

2019 – 2020 Annual Report



**Electoral
Commission**
QUEENSLAND



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Electoral Commission of Queensland

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31 August 2020

The Honourable Yvette D'Ath MP
Attorney-General and Minister for Justice
Leader of the House
1 William Street
BRISBANE QLD 4000

Dear Attorney-General

I am pleased to submit for presentation to the Queensland Parliament the 2019-20 Annual Report and Financial Statements for the Electoral Commission of Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Electoral Act 1992*, *Local Government Act 2009*, *Financial Accountability Act 2009* and *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 88-89 of this Annual Report.

Yours sincerely

Pat Vidgen PSM/FGIA
Electoral Commissioner

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Electoral Commissioner's Foreword

Of all the ECQ's many responsibilities, delivering local government elections is amongst the most complex. The 2020 local government elections were like no other.

Local government elections involve large numbers of candidates across 77 local government areas; over 1500 in 2020, for 578 mayoral and councillor positions. There are both divided and undivided councils, and different voting methods used, including optional preferential voting and first-past-the-post voting. There are also multiple delivery methods, including postal voting, early voting, telephone voting, declared institution voting, and election day voting. Some councils hold full postal elections, others attendance and some a hybrid of the two. These factors combine to make counting and declaring results in local government elections a highly complex process.

In addition to the local government elections, the ECQ also delivered two State by-elections for the electoral districts of Bundamba and Currumbin on the same election day. These elections required the application of different statutory frameworks, separate polling arrangements and another voting method, full preferential voting.

When the local government election period commenced on 22 February 2020, the real threat of COVID-19 was unknown globally. It was not until 11 March 2020 that it was declared by the World Health Organization as a pandemic and 22 March 2020 when most non-essential services in Australia were closed. This situation meant the election the ECQ spent two years planning was not the election it needed to deliver. The ECQ made substantial adjustments right up to election day on 28 March 2020, at very short notice.

The ECQ met the challenges presented by COVID-19 head-on by rapidly changing its election delivery model to ensure safe voter participation. The decision to proceed with the elections was made in accordance with the health advice, and balanced health risks with the significant effects of a delay in uncertain times. The ECQ introduced measures to enable safe voting that are now considered to be best practice, including extending early voting options, introducing social distancing at polling booths, and providing hand sanitiser for voters.

These challenges also saw a significant shift in the voting patterns of the Queensland public compared with previous elections. In the local government elections:

- 1.2 million people voted during the two-week early voting period (500,000 in 2016)
- 450,000 postal votes were returned and counted of the 570,000 issued (320,000 returned in 2016)
- 37,000 people cast a telephone vote (500 in 2016), and
- 750,000 people voted on election day at a polling booth (1.6 million in 2016).

However, despite the challenging circumstances in which the elections were delivered, the turnout was approximately 77 per cent. By comparison, the turnout for the 2016 local government election was 83 per cent. It should also be noted that there was no rise in COVID-19 cases in the weeks following the elections.

Notwithstanding the record number of postal votes and social distancing requirements, the counting of approximately 4.8 million ballots for all 578 positions was finalised in three weeks compared to 2.5 weeks in 2016. The ECQ did experience a delay in publishing election results on election night, which has since been rectified for the State general election.

It was due to the extraordinary efforts of the over 10,000 temporary election staff, who continued to work for us and for their communities as the pandemic was escalating, that 77 local governments were formed quickly and could continue to make important decisions in managing the response in their communities.

In addition to the significant challenges posed by delivering the 2020 local government elections in the midst of a pandemic, the ECQ also implemented a new Election Management System. The new Election Management System replaces the old Strategic Election Management System and, once completed, will offer significant opportunities for the ECQ to deliver elections more efficiently and transparently.

Finally, in what was already an incredibly busy year, the ECQ implemented a vast range of legislative changes arising from the *Local Government Electoral (Implementing Stage 2 of Belcarra) and Other Legislation Amendment Act 2019* and the *Electoral and Other Legislation Amendment Act 2019*. These changes increased the transparency and accountability of electoral participants and required significant changes to the ECQ's systems, processes and procedures. The ECQ also implemented a comprehensive education and awareness campaign to support affected stakeholders with compliance.

The ECQ has much to be proud from its efforts over 2019-20 and has also learnt a great deal that it will take into the State general election in October.



Pat Vidgen PSM FGIA
Electoral Commissioner of Queensland

About Us

Who we are

The Electoral Commission of Queensland (ECQ) is an independent statutory authority responsible for the impartial conduct of Queensland elections. The ECQ performs functions under its enabling legislation, the *Electoral Act 1992*, as well as the *Local Government Electoral Act 2011*, *Referendums Act 1997*, *City of Brisbane Act 2010*, *Local Government Act 2009* and *Industrial Relations Act 2016*.

The ECQ's main functions encompass several areas.

The ECQ plans, prepares and delivers **transparent and accountable elections**, including State elections, local government elections and industrial elections. During 2019-20, the ECQ delivered the 2020 local government elections, which commenced from the Notice of Election on 22 February 2020 and ended with the declaration of all results on 20 April 2020. The ECQ also delivered two State by-elections for the Bundamba and Currumbin electoral districts. Additionally, final preparations for the 2020 State general election, with election day on 31 October 2020, accelerated in the 2019-20 financial year.

The ECQ is responsible for regulating and promoting **compliance with electoral funding and disclosure obligations** by political parties, candidates and third parties. In 2019-20, the ECQ ensured over 1500 local government candidates adhered to their financial disclosure requirements, including the newly legislated requirements set out in the *Local Government Electoral (Implementing Stage 2 of Belcarra) and Other Legislation Amendment Act 2019* and the *Electoral and Other Legislation Amendment Act 2019*. Additionally, the ECQ commenced work to implement changes to electoral finance laws legislated in the *Electoral and Other Legislation (Accountability, Integrity and Other Matters) Amendment Act 2020*.

