

FUNDING GUIDELINES FOR FINANCIAL STATEMENTS

These guidelines have been prepared to assist funded organisations complete their financial reporting requirements. The guidelines should be read in conjunction with current service agreements as reporting dates and requirements may vary slightly.

Depending on the level of funding, organisations will be required to complete financial reports either annually, six monthly or at the end of a funding period. Below are examples of different reporting requirements:

Services required to submit a Financial Accountability Form - Statement of Income and Expenditure (Under \$10,000)

- Submission of completed Financial Accountability Form (FAF) - Statement of Income and Expenditure for Funding Under \$10,000.
- Signature by one member of the management committee.
- Reduced financial reporting – organisation is required to include departmental funding and expenditure relating to the service / grant.
- Please check the service agreement for when the FAF is due. This is usually due the 28th day following the end of a funding period, e.g.
 - July-June period, the report is due 28 July

Services required to submit Financial Accountability Form - Annual Financial Return.

- Submission of completed Financial Accountability Form (FAF) – Annual Financial Return.
- Signatures by two members of the management committee.

Should the organisation be a Local Government entity (i.e. Council), it is acceptable to provide a Annual Financial Return signed by the Chief Executive Officer or Chief Financial Officer in lieu of two members of the management committee.

- Where assets have been purchased in the period, the organisation must attach a list of the assets and the amounts paid for each asset. This can include paid invoices or a copy of the balance sheet or extracts from the balance sheet which disclose details of assets and liabilities pertaining to the funding.
- Please check the service agreement for when the FAF is due. This is usually due the 28th day following the end of a reporting period, e.g.
 - July-June period, the report is due 28 July





Services required to submit Financial Accountability Form - Periodic Financial Return

- Submission of completed Financial Accountability Form (FAF) - Periodic Financial Return.
- Signatures by two members of the management committee.
- Should the organisation be a Local Government entity (i.e. Council), it is acceptable to provide a Periodic Financial Return signed by the Chief Executive Officer or Chief Financial Officer in lieu of two members of the management committee.
- Where a service has received both recurrent and non-recurrent funding, a separate Periodic Financial Return for each Funding Schedule must be submitted.
- Where assets have been purchased in a period, the organisation must attach a list of the assets and the amounts paid for each asset. This can include paid invoices or a copy of the balance sheet or extracts from the balance sheet which disclose details of assets and liabilities pertaining to the funding.
- The Periodic Financial Return is due by the 28th day following the end of a reporting period, e.g.
 - January-June period, the report is due by 28 July, and
 - July - December period, the report is due by 28 January

Services required to submit Annual Audited Financial Statements

Audited statements

- (a) You must provide the following documents at the end of Your financial year:
- (i) an annual audited financial statement relating to the organisation which You are required to lodge under Your incorporating legislation a profit and loss statement for each service or funding activity
 - (ii) and balance sheet or extracts from the balance sheet which disclose details of assets and liabilities pertaining to the funding.
- (b) Your audited statements of income and expenditure and balance sheet must be certified by a qualified accountant who is not an employee or a member of Your organisation and who is:
- (i) registered as a company auditor or a public accountant under Queensland law, or
 - (ii) a member of the Institute of Chartered Accountants in Certified Practising Accountants Australia, or



(iii) a person whose accounting qualifications are accepted by the Director-General

(c) If You are a local government or a tertiary institution, You may give a statement providing details of receipts and expenditure of the Funding certified by the chief accounting officer or equivalent, by the due date as specified in the service agreement.

National Standard Chart of Accounts

The National Standard Chart of Accounts (NSCOA) provides a common approach to the capture of accounting information by community organisations for use by the non-profits, government agencies and other interested parties. It is a tool designed primarily for small to medium non-profits which typically do not have an accounting department or a sophisticated accounting system. Larger non-profits have adopted the data dictionary component of the NSCOA aligning their systems to comply with a consistency across the sector.


For information regarding the NSCOA, please see the following link:

<https://wiki.qut.edu.au/display/CPNS/National>

Additional Information

- You acknowledge that it is the Chief Executive Officer's (that is, the Director-General's) policy that any person who has not submitted the financial statements for previously granted funding, may be excluded from consideration for subsequent funding.
- Where an audit for the organisation as a whole has been submitted, at a minimum the income and expenditure for each grant and/or subsidy received by the Department of Education must be identified as a separate line item.
- Where a service has received recurrent, non-recurrent and/or capital funds, the income and expenditure for these grants must be identified separately:
 - recurrent grants are multi-year funding that are released on an agreed schedule, which may be either quarterly, six-monthly or annually. Funding is released subject to submission of performance and/or financial reporting. Service agreements and reporting obligations are determined by the quantum of funding
 - non-recurrent grants are provided through either one or multiple payments and are released on completion of milestones as set out in the Funding Schedule of the Service Agreement



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- capital grants are provided to acquire/purchase or construct properties, upgrade or enhance existing properties. Funding is released based on milestones and delivery against milestones which may include time and or tangible deliverables. The funding amount is set within the capital deed.
 - Minimum requirements for accompanying report from an independent auditor:
 - confirming report and audit meets Australian Auditing Standards
 - confirming income and expenditure contained in financial statements is an accurate representation of all income and expenditure of organisation during the financial year.
 - any qualifications/concerns
 - name, position and tertiary qualifications of auditor;
 - date of audit report
 - either on letterhead of auditor's company, or may form part of the official financial statements
 - Please check your current service agreement for when the Annual Audited Financial Statement is due as dates may vary.
 - For services funded under the *Community Services Act 2007*, audits for recurrent grants are due 4 months after the end of the organisation's accounting period, e.g.
 - by 28 October if Organisation reports on Financial Year
 - by 28 April if Organisation reports on Calendar Year
 - A report can be provided on funding released to an organisation in a financial year. Please email the Grants Management team at ECCEGrantsAdministration@ged.qld.gov.au or contact your Relationship Manager if you require a report for your organisation.

