 3 of the FPMS contains detailed requirements with respect to the:

- preparation of annual financial statements
- preparation of financial statements for newly formed agencies
- preparation of financial statements for abolished departments or statutory bodies
- timing for giving annual financial statements to the Auditor-General.

Agencies must prepare their financial statements in accordance with Australian Accounting Standards (unless exempted) and must comply with the minimum reporting requirements contained in the [Financial Reporting Requirements for Queensland Government Agencies](#) (FRRs). As well as minimum reporting requirements, the FRRs also contain model financial statements. Agencies must also comply with the [Non-Current Asset Policies for the Queensland Public Sector](#).

Annual financial statements

Agencies must negotiate a date to give their annual financial statements to the Auditor-General (or delegate). This date must allow the financial statements to be certified by the Auditor-General within two months after the end of the financial year.

The FPMS provides for the Treasurer, Under Treasurer, or nominated Treasury officer (see section 41(5)) to extend this date in consultation with the Auditor-General (to a maximum of six months after balance date), but only if a whole-of-government reason exists which may impact the financial statement preparation (for example, a significant and late machinery of government change).

Financial statements for newly formed agencies

Section 40 of the FPMS requires newly formed agencies to prepare financial statements from the date of formation until the end of the financial year in which the agency was established.

If the formation date is within four months of the end of the financial year, an approval can be sought from the Treasurer for the financial statements to be prepared from the formation date to the end of financial year following the year in which the agency was established. An approval will generally only be given where a small number of immaterial transactions occurred prior to the end of the first financial year. The relevant minister is required to table a notice in parliament stating that the agency's financial statements for that period will be included in the following year's financial statements.

Final financial statements for abolished agencies

Sections 44 and 45 of the FPMS detail the requirements for the preparation of final financial statements by abolished agencies.

Final financial statements must be prepared at the date of abolition of the agency, being either the gazettal date (department) or repeal date (statutory body). Preparation of final financial statements must have regard to the following:

- If the financial statements for the previous financial year **have been** certified and audited prior to the abolition date, the final period will be from the day immediately after the end date of the previous financial year's financial statements until the abolition date.
- If the financial statements for the previous financial year **have not been** certified and audited prior to the abolition date, the accountable officer or statutory body has an option to have the final period from either:
 - the beginning of the previous financial year until abolition date
 - from the day immediately after the end date of the previous financial year's financial statements until the abolition date.

The final financial statements must be certified by the former accountable officer and former chief finance officer (departments) or the former chairperson and former responsible person (statutory bodies). If the person previously in one of these positions is no longer available to certify the financial statements, the Treasurer, or a nominated officer for the provision (see section 45(5)(b) of the FPMS) will appoint a person to assume the responsibility.

The former accountable officer for an abolished department, or the former appropriate minister for an abolished statutory body, must give the final financial statements to the Auditor-General by the date agreed between the former accountable officer/minister and the Auditor-General.

Consolidation of controlled entities

[FRR 2G Consolidated Financial Statements and Controlled Entities](#) (FRR 2G) provides guidance on the definition of a controlled entity of an agency.

For public sector agencies, 'control' may be determined with reference to legislative or executive authority or administrative arrangements, including whether:

- ministerial approval is required for the agency's budget
- the minister or a central authority has the power to appoint and/or remove members of the board of management
- ministerial power of control and direction exists
- the State is entitled to receive the residual net assets of the agency in the event it is wound up.

Where it is determined that the entity is a controlled entity, FRR 2G outlines disclosure and consolidation requirements that apply to both the parent and controlled entities.

Benefits of an effective system of internal controls in the preparation of financial statements

Benefits of effective internal controls over the preparation of financial statements include:

- financial statements can be completed on time, are relevant and present a true and fair view of the financial performance and position of the agency
- information in the statements will be understandable to users and comparable to other public sector entities.

Volume 3 of the Handbook contains information about the development, implementation and operation of agency internal controls, systems and processes.

Financial statements preparation planning

The preparation of annual financial statements requires good forward planning, effective management of systems and professionally qualified and experienced accounting staff.