The ECQ maintains **equitable representation across electoral boundaries** through periodic reviews of Queensland's electoral districts (through the Queensland Redistribution Commission) and assessing proposals for changes to local government boundaries and electoral arrangements (through the Local Government Change Commission). In 2019-20, the Local Government Change Commission completed 18 divisional boundary reviews in time for the 2020 local government elections.

By delivering on its strategic objectives, the ECQ contributes to the Government's objectives for the community *Our Future State: Advancing Queensland Priorities* to 'Be a responsive government'.

Strategic Plan 2019 – 2023

Our Purpose

Ensure the integrity of Queensland's electoral processes through delivery of accessible, fair and transparent elections.

Our Vision

To be an evolving, trusted and respected Commission serving a community engaged in the democratic process.

Our Values

- Customers First
- Ideas into action
- Unleash potential
- Be courageous
- Empower people

Our Objectives

1. Deliver fair and transparent Queensland elections

Success in this objective will be evidenced by:

- Increase in stakeholder satisfaction across election events
- Increase in data made available regularly on Open Data platforms
- Elections delivered without challenge, or if challenged, with results upheld by Court of Disputed Returns
- Increased linkages to ethics, integrity and human rights obligations in the ECQ's training, processes and decision-making.

2. Increase electoral awareness and participation

Success in this objective will be evidenced by:

- Increase in voter participation in targeted communities
- Improvement in compliance with electoral legislation.

3. Continual improvement in electoral services

Success in this objective will be evidenced by:

- Improvement in accessibility of election services
- Increased use of research and evidence to support decision making as well as project and event planning
- Improvements in the Working for Queensland survey results.

4. Queensland has balanced representation across electoral boundaries

Success in this objective will be evidenced by:

- Increase in community participation in the state redistribution and local government change assessment processes
- Stakeholder submissions on the proposed changes addressed within legislated timeframes
- Boundary reviews and change assessments completed within legislated timeframes.

Operating Context

In 2019-20, the ECQ delivered the 2020 local government elections and two State by-elections during the COVID-19 global pandemic. Elections are an essential service that guarantees the continuity of public administration. In 2020 they also ensure governments are able to implement an effective pandemic response to protect the public health of communities. However, elections are also inherently social events where communities come together, hold events and fundraisers, and seek face-to-face engagement with their prospective elected officials.

The local government elections occurred at the same time the spread of COVID-19 began to rapidly accelerate across Australia in March 2020. The World Health Organization declared a global pandemic on 11 March 2020 and the National Cabinet of Australian First Ministers formed on 13 March 2020, which imposed strict restrictions to control the spread of COVID-19. These events occurred just prior to 16 March 2020, the commencement of early voting for the local government elections. In response, the ECQ, in consultation with health officials, rapidly and drastically altered the delivery model for the elections across Queensland. The ECQ took unprecedented steps to alter how the elections were conducted to protect the health and safety of voters, candidates and election staff.

For the upcoming State general election in October 2020, the ECQ has plans in place to ensure the delivery of a COVID-safe election. The ECQ is planning to deliver an election, which features expanded in-person and postal voting options, with telephone voting for eligible voters only. All measures will be implemented based on advice from Queensland's Chief Health Officer. The Queensland Parliament has passed legislative amendments to allow for flexible election delivery and ensure the election can be conducted safely. The Government has committed to providing the ECQ with the resources it requires to deliver in this context.

While planning and delivering elections under challenging circumstances in 2019-20, the ECQ also implemented the first phase of the new Election Management System (EMS) that provides the functionality necessary to deliver elections. The EMS replaces the Strategic Election Management System that has been in use by the ECQ since 2006. The EMS provides the ECQ an integrated election administration and data management system that provides many of the administrative processes required to deliver an open and transparent election. The development will continue in a second phase to ensure the ECQ has all the necessary functionality to deliver the 2020 State general election and will provide a base for ongoing improvement and expansion of election operations.

In addition, as part of the Queensland Government's electoral reform agenda, the ECQ has been responsible for implementing a series of legislative amendments aimed at increasing the transparency of Queensland elections. During the 2019-20 financial year, the Queensland Parliament passed the *Local Government Electoral (Implementing Stage 2 of Belcarra) and Other Legislation Amendment Act 2019*, the *Electoral and Other Legislation Amendment Act 2019* and the *Electoral and other Legislation (Accountability, Integrity and Other Matters) Amendment Act 2020*. These Acts have introduced new requirements to the conduct of elections including but not limited to:

- real-time disclosure of electoral expenditure for local government election participants
- stricter rules governing local government candidates campaigning as a group
- increased disclosure by certain third parties
- caps on electoral donations and expenditure
- requirements to operate dedicated state bank accounts, and
- changes to the usage of signage at polling places.

The ECQ has worked closely with the Queensland Government, registered political parties and other stakeholders to ensure that changes to systems and processes are implemented in a manner that achieves their stated policy objectives.

Delivery of Elections

The ECQ is responsible for the planning, preparation and delivery of Queensland's elections. This encompasses State general elections, local government quadrennial elections, any referenda submitted to electors, by-elections for State or local government, and industrial elections.

Planning for and delivering elections requires the coordination of a complex range of logistical requirements as well as the deployment of effective and secure technology solutions, comprehensive communication and engagement strategies, and quality staff recruitment and training.

This section highlights the ECQ's achievements supporting the following Strategic Objectives:

- Objective 1. Deliver fair and transparent Queensland elections
- Objective 2. Increase electoral awareness and participation
- Objective 3. Continual improvement in election services.

Delivery of 2020 local government elections and State by-elections

The 2020 local government elections commenced at the issue of the Notice of Election on 22 February 2020 and continued until the declaration of the last councillor position on 20 April 2020. At the close of the electoral roll on 28 February 2020, there were 3,292,980 electors in Queensland residing in 77 local government areas. Additionally, the ECQ held by-elections for the State electorates of Bundamba and Currumbin on the same day as the local government elections following the resignation of the sitting members.

