SUMMARY OF NOTEWORTHY CHANGES TO THE FINANCIAL REPORTING REQUIREMENTS FOR QUEENSLAND GOVERNMENT AGENCIES

Effective for reporting periods beginning on or after 1 July 2025

INTRODUCTION

This summary outlines the noteworthy amendments in the 2025-26 update of the **Financial Reporting Requirements for Queensland Government Agencies** (FRRs) that agencies should give attention to. Minor amendments purely of an editorial/presentation nature or minor amendments that do not change the meaning of policy requirements/guidance are not included.

Further amendments made in the Final FRR release following the draft FRR consultation feedback are reflected below in ***bold shaded italic*** text.

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1.0 NEW AND AMENDED MRR AND APPLICATION GUIDANCE FOR 2025-26

LOCATION	*TOPIC*	*NEW OR AMENDED POLICY/GUIDANCE*
FRR 1A – Introduction and Prescribed Accounting Standards	**4.0 Significant Impacts on 2026-27 and Later Reporting Periods**	• Updated guidance for AASB 17 *Insurance Contracts* and AASB 18 *Presentation and Disclosure in Financial Statements*
	5.0 Climate-Related Risks and Financial Reporting	• Updated web links to current publications and removed superseded links. • ***FINAL FRR RELEASE: Updated web links to current publications and removed superseded links.*** • Updated content for 2025/26 reporting
FRR 2E – Controlled and Administered Items, Trust Transactions and Agency Arrangements	**2E.2 Distinction Between Controlled and Administered Transactions and Balances (Departments Only)**	In Table 1 on page 6 under *Revenues:* • Added a new criterion to consider the definition of "controlled receipt" per the FA Act. • Re-ordered the criteria list so legislative assessments appear first.
FRR 5A – Statement of Cash Flows	**5A.1 Presentation of Cash Flows**	***POLICY CHANGE – Agencies now have discretion regarding line item presentation of GST in the statement of cash flow providing GST cashflows are included on a gross basis.*** ***The previously preferred '4 line' method is no longer mentioned in the FRR policy.***
FRR 5D – Service Concession Arrangements and Other PPPs	**5D.2 Scope of AASB 1059**	• On page 11, added guidance on determining the 'term of the arrangement' when applying para 5(b) of AASB 1059 where the PPP consists of an initial period plus one or more options to extend.
	5D.4 Accounting for PPPs Outside the Scope of AASB 1059	• In the flowchart notes on page 15, added comments relating to recognising capital prepayments (note 3)

2.0 MAJOR UPDATES TO SUNSHINE DEPARTMENT ILLUSTRATIVE FINANCIAL STATEMENTS (TIER 1)

TOPIC	*STATEMENT / NOTES IMPACTED*	*SUMMARY OF UPDATE*
Statement of Cash Flows	Statement of Cash Flow and Notes to the Statement of Cash Flow	***FINAL FRR RELEASE: POLICY CHANGE – Agencies now have discretion regarding line item presentation of GST in the statement of cash flow providing GST cashflows are included on a gross basis.*** ***Agencies may choose an alternative method to report GST in the cashflow to that illustrated in FRR 6A.*** ***Also included a statement in the notes to the cash flow statement that GST is included on a gross basis.***
General Disclosure Updates	Note D6 – Future Impact of Accounting Standards Not Yet Effective	Updated disclosure about the future impact of AASB 18 Presentation and Disclosure in Financial Statements
Climate Reporting	Note G6 – Climate Risk Disclosure	***FINAL FRR RELEASE**: **Updated web links to current publications and removed superseded links. Updated disclosure text reflecting current Government policy.*** Readability of note enhanced by editorial amendments.

3.0 MAJOR UPDATES TO FUTURE BAY REGIONAL HEALTH FOUNDATION ILLUSTRATIVE FINANCIAL STATEMENTS (TIER 2)

Statement of Cash Flows	Statement of Cash Flow and	***FINAL FRR RELEASE: POLICY CHANGE – Agencies now have discretion regarding line item presentation of GST in the statement of cash flow providing GST cashflows are included on a gross basis.*** ***Agencies may choose an alternative method to report GST in the cashflow to that illustrated in FRR 6B.***
Note 12	Notes to the Statement of Cash Flow	***Also included a statement in the notes to the cash flow statement that GST is included on a gross basis.***
Climate Reporting	Note 30 – Climate Risk Disclosure	***FINAL FRR RELEASE**: **Updated disclosure text reflecting current Government policy.*** Erroneous references to Sunshine Department removed.
General Disclosure Updates	No updates other than editorial amendments to reflect the 2025/26 year (e.g. date references.)	