Other key considerations include:

- Has there been consultation with the finance/audit committee to agree dates to review the financial statements prior to certification?
- Has there been consultation with outsourced service providers on processing, cut offs and timing requirements for the preparation of agency financial statements?
- Has a financial statement preparation timetable been prepared and communicated to all relevant staff, including key responsibilities and completion dates? Critical dates may include:
 - preparation and analysis of key reconciliations and completion of stocktakes
 - general ledger cut-off dates (for example, for bank accounts and other transactional ledgers)

- preparation of a financial statements template (that is, the format of the financial statements without the numbers)
 - preparation of draft notes to the financial statements
 - availability of completed draft financial statements for review
 - date for certification of financial statements
 - audit committee review date, and
 - date for submission of draft financial statements to external audit.
- Have agency staff been made aware of whole-of-government reporting requirements prior to commencing the preparation of the agency's financial statements?
 - Have staff been made aware of any changes in the prescribed requirements, to ensure compliance with the new requirements?
 - Has communication with controlled entities detailed their obligations with respect to consistent accounting policy treatments and dates for completion and submission of their financial information (for either consolidation or note disclosure purposes)?
 - Have regions been made aware of their responsibilities in the financial statement preparation process (for example, undertaking inventory or property, plant and equipment stocktakes, and identifying year end accruals)?
 - Have all control and subsidiary ledger accounts been reconciled and reconciling items followed up before end of financial year ledger closures?
 - Are asset stocktakes, valuations and impairment assessments scheduled for completion within reasonable time for the results to be reviewed and any action taken?
 - Have significant accounting policy matters been discussed with external audit to ensure timely resolution of any issues?
 - Have internal and external audit met and agreed on the work to be undertaken, if any, by internal audit in the review of the financial statements?
 - Are regular update meetings planned with external audit to monitor progress of the audit and issues arising?

Preparation of detailed working papers for each material account balance will assist in a smooth audit process. The working papers should reference supporting documentation, such as reconciliations, results of stocktakes, confirmations from external parties and information about significant assumptions used in the calculation of balances. The working papers should also be cross-referenced to the general ledger.

Strategies for earlier financial statement preparation

As mandated in the FPMS, agency financial statements must be completed and audited within two months after the end of the financial year.

Strategies that can be used to ensure this timeframe is met may include:

- Use of 'early close' procedures. This occurs when an agency closes its ledgers near to but before the end of the financial year (for example, at the end of the third quarter, or at the end of the eleventh month), and draft financial statements are prepared and a preliminary audit conducted. This should allow the end of year closure to focus on subsequent transaction analysis and audit.
- Preparation of monthly, quarterly or six-monthly financial statements. By preparing such statements (supported by appropriate working papers) regularly, agencies can refine their preparation processes.
- Early preparation of proforma financial statements which include all comparative information, updated accounting policy notes and application of new/amended accounting standards and Queensland Treasury policies.
- Early resolution of accounting issues for all one-off, complex or significant transactions and changes in accounting policies or estimations.
- Reconciliation and analysis of balance sheet control accounts on a quarterly basis.
- Performing regular variance analysis with meaningful explanations, for actuals versus original budget, and actuals versus previous year's year-to-date actuals. This may assist departments with identifying emerging issues or unusual transactions which need investigation.
- Regular reconciliation and review of control and suspense accounts.
- Regular reporting on contingent assets and liabilities.
- Early completion of all asset (including inventory) stocktakes, including the investigation of any discrepancies.

Service providers and financial statement preparation

Where agencies outsource preparation of their financial statements, the agency should communicate early with the provider to ensure a clear understanding of the extent of work required and the timeframes to complete the work. The agency remains responsible for the financial statements, and it is important that a quality assurance process be undertaken.

Whole-of-government reporting

For agencies included in the consolidated whole-of-government or general government sector financial statements, the planning process outlined above should include reference to the processes and key dates for inputting data into the Tridata system. Information about the requirements for the whole-of-government consolidated reporting will be released on the [Financial Management Centre](#). Further information (including previous Financial Circulars) is also available on the Financial Management Centre.