In delivering the 2020 local government elections and State by-elections, the ECQ implemented a range of health measures in response to the COVID-19 pandemic to ensure these elections could proceed safely. The ECQ also expanded voting options and issued several directions after receiving advice from Queensland's Chief Health Officer. Many measures developed and delivered by the ECQ for the elections have been adopted by other electoral management bodies who have subsequently delivered elections since the start of the pandemic. The ECQ notes that there were no increases in community transmission of COVID-19 during the weeks following the election.

The efforts to deliver a safe election significantly shifted patterns in voter behaviour compared to previous elections. The ECQ experienced an unprecedented increase in demand for postal voting and early voting services and reduced demand for election day services. It is possible that these shifts may become permanent in future elections, reflecting changes in community expectations around how elections should be conducted.

Despite the challenging circumstances in which the election was delivered, more than 2.5 million Queenslanders cast a ballot in the local government elections, representing a turnout rate of approximately 77 per cent. This compares favourably to the 2016 local government election where turnout was 83 per cent. The following sections will outline the services provided and how the ECQ responded to the COVID-19 pandemic in a manner that maximised voter turnout while ensuring safety for voters, election staff and other political participants.

Postal voting

The local government elections were delivered as an attendance ballot, but electors were able to apply for a postal vote and have their voting materials mailed to them. Likely driven by concerns about the spread of COVID-19, there was a significant increase in demand for postal votes. The ECQ issued approximately 570,000 postal votes to electors who had applied. This compared to approximately 390,000 postal vote applications at the 2016 local government elections. To ensure the ECQ was able to process the large volumes of applications and distribute the postal votes with enough time for the delivery prior to election day, the ECQ stood-up larger processing teams and worked closely with providers to despatch ballot material before election day.

Postal voting applications opened from the Notice of Election on 22 February 2020, and closed at 7.00pm Monday, 16 March 2020. The ECQ provided functionality for postal applications to be submitted online via a form on the ECQ website. Those registered as special postal voters, including silent electors, had their voting materials mailed to them automatically. Voters are required to complete their ballot papers before 6pm on election day, sign and witness the declaration that they were provided with, and send their ballots in a reply paid envelope to the ECQ.

To be included in the final count, postal ballots needed to be returned to the ECQ by 7 April 2020. Approximately 450,000 postal ballots were returned to the ECQ on time, scrutinised and included in the counting of ballots for the local government elections and State by-elections.

Sixteen local government areas were also approved by the Minister for Local Government, Racing and Multicultural Affairs to have their election conducted as a full postal ballot. A further three local government areas were approved to have hybrid ballots, where part of the council area voted by postal ballot and the remainder through an attendance ballot. Those residing in locations where a postal ballot was conducted were mailed their ballots automatically, with completed ballots sent to Returning Officers for processing and counting.

Early voting

In order to maximise social distancing, the ECQ significantly expanded options for voting during the early voting period, which is held over the two weeks prior to election day. Approximately 150 early voting centres were open across Queensland during the early voting period.

The ECQ had originally planned for these early voting centres to be open from 9.00am to 5.00pm in the first week, with hours extending from 9.00am to 6.00pm in the second week. However, to distribute the number of voters over a longer period of time, hours were extended to 9:00pm at most centres on the Wednesday and Thursday for both weeks. For the first time ever, early voting centres were also open on the weekend before election day, Saturday 21 March 2020.

Additionally, the ECQ employed additional queue controllers to ensure those in line were maintaining social distancing and encouraged everyone to bring their own pen or pencil. To accompany the increased options in early voting, the ECQ also altered its awareness-raising strategy to get this message to electors.

As a result of these efforts, over 1.2 million electors cast a vote at an early voting centre, reducing the number of people required to cast a vote on election day. This is compared to approximately 500,000 early votes cast in 2016.

Election day voting

Election day was on 28 March 2020. Across Queensland, there were more than 1,100 election day polling booths operating that were open between 8.00am and 6.00pm. Due to the significant effort to reduce crowds on election day through early voting and postal voting, only 750,000 electors cast a vote on election day. This represents a significant decline compared to the approximately 1.6 million electors who cast votes on election day in 2016.

Due to the successful efforts of the ECQ to reduce demand for election day voting, the queue times and by extension potential exposures to COVID-19 were significantly reduced. According to a survey of voters from across Queensland, only 31 per cent of voters on election day had to queue for any time at all and of those who did queue 56 per cent stated it was less than five minutes.

COVID-19 measures

The ECQ undertook a range of measures to increase the safety of those casting a ballot at early voting centres and election day polling booths including:

- providing additional supplies of hand sanitiser and undertaking additional cleaning of polling place areas
- encouraging voters to bring their own pen or pencil to vote, although pencils remained available
- employing an extra 4,000 staff to assist with queue control and promote social distancing within and outside polling places
- providing alternative services, such as telephone voting, to people in aged care facilities, and
- requesting owners of polling places to carefully consider if fundraising events should proceed on election day.

Under powers conferred through the *Public Health and Other Legislation (Public Health Emergency) Amendment Act 2020*, both the Electoral Commissioner and the Queensland Chief Health Officer gave directions to reduce the public's risk to health and safety while casting a vote.

- On 20 March 2020, the Electoral Commissioner issued a direction that banned all canvassing for votes and distribution of how-to-vote cards or election material near polling places.
- On 22 March 2020, the Chief Health Officer issued a direction outlining a range of hygiene measures for the ECQ, political parties, candidates and their representatives, and members of the public, to ensure social distancing requirements were maintained.
- On 26 March 2020, the Electoral Commissioner issued a direction that limited the number of scrutineers allowed at particular places and the times they could attend those places. This direction was amended as voting and counting proceeded.