Related resources

- [Australian Accounting Standards Board](#)
- [Financial Reporting Requirements for Queensland Government Agencies, Queensland Treasury](#)
- [Non-Current Asset Policies for the Queensland Public Sector, Queensland Treasury](#)

Information sheet 5.3 – Financial record management

Introduction

Section 11(1)(g) of the *Financial and Performance Management Standard 2019* (the FPMS) requires agencies to establish a financial information management system, with further detail provided in section 22. A financial information management system is a system used to record events with financial impacts and to support the preparation of financial statements. An effective system is one of the essential functions supporting the preparation of an agency's financial statements and management reports, through:

- verifying the completeness and accuracy of data
- assisting in the completion of the audit process
- reducing the opportunity for fraud.

This information sheet is designed to assist agencies in understanding their obligations in the management of their financial records, as well as referring to specific legislative and regulatory requirements that apply to this area of agency processes.

Prescribed requirements

To assist agencies in meeting their obligations under section 22 of the FPMS, agencies must comply with the provisions of the *Public Records Act 2023*, and have regard to the [Queensland Government Enterprise Architecture](#) (QGEA) when developing and implementing a financial information management system. The Queensland Government Customer and Digital Group (QGCDG) works with Queensland Government agencies, industry and the tertiary education sector to develop and implement information management strategies for the State.

Queensland State Archives has issued the [Records Governance Policy](#) as a policy under the *Public Records Act 2023* and outlines minimum requirements that agencies must have regard to for records management.

Under the *Public Records Act 2023*, the State Archivist has the power to make standards, policy and guidelines about the making, keeping, preserving, managing and disposing of public records. The State Archivist is responsible for authorising the disposal of public records. This is ordinarily by way of authorised [Retention and Disposal Schedules](#). To assist agencies with their records management, Queensland State Archives releases policy and advice documents such as:

- [Queensland State Archives' Appraisal Statement](#)
- [Queensland State Archives' storage standards](#).

Current Queensland State Archives [recordkeeping policies and guidelines](#) are available on the [ForGov website](#).

Other legislative requirements that may have recordkeeping implications include, the *Evidence Act 1977*, and agencies should be aware of this and similar requirements.

Forms of financial records

Financial records take the form of paper records (for example, paper invoices), electronic records (for example, on-line transaction approvals and email), and digital records (for example, paper records scanned into a digital format). Each of these forms of financial records require specific consideration.

- Paper records require adequate and appropriate storage facilities. Considerations may include location, accessibility, protection from disaster and prevention of deterioration. Complexities may arise for agencies with regionalised functions, particularly with providing auditors with access to original documents when required.
- Electronic records require sufficient hardware capabilities to securely store the information. In addition, the records must continue to be easily accessible for as long as they are required for business purposes, and the system must be able to ensure that records cannot be altered.
- Digital records, being a specific form of electronic data, require similar security, access and retrieval processes. Additionally, the systems must ensure that records remain authentic reproductions of original documents, which would be a particular issue where a digital copy of a document is presented as evidence in a legal action.

While these specific needs may exist, there are basic principles which must be considered with all financial record systems. The [Records Governance Policy](#) contains six policy requirements designed to assist agencies to meet their obligations in ensuring that appropriate records of agency business activities are adequately documented, preserved and made accessible.

- Policy requirement 1: Agencies must ensure records management is supported at all levels of the business.
- Policy requirement 2: Agencies must systematically manage records using governance practices that are integrated and consistent with broader agency frameworks.
- Policy requirement 3: Agencies must create complete and reliable records.
- Policy requirement 4: Agencies must actively manage permanent, high-value and high-risk records and information as a priority.
- Policy requirement 5: Agencies must make records discoverable and accessible for use and re-use.
- Policy requirement 6: Agencies must dispose of records in a planned and authorised way.

For more information and guidance on implementation of the Records Governance Policy, refer to the [Records Governance Policy implementation guideline](#).

Agencies also need to consider backup and contingency plans, to mitigate the impacts of records being damaged or destroyed.

Retention and disposal of financial records

The *Public Records Act 2023* makes it an offence to dispose of public records without authorisation from the State Archivist or other legal authority, justification, or excuse.

Authority for disposal from the State Archivist is ordinarily given through authorised retention and disposal schedules. Queensland State Archives has released the [General Retention and Disposal Schedule](#) (GRDS), which contains minimum retention periods for common administrative records.

For core business records not addressed by the GRDS, agencies may be covered by a sector-wide schedule (for example, the University Sector Retention and Disposal Schedule) or an agency-specific retention and disposal schedule. Records not covered by a retention and disposal schedule cannot be disposed of.

Even where a relevant retention and disposal schedule exists, agencies must still obtain endorsement from the chief executive prior to disposing of any records. This endorsement power may also be delegated.

The [Records Governance Policy](#) outlines the recordkeeping requirements relevant to the disposal of public records, including the requirement for agencies to have a disposal plan and to document any disposal of records.

This disposal plan should include assessment of the sensitivity of the records and, where appropriate, use methods that destroy the records. This ensures that reconstruction of the information is not possible.

Retention of original documents

Agencies may make a business decision to digitise documents to more easily access documents or to dispose of the original hard copy documents (for example, to address physical storage issues). However, there are some original records that cannot be destroyed:

- permanent records
- records of intrinsic value
- records required for legal purposes
- records subject to an internal disposal freeze
- migrated records
- born digital records.

Prior to digitising records, agencies should develop a digitisation plan which covers:

- what records will be digitised (and their characteristics – fragility, suitability for scanning)
- what processes will be put into place to ensure the digital versions remain complete and reliable records
- how digital records will be managed (including consideration of what metadata is required)
- how the original physical records will be managed (including whether disposal is permitted).

A disposal plan must be a defensible process. A defensible process is a process that shows a considered approach has been developed and documented, and is auditable or usable as evidence to prove that all relevant conditions and requirements can be or have been met. Any defensible process must be approved by an agency's Chief Executive or their authorised delegate prior to any digitisation taking place.

For more information on how to appropriately digitise documents, manage source records and ensure disposal is lawful, refer to the [Queensland State Archives website](#).

Information security

The FPMS also requires agencies to ensure that financial information is secure (section 22(2)(d)(ii)). Agencies must develop, document, implement and review appropriate security controls to protect information from unauthorised use or accidental modification, loss or release, in line with the [Information Security Policy](#).

Changing or introducing information management systems

Agencies should regularly assess whether their financial information management system is operating efficiently, effectively, economically and as intended.

Section 22(3) of the FPMS prescribes that before introducing or significantly changing a financial information management system, the accountable officer or statutory body must consult with:

- the head of internal audit for the department or statutory body
- the authorised auditor for the department or statutory body
- the person responsible for records management for the department or statutory body:
 - for a department, the chief finance officer
 - for a statutory body, the person responsible for the financial administration of the body.

For changes that will be governed as a program or project, the [Portfolio, program and project management and assurance policy](#) and investment review process may apply.

Staff with responsibility for an agency's recordkeeping program should also be consulted during the design, review and implementation of revised or new information management and storage systems to ensure that public records are captured, stored and maintained as outlined in the [Records Governance Policy](#).

Agency financial management practice manuals should also be updated to record any changes in information management systems.

Related resources

- [Queensland Government Customer and Digital Group](#)
- [Queensland State Archives](#)
- [Resources and tools for records management](#)

Information sheet 5.4 – Audit role in financial statements preparation

Introduction

Section 62 of the *Financial Accountability Act 2009* (the FA Act) prescribes that each accountable officer and statutory body must prepare annual financial statements for the agency in accordance with the prescribed requirements.

Neither internal nor external audit are responsible for the preparation of the financial statements of an agency; this is the responsibility of the accountable officer or statutory body, supported by the officer responsible for the preparation of the financial statements (for departments, the chief finance officer; for statutory bodies, the nominated officer).