Electronically assisted voting (telephone voting)

Telephone voting is a highly limited and resource intensive service offered to eligible electors. Telephone voting is focussed on providing a voting channel to electors who have accessibility challenges and are often members of vulnerable populations with eligibility limited and prescribed by regulation. In usual circumstances, eligibility is limited to electors who:

- cannot vote without assistance due to:
 - a. an impairment, or
 - b. an insufficient level of literacy
- cannot vote at a polling place because of an impairment
- are a special postal voter, or
- are a distance voter.

In 2016, approximately 500 voters used this service across Queensland. Prior to the onset of COVID-19 and based on volumes from previous elections, the ECQ had increased its capacity to cater for an expected 1,000 registrations for telephone voting in the 2020 local government elections. However, as the impact of the pandemic became apparent, the ECQ allowed for telephone voting by those voters at higher risk to COVID-19 as well as those advised by a medical practitioner to isolate or quarantine themselves during the election period.

In normal election periods, the ECQ would send mobile polling teams to 'declared institutions', which are predominantly hospitals or aged care facilities, to allow residents and patients at these locations to cast a ballot. As the residents and patients at these facilities faced very high risks from COVID-19, the ECQ cancelled voting at aged care facilities and redirected residents to either postal voting or telephone voting.

As a result, the ECQ ultimately increased capacity for telephone voting by over 390 per cent to accommodate the additional demand. However, the service still reached maximum capacity. In the election period, ECQ received approximately 46,000 registrations for telephone voting and, of these, facilitated approximately 37,000 ballots to be cast or approximately two per cent of all ballots cast. This represents an exponential increase from the 500 ballots cast via telephone voting in the 2016 local government elections.

Accessibility services

Many Queenslanders face accessibility barriers when voting. In addition to telephone voting, the ECQ offers a range of voter services to ensure all eligible Queensland citizens have equitable opportunities to participate in public life as enshrined by the *Human Rights Act 2019*.

Disability access is a key consideration in the selection of election day polling booths and early voting centre venues and their locations. Accessibility information was available on the ECQ website following the publication of details of election day polling booth and early voting centre locations. Other accessibility services were also available for individuals with varying needs.

- Translation and interpreter services were available for people with English as a second language.
- A Multilingual Guide to Voting in 20 languages was produced by the ECQ and distributed to all polling places, as well as 'easy read' posters in key languages distributed to targeted areas.
- Voters were able to request a person, including election staff, join them in the polling booth if they needed help to complete their ballot. This person can act as an interpreter, read and explain the ballot paper instructions, complete the ballot paper according to the voter's instructions and place the ballot paper in the ballot box.

Remote area polling

In order to maximise electoral participation amongst Aboriginal and Torres Strait Islander peoples living in discrete Indigenous local government areas, the ECQ delivered remote area polling to provide accessible voting services for electors residing in these communities. The services delivered are designed in consultation with community stakeholders and tailored to local needs.

The ECQ conducted remote area polling in 14 Indigenous local government areas. A 'hub' of Returning Officers was operational in Cairns, as remote area teams could not remain in the communities due to heightened concerns about the impact of COVID-19. Scrutineers were able to be appointed by candidates to be present when those counts were conducted in Cairns.

In the community of Aurukun, several incidents resulted in 350 residents leaving the local government area just prior to the 2020 local government elections. These incidents presented a range of challenges for the ECQ in delivering a safe, secure, accessible, fair and transparent election for the Aurukun Shire Council. Following advice from different stakeholders that the election should still proceed, the ECQ undertook extensive planning and engagement to ensure all eligible electors could take part. These activities were outlined in a stand-alone *Aurukun Local Government Election Service Plan*.

Election workforce

The responsibility for the conduct of election in each local government area, and State electorates, is with the Returning Officers and Assistant Returning Officers appointed by the ECQ through an open merit-based selection process. In the second half of 2019, the ECQ provided each of the 149 Returning Officers and Assistant Returning Officers appointed five days of face-to-face training for the 2020 local government elections. This was supplemented by online training as well as targeted communications via telephone, email, handbooks and webinars. These staff deliver the following key duties:

- administering the returning office, early voting centres and election day polling booths in their respective regions
- recruiting election staff and distributing election materials
- overseeing and managing the operation of voting across their area of responsibility
- engaging with candidates during the nomination process and over the election period
- ensuring the conduct of the election complies with the ECQ's legislation, policies and procedures
- overseeing the final vote count, and
- packing and returning election materials to the ECQ warehouse.

To deliver the elections in all parts of Queensland, the ECQ engaged and provided training for a substantial temporary election workforce of approximately 10,000 people. Roles included polling booth supervisors, issuing officers and count assistants. Recruitment for this large workforce was undertaken via an expression of interest, which opened to the public in September 2019, allowing individuals to register their interest to work at the elections. The ECQ received 18,126 applications from individuals interested in working in the local government elections and State by-elections through this online application process.

ECQ service centre

The ECQ service centre, provided in partnership with Smart Service Queensland, was operational throughout the election period to support voters, candidates and temporary election staff to access election services. The service centre responded to enquiries, feedback and complaints received via telephone, email, post or in person.

Voters utilising this service received assistance in a range of areas including:

- registration for telephone voting
- creating postal voting applications
- providing information about the range of voting services available depending on the individual circumstances, and
- responding to general enquiries and complaints received via email and telephone.

Approximately 55,000 emails and 155,000 calls were responded to between 10 February and 15 April 2020. However, there were a number of callers who were unable to access the service centre due to unprecedented volumes of calls, likely attributable to concerns about COVID-19. Operating the service centre through Smart Service Queensland allowed the ECQ to scale-up its customer service capabilities as the election proceeded.

Election service plans

For the first time, the ECQ released a service plan for the conduct of the local government elections. While such plans are common practice for electoral commissions in other jurisdictions, they have not previously been produced in Queensland.

The service plan detailed the service offerings being provided by the ECQ and key information for stakeholders about the local government elections, including voter services, election resources and technology, staffing, candidates and parties, communications and local government reviews. The local government service plan was supplemented with an additional council-specific plan for the Aurukun Shire Council, representing the additional planning and consultation undertaken with that community in advance of the elections.