This information sheet outlines the role of internal and external audit in the preparation of agency financial statements.

Role of internal and external audit

The following describes the responsibilities in the financial reporting process.

Agency management

Agency management is the owner of the control environment and financial information, including the notes accompanying the financial statements and disclosures in the financial report.

Internal audit

The internal audit function, while having no direct responsibility in the preparation of financial statements, can provide valuable assistance, for example, in providing advice regarding appropriate accounting treatments for certain transactions. Internal audit can also assist by reviewing the financial statements, or sections thereof, to ensure they fairly represent transactions or disclosures, and comply with prescribed requirements.

Internal audit may also assist with the quality assurance of the financial statements and may complement and assist the external audit process. There should be discussions between internal and external audit regarding the assistance to be provided by internal audit (refer to *Information sheet 2.9 – Internal audit* for further information about external audit reliance on the work of internal audit).

External audit

Under the *Auditor-General Act 2009* (AG Act), the Auditor-General is responsible for the annual external audit of each public sector entity in Queensland.

The Auditor-General (or delegate) will examine the agency's financial statements to express an opinion as to whether they present a true and fair view of the transactions, financial position and cash flows of the agency, and are in accordance with prescribed accounting standards.

Section 40(3) of the AG Act also requires the Auditor-General (or delegate) to express an opinion as to whether:

- all information and explanations have been received
- the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects.

The [Auditor-General Auditing Standards](#) identify additional facets of public sector external auditing, which include:

- reviewing the probity and propriety of matters associated with the management of public sector agencies
- assessing compliance with relevant Acts, regulations, government policies and other prescribed requirements.

In accordance with the *Financial and Performance Management Standard 2019*, agencies must agree with the Auditor-General a date that the statements will be given to external audit. Agencies should also provide external audit with a copy of the financial statement preparation timetable that schedules completion dates for tasks (refer to *Information sheet 5.2 – Preparation of financial statements*).

While external audit may highlight discrepancies noted in their review of the financial statements, it is not their responsibility to identify errors and other discrepancies on behalf of the agency. Agencies must conduct their own quality assurance of the financial statements prior to submission to the Auditor-General.

In the event external audit does note a material error or discrepancy, the issue will be raised with agency management. While management may elect not to amend the financial statements for errors or other problems identified by the external auditors, where external audit believe that an uncorrected material misstatement is contained in the financial statements, a modified independent auditor's opinion may be issued.

Accordingly, external audit and agency management should attempt to reach agreement, where possible, that the effects of those uncorrected financial report misstatements found by the auditor during the audit are immaterial, both individually and in the aggregate, to the financial report taken as a whole.

Related resources

- [The Institute of Internal Auditors – Australia](#)
- [Queensland Audit Office](#)

Information sheet 5.5 – Annual reports

Introduction

Section 63 of the *Financial Accountability Act 2009* (the FA Act) prescribes that accountable officers and statutory bodies must prepare annual reports for their agency in accordance with the requirements set out in the *Financial and Performance Management Standard 2019* (the FPMS).

This information sheet is designed to assist agencies with the preparation and tabling of their annual reports.

Purpose of annual reports

Annual reports are key accountability documents that provide information to users about the achievements, performance and financial result of the agency for the financial year. The report also provides commentary on the outlook for the future direction of the agency. Annual reports are often used by the public, members of parliament, the media, other agencies, as well as staff from the agency that has produced the report.

Legislated contents of annual reports

Section 46 of the FPMS provides that the annual report of a department or statutory body must include:

- the annual financial statements, including the management and audit certificates
- the information required by the [Annual Report Requirements for Queensland Government Agencies](#).

When reproducing the financial statements in the annual report, they must be the same as those audited and certified by the Auditor-General (or delegate). No changes, however minor, are permitted.

Timeframes for preparation and tabling

The FPMS provides the mandatory timeframes for the preparation and tabling of annual reports in parliament. The legislation covers normal annual reports, annual reports of newly formed agencies, and annual reports of abolished agencies.