The local government plan was released on 21 February 2020, just prior to the issuing of the Notice of Election, and is available on the ECQ website.

Advertising and communications

The ECQ utilises advertising and communications to increase public awareness of elections and encourage voter turnout. In delivering an election during a global pandemic, a wide range of communications channels were used to inform the public on the ECQ's measures to protect public health and assuage concerns electors had about the safety of voting.

The ECQ developed an election awareness campaign to appear on radio, print, television, out-of-home and online in the lead up to, and during the election period. Focusing on 'The Day to Have Your Say' it was designed to appeal to a broad range of Queensland's electors.

The campaign was designed to be delivered through three phases:

1. Enrol to vote
2. Early voting is now open
3. The day to have your say

As it became clear that early voting was a key strategy to reduce numbers on election day, the early voting messaging was extended until the last day of early voting.

In response to COVID-19, the ECQ also adapted its communication strategy to develop additional animations and graphics illustrating specific measures that were put in place to ensure the public's safety at polling places. These replaced 'The Day to Have Your Say' on radio and digital channels, including social media. Additionally, the ECQ also took a full-page advertisement in *The Courier Mail*, detailing the health measures that had been put in place.

Social media played a core role in the communication activity of the ECQ in the lead-up to, and during the election period. The ECQ has an active presence on Facebook, Twitter and Instagram. The 'Day to Have Your Say' campaign included a social media component, and the platforms were also used for organic posts, and boosted (paid) posts. Tools such as geotargeting were also used to support the recruitment of temporary election staff, and for targeted community messages such as the release of the Aurukun Service Plan.

The majority of engagement was through Facebook, although engagement across platforms was high, with clear spikes around milestones such as close of postal vote applications. More than 16 million impressions were recorded between 22 February and 28 March 2020 with the audience of these platforms being predominantly electors.

The ECQ received more than 25,000 messages and comments over social media, with more than 12,000 through Facebook in the week of the election alone. This reflected an increase in customer contact across all channels (email, and telephone) due to the emergence of COVID-19.

Website

The ECQ's website is its primary means of presenting information to the public, the media and other election participants. It is also used to publish statutory notices, election nominations, polling place locations and results.

The ECQ released daily election updates throughout the early voting period leading up to election day and as results were declared following election day. These were proactively distributed to media, and through Twitter, as well as being published on the ECQ website.

Website visitation saw a distinct uplift, with nearly 8.5 million visits from 22 February 2020 to 21 April 2020.

Multilingual Guide to Voting

To support electors from culturally and linguistically diverse backgrounds, new Australian citizens and people with low literacy, the ECQ produced a Multilingual Guide to Voting. The guide was translated into 20 languages and distributed to key stakeholders, polling places and published online.

Using the Multilingual Guide to Voting as a template, 1,500 'easy read' posters were also produced in key languages. Posters were distributed to polling places where there is both a higher concentration of these languages spoken as a first language, coupled with a lower level of English proficiency.

Voter Information Cards

The ECQ sent every elector in Queensland a Voter Information Card, unless they were known postal voters. This postcard-style mail-out served two purposes – firstly, to raise awareness of the election date. Secondly, each card has a unique barcode which, when scanned at a polling place, allows the voter to be marked off the electoral roll quickly and efficiently. While voters did not need to bring their Voter Information Card with them to vote, its use in the 2020 local government elections and State by-elections assisted processing voters through polling places rapidly and reduced the time taken to cast a ballot, which helped maximise social distancing.

The ECQ also sent an electronic Voter Information Card via email to those electors who had an email address listed in the electoral roll, which comprises approximately one third of all electors. The electronic Voter Information Card could be scanned on voters' electronic device if brought to a polling place.

How-to-vote cards

Material that shows how a candidate, a group of candidates or a political party wants electors to vote, or to rank preferences on the ballot paper, is known as a 'how-to-vote card'. The ECQ must approve all how-to-vote cards before they can be distributed to voters on a day that ballots may be cast. This approval is required for both the early voting period and on election day.

How-to-vote cards needed to be submitted for approval and approved by the ECQ seven days prior to their intended distribution. To be approved for distribution, how-to-vote cards:

- must be authorised by the candidate, group of candidates, or registered political party
- must state the name and address of the person eligible to authorise the card
- must be in the correct format, and
- cannot be likely to deceive or mislead voters.

During the local government elections and State by-elections, the ECQ approved 278 how-to-vote cards.

To reduce the risk of COVID-19 transmission, the Electoral Commissioner issued a Direction banning all canvassing for votes and distribution of how-to-vote cards or election material near polling places. Facilities were provided, where practicable and safe, to display this material near polling places.

Logistics and materials

The delivery of the local government elections is a large logistical exercise requiring the packing and distribution of vast amounts of resources across Queensland. Prior to election day on 28 March 2020, the ECQ packed and distributed approximately 13,000 voting screens and 1,300 polling booth packs to all local government areas in Queensland. These packs contain most of the necessary resources typically required to deliver the elections and include a range of materials such as signage, stationery, forms, envelopes and labels.

In response to the COVID-19 pandemic, the ECQ undertook a range of additional procurement, including despatching large volumes of hand sanitiser and disinfecting surface sprays for use in returning offices and polling places.

Election technology

The ECQ provides all Returning Officers and Assistant Returning Officers the required technology necessary to complete their duties for each election. For the local government elections and State by-elections, each Returning Officer was provided a standard set of equipment, known as an 'office in a box'. This equipment allowed election staff to securely interact with the ECQ's election-specific systems and support candidates and voters throughout the election period.

The ECQ's ICT staff provide monitoring and support to the deployed technology for all frontline election staff and support for all internal ECQ staff.

There were a total of 135 office in a box kits configured and distributed across Queensland, consisting of:

- two desktop computers
- two 24-inch computer monitors
- one multi-function printer
- two smart phones
- one network solution (firewall/modem), and
- peripherals (i.e. barcode scanner, keyboard, mouse and assorted cables).

In addition to their office-based equipment, Returning Officers were provided with enough laptops, known as ePollbooks, to provide elector look-up and elector mark-off capability for all polling place staff during the early voting period and on election day. The deployment of ePollbooks for the 2020 local government elections consisted of:

- 7,200 laptops running the latest electoral roll lookup and mark-off software application
- 7,200 2D barcode scanners allowing contactless scanning of Voter Information Cards and electronic Voter Information Cards, and
- 1,500 A4 printers for declaration table ballot paper printing.

Election Management System

In the lead-up to the local government elections, the ECQ deployed a new Election Management System (EMS); an integrated and secure election administration and data management system for processes necessary to deliver an election. The system replaced several paper-based processes with an online system aimed at increasing the efficiency of administrative processes supporting election delivery.

Phase 1 EMS functionality was primarily focused on delivering support to implement the *Local Government Electoral (Implementing Stage 2 of Belcarra) and Other Legislation Amendment Act 2019* funding and disclosure legislation changes passed in October 2019, and functionality necessary to deliver the 2020 local government elections. This included:

- updates to the digital voter mark-off process that enhanced security and reduced the potential for user error
- polling place management
- online processes for employment of a temporary election workforce, including processing online applications, recruitment, training and remuneration
- dedicated portals for candidates to submit nominations, manage disclosures and access supporting information and election results
- access for electors to personal enrolment details and polling place locations, and
- additional functionality through the ECQ website such as postal vote applications, 'Find My Polling Booth' and publication of candidate nomination forms.

Counting ballots and declaring results

The ECQ is required to undertake election counts in accordance with the provisions of the *Local Government Electoral Act 2011*. After the close of voting at 6.00pm on election day, a preliminary count was conducted in polling places. These preliminary results are not official and the ECQ is unable to declare the election based on the outcome of these counts. The official count and distribution of preferences commence under the control of Returning Officers as soon as practicable after the close of voting and the completion of the preliminary count. The full count of local government election ballots comprises multiple counts of approximately 4.8 million mayoral and councillor ballot papers across 77 local government areas.

While the election night count was performed without issue by local election staff, a technical fault delayed the publication of results to the ECQ website. Scrutineers were initially prohibited from observing the unofficial count on election night only, due to COVID-19 restrictions. Many polling places are small and there were concerns that having scrutineers as well as polling staff, would create an unacceptable risk to public health. However, this restriction was relaxed later in the evening, to ease concerns regarding the online results display issue.

The counting of ballots progressed slower than previous years for several reasons. Firstly, as the ECQ imposed social distancing requirements in locations where counting occurred, fewer staff were able to undertake the count at any single point in time, which delayed the rate the count progressed. Additionally, results cannot be declared until it is mathematically impossible for any outstanding votes to alter the outcome. As the number of postal ballots increased substantially compared to previous elections, in several instances Returning Officers needed to wait the legislated 10 days for these ballots to be returned so the count could be finalised before results could be declared. The average time for results to be declared was four days after the deadline for the return for postal ballots. The first declarations were made on 30 March for uncontested elections, with the first results declared on 3 April and all results declared by 20 April 2020.

Court of Disputed Returns

A party may dispute the outcome of a local government election with the Court of Disputed Returns up to seven days after the declaration of the result. For the 2020 local government elections, one application was made with the Court of Disputed Returns. As of 30 June 2020, the matter was ongoing.

Preparation for 2020 State general election

On 18 June 2020, the Queensland Parliament passed amendments to the *Electoral Act 1992* to provide a special legislative framework for the conduct of the 2020 State general election to minimise risks to health and safety arising from the COVID-19 pandemic. It should be noted that, under provisions of the *Constitution of Queensland 2001* governing fixed terms of the Queensland Parliament, there is limited ability to change the date of the 31 October 2020 State election, without the conduct of a referendum.

These amendments for the State general election allow for additional flexibility in election timeframes, the ability to expand postal voting to stated electoral districts or classes of electors by regulation and the power to issue directions regarding how-to-vote cards and scrutineering.

In addition, on 17 June 2020, the Attorney-General and Minister for Justice, the Honourable Yvette D'Ath MP, tabled in Queensland Parliament a *Statement of principles governing the conduct of the COVID-19 Queensland General Election*. To ensure all eligible Queenslanders can safely participate in the State general election scheduled on 31 October 2020, this document details the following principles for delivery of a COVID-safe State election:

1. It is imperative that Queenslanders have continuity of Government to ensure a comprehensive response to the COVID-19 pandemic.
2. Voting should occur in the safest, fairest manner possible.
3. Any measures adopted to mitigate the impacts of the COVID-19 pandemic should not unfairly disenfranchise Queenslanders' access to a vote, nor unreasonably limit Queenslanders' ability to vote according to the method of their choice.
4. The Electoral Commission of Queensland will be provided all resources necessary to facilitate a safe and fair election.
5. The Electoral Commission of Queensland should be provided maximum flexibility to respond to emergent public health risks to ensure the safety of voters. This includes being able to make regionally specific decisions, addressing local public health concerns.
6. The Electoral Commission of Queensland should be enabled to seek advice concerning public health risks from the Chief Health Officer, and the Chief Health Officer should be enabled to provide such advice to the Electoral Commission of Queensland upon request or at the Chief Health Officer's own initiative.

The ECQ is continuing its planning to ensure the delivery of the 2020 State general election is undertaken according to these principles. Based on learnings from the 2020 local government elections, the ECQ is currently planning to deliver a predominantly attendance ballot with a significant number of postal ballots and increased early voting options.

The ECQ is regularly consulting with Queensland's Chief Health Officer and this will continue until the election is complete. Preparations are underway to quickly move to alternate voting methods, such as a postal ballot for certain electoral districts or state-wide, if advised to do so by the Chief Health Officer.