Normal annual reports

Section 47 of the FPMS requires the appropriate minister to table an agency's annual report in parliament within three months after the end of the financial year. There is no specified timeframe for agencies to give the annual report to the minister. The period will be the length of time agreed between the agency and the minister. There is no requirement under the FPMS for the minister to review the report before tabling.

Notwithstanding, given they may be required to respond to questions in parliament regarding the annual report, they may consider it necessary to review the annual report and make queries, or request additional information from the agency to aid them in this regard.

The appropriate minister may approve an extension to the tabling period. Although section 47 of the FPMS does not limit the circumstances in which a minister may approve an extension to the tabling period, generally this will only occur in exceptional circumstances. Agencies should contact Queensland Treasury and the Department of the Premier and Cabinet if assistance is needed to determine the exceptional circumstances to extend tabling beyond the legislative timeframe.

If the appropriate minister extends the tabling period to a period of more than 6 months after the end of the financial year, the minister must table the reasons for the delay.

If the minister is responsible for a number of statutory bodies, they can table a consolidated report in parliament, as outlined in section 48 of the FPMS.

Annual report of newly formed agency

Section 49 of the FPMS requires a newly formed agency to prepare and table an annual report in parliament, complying with the same timeframes applicable to normal annual reports.

However, if the agency was formed within four months before the end of the financial year, then the Treasurer, or a nominated officer for the provision, may allow the first annual report to be prepared at the end of the following financial year (section 49(4) of the FPMS). This will generally only be approved where the agency has had minimal activity and transactions to the end of the first financial year. This extended first annual report will generally be approved in conjunction with an extended first financial statement period (refer to *Information sheet 5.2 – Preparation of financial statements*).

Final report of abolished agency

An abolished agency must prepare a final report to the date of abolition. Section 50 of the FPMS requires, within one month after the Auditor-General (or delegate) certifies the final financial statements of the abolished agency, the final report is to be given to the former appropriate minister (as defined in the FPMS Dictionary), who must then table the final report in parliament within 14 days.

Design of annual report

While the overall design of an agency's annual report is at the discretion of the accountable officer or statutory body, the [Annual Report Requirements for Queensland Government Agencies](#) details the minimum content requirements and other matters to be considered in the annual reports' preparation.

Planning for and preparing the annual report

Preparation of agency annual reports requires detailed planning to meet tabling deadlines and to comply with mandated reporting obligations, including:

- assigning overall responsibility for coordinating the preparation of the annual report
 - usually, a single person or area will be assigned responsibility, for example, a communications division or corporate governance area. Larger agencies may use a steering committee, or similar, to oversight the annual report preparation process.
- allocating responsibility for specific sections of the annual report
 - various officers within an agency may be allocated the responsibility for preparing specific sections of the annual report, or parts of specific areas within the annual report.

- establishing a timetable
 - planning for the preparation of the annual report should commence as early as possible. While some sections of the annual report cannot be completed until the financial statements are finalised (for example, summary financial information), work on the non-financial content can commence earlier. Regular meetings should monitor progress against the timetable. It is important for the timetable to factor in additional time in case of delays, overruns and last-minute changes.
- determining the design and any key issues for inclusion
 - decisions can be made regarding the design of the report. There may be key themes or issues that are to be included in the annual report, for example, if the agency is to be involved in a major project, then this could be highlighted in several places in the annual report.
- final proofreading of the annual report
 - once the annual report is at a final stage, the report should be checked for accuracy and consistency. It may be beneficial for an officer independent of the preparation process, or an external proof-reader to check:
 - compliance with mandatory reporting requirements
 - incorrect or missing dates
 - incorrectly titled tables
 - missing paragraphs or pages
 - numbers not adding up correctly
 - incorrect comparative figures
 - inconsistency of information between different sections of the annual report (for example, figures in the annual report differ to the financial statements)
 - financial statements not identical to certified originals
 - spelling, typing, grammatical and formatting errors
 - incorrect section names or page numbers in the contents page or index.

Information about the production process, including number of copies required, is available in the [Annual Report Requirements for Queensland Government Agencies](#).

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