The ECQ is also expanding early voting options in the two weeks prior to 31 October 2020, with approximately 50 extra early voting centres across Queensland, bringing the total number to 200. Hours will be extended in most instances, with early voting centres open from 9.00am to 6.00pm on Monday, Wednesday and Friday of both weeks, and 9.00am to 9.00pm on Tuesday and Thursday of both weeks. Voters will also have the option to cast a ballot on the Saturday before election day, 24 October 2020, from 9.00am to 5.00pm. This will provide electors with greater options to safely attend early voting centre over the two-week period from 19 October to 30 October 2020.

Electors will, for the first time ever, be able to apply for a postal vote from mid-September before the issue of the writ. Given the significant increase in postal voting that was experienced in the 2020 local government elections, the ECQ is expecting demand for this service to be very high again in the 2020 State general election and has already procured necessary materials to accommodate an increased number of applications.

As at 30 June 2020, the ECQ was continuing planning and preparation for the 2020 State general election. The ECQ will release further information on delivering a COVID-safe election in the lead-up to the election.

Industrial Elections

The ECQ conducts elections for employer and employee organisations registered in Queensland as a requirement of the *Industrial Relations Act 2016*. The Queensland Industrial Relations Commission initiates industrial elections by instructing the ECQ to conduct elections for a position or positions of office within an organisation.

In 2019-20, the ECQ received 28 decisions from the Queensland Industrial Relations Commission to conduct industrial elections for a total of 294 available positions. For these positions, the ECQ received 250 nominations. In 27 instances, the ECQ received more nominations than there were positions available, which then proceeded to ballot as a contested election.

A total of 9,404 ballot papers were produced and forwarded to eligible voters, with 2,530 returned and counted.

Funding, Disclosure and Compliance

The ECQ is empowered under section 7 of the *Electoral Act 1992* to administer and promote compliance for political funding and financial disclosure in Queensland. This is achieved through enforcement activities, real-time reporting of gifts and expenditure and supported by stakeholder engagement to promote compliance.

The ECQ provides support to candidates, third parties and registered political parties to comply with Queensland's electoral finance laws, which supports the delivery of transparent and accountable elections. The ECQ also maintains and provides user support for the Electronic Disclosure System for the real-time reporting of gifts and expenditure, and maintains the Queensland register of political parties.

This section highlights the ECQ's achievements supporting the following Strategic Objectives:

- Objective 1. Deliver fair and transparent Queensland elections
- Objective 2. Increase electoral awareness and participation
- Objective 3. Continual improvement in election services.

New funding and disclosure requirements for 2020 local government elections

The 2020 local government elections involved a wide range of new funding and disclosure requirements for candidates, registered political parties, donors and third parties. Most significantly, 2020 was the first local government quadrennial election requiring real-time disclosure through the ECQ's Electronic Disclosure System (EDS). While the EDS has been in operation since the beginning of 2017, an enhanced version went live on 20 January 2020. Between 20 January 2020 and 30 June 2020, electoral participants lodged:

- 4,488 returns about gifts/loans made or received
- 13,751 returns about electoral expenditure incurred (for local government purposes), and
- 2,806 transitional returns, election summary returns, and associated entity returns.

For the 2020 local government elections, the public could access in real-time details of \$6.09 million worth of gifts and \$10.66 million in expenditure for local government purposes disclosed on the EDS.¹

Implementation and enforcement of legislative changes

The 2020 local government elections were the first major elections since the commencement of a range of legislative changes aimed at increasing accountability and transparency in how local government candidates are elected, disclose donations and campaign. Many of these changes arose from recommendations in the 2017 Crime and Corruption Commission's (CCC) report *Operation Belcarra: A blueprint for integrity and addressing corruption risk in local government*.

The first of the legislative changes arising from the CCC's report was the prohibition of political donations from property developers following the enactment of the *Local Government Electoral (Implementing Stage 1 of Belcarra) and Other Legislation Amendment Act 2018*. This prohibition, implemented as the Prohibited Donors Scheme by the ECQ, has been in place since October 2018.

In October 2019, the Queensland Parliament passed the *Local Government Electoral (Implementing Stage 2 of Belcarra) and other Legislation Amendment Act 2019* and the *Electoral and Other Legislation Amendment Act 2019*. These Acts necessitated a range of policy and operational changes to the ECQ's core functions for delivering elections and regulating electoral funding and disclosure requirements, as follows.

- The ECQ's statutory functions were expanded to include administering and promoting compliance with the election funding and financial disclosure provisions of the *Electoral Act 1992* and *Local Government Electoral Act 2011*.
- All local government candidates, prior to nominating for an election, must undertake mandatory training provided by the Department of Local Government, Racing and Multicultural Affairs.
- New details must be included with nominations for local government elections, including increased disclosure of personal and close associate interests.
- More stringent rules dictate the management of dedicated local government election campaign accounts.
- Candidates campaigning together in a group have stricter rules and requirements to register with the ECQ.
- Candidates and groups must abide with new requirements for disclosure, including real-time disclosure of expenditure.
- All successful candidates for the election must lodge an election summary return within 15 weeks following the election, otherwise their office would automatically become vacant.

¹ This is true at time of publication. Disclosures on the EDS are regularly reviewed and audited by the ECQ and these figures may change in the future.

To implement these new legislative obligations, the ECQ worked closely with government stakeholders, local government candidates and registered political parties to ensure the new requirements were understood and a high level of compliance would be achieved for the 2020 local government elections. The ECQ developed and widely distributed an extensive education program with information documents developed for candidates and political parties, along with information sessions and briefings with a wide range of stakeholders across Queensland.

For the 2020 local government elections, 19 groups, comprising 99 candidates, registered with the ECQ. Additionally, all successful candidates lodged an election summary return prior to the due date allowing them to retain their offices.

Preparations for 2020 State general election

Prior to the 2020 State general election, the ECQ is implementing a range of provisions arising from the *Electoral and Other Legislation (Accountability, Integrity and Other Matters) Amendment Act 2020* passed by the Queensland Parliament on 18 June 2020.

Key provisions commencing on 1 August 2020 that will apply to the 2020 State general election include:

- caps on electoral expenditure
- a registration process for third party organisations or individuals who spend over \$6,000 campaigning for the election
- a requirement for all candidates, registered political parties and registered third parties to operate a dedicated State campaign bank account, in which all campaign expenditure must be transacted
- increased record keeping obligations by all election participants
- amendment to key definitions in the legislation, such as gifts, loans, political donations and electoral expenditure, increasing requirements for the disclosure of the original source of a gift and sponsorship arrangements, and
- changes relating to the number and size of election signage that may be displayed, and the timing of their placement, at early-voting centres and election day polling booths.

The implementation of the legislative reforms will be incorporated into the ECQ's ongoing compliance and enforcement program, which seeks to maximise compliance through proactive and collaborative engagement and ensure the transparency and integrity of election funding and disclosure in Queensland elections. To achieve this for the 2020 State general election, the ECQ has:

- developed an education program to provide stakeholders with access to fact sheets, handbooks and user guides to equip them to meet their obligations
- planned a series of webinars, videos and presentations for candidates, registered political parties and third parties prior to the election
- increased resources in the ECQ's Funding, Disclosure and Compliance Division to continue to provide direct support to all stakeholders and perform compliance activities, and
- prepared updates to the ECQ website so election participants and interested members of the public can obtain detailed information about the legislative changes and access additional support where needed.

Enforcement activities

The ECQ has powers to undertake enforcement action against electoral participants not adhering to the relevant funding and disclosure requirements. As of 30 June 2020, several investigations into electoral participants in the 2020 local government elections were ongoing and compliance and enforcement action may be taken in 2020-21.

The ECQ is continually assessing the compliance of electoral participants' compliance for previous election events through an ongoing audit program. In 2019-20, the ECQ issued eight penalty infringement notices (PINs) for historic non-compliance. Five of these PINs were issued to candidates for failure to comply with their disclosure obligations for the 2017 State general election. Three PINs were issued to candidates and third parties for failure to comply with their disclosure obligations in the 2016 local government elections.

Prohibited Donors Scheme

Between July and September 2019, the ECQ conducted compliance reviews on all registered political parties for the period 1 January to 17 April 2019 to detect any instances of non-compliance with the Prohibited Donors Scheme.

This compliance review was instigated following the 17 April 2019 decision of the High Court of Australia in *Spence v State of Queensland* that section 302CA of the *Commonwealth Electoral Act 1918* was wholly invalid. This section, which commenced 1 January 2019, enabled Queensland political parties to receive otherwise unlawful donations from property developers, if those donations were either designated to be used for Commonwealth electoral purposes, or might be used for such a purpose.

The High Court's subsequent ruling meant that any donations received by Queensland registered political parties between 1 January 2019 and 17 April 2019, from prohibited donors, and regardless of whether intended for use for a State or Commonwealth purpose, were unlawful and could be recovered by the ECQ as a debt to the State in accordance with the *Electoral Act 1992*. In June 2019, the Electoral Commissioner released a decision that any prohibited donations, accepted relying on the validity of section 302CA, would not be recovered as a debt to the state on the condition that they were disclosed in full to the ECQ and returned to the donor.

The purpose of these reviews was to detect any instances of non-compliance with the prohibited donor conditions imposed on the parties by the Electoral Commissioner following the High Court's decision in the *Spence v State of Queensland* matter.

The reviews included a high-level audit of the parties' bank statements to identify any gifts received from prohibited donors that were not voluntarily disclosed and returned. As a result of these audits, and political parties voluntarily disclosing their acceptance of gifts from an entity they later identified as being from a property developer, debt recovery notices were issued to two political parties, totalling nearly \$33,000.

Determinations

As part of the Prohibited Donors Scheme, entities may apply to the ECQ for a determination that they are not a prohibited donor. Throughout 2019-20, the ECQ made 12 determinations that certain entities were not prohibited donors. A further two matters were processed by the ECQ, resulting in no determinations being made. As of 30 June 2020, one determination was being considered.

The Australian Institute for Progress Ltd v The Electoral Commission of Queensland & Ors

The ECQ continues to take a proactive approach to educating and detecting non-compliance. In one instance, the ECQ sought information from the Australian Institute for Progress to determine whether it had breached any funding and disclosure obligations that might apply to it under the *Electoral Act 1992*. The Australian Institute for Progress responded by bringing proceedings in the Supreme Court of Queensland seeking among other things, orders to the effect that the *Electoral Act 1992*, properly interpreted, did not require an entity which incurred electoral expenditure on its own behalf (such as the Australian Institute for Progress), to comply with the funding and disclosure obligations imposed by the *Electoral Act 1992*.

On 30 March 2020, the Supreme Court delivered its judgment dismissing the application, holding that, among other things, third parties such as the Australian Institute for Progress could not use donations from property developers to incur electoral expenditure even if that expenditure was incurred on their own behalf and not on behalf of a political party or candidate, affirming the ECQ's interpretation of the relevant provisions.

Policy development payments

The ECQ is responsible for the distribution of policy development payments to political parties. The total pool of policy development funding is \$3 million per financial year, as prescribed by section 8 of the *Electoral Regulation 2013*.

During the 2019-20 financial year, policy development payments were paid for the 2018-19 financial year to five eligible registered political parties in two equal instalments. The amounts paid to each eligible registered political party, as detailed in the table below, were calculated using the formal first preference vote counts at the 2017 State general election, in accordance with section 240 of the *Electoral Act 1992*.

| Eligible registered political party | First instalment amount | Second instalment amount | Total amount paid |
|---|-------------------------|--------------------------|--------------------|
| Australian Labor Party (State of Queensland) | \$564,860.91 | \$564,860.91 | \$1,129,721.82 |
| Liberal National Party of Queensland | \$537,221.41 | \$537,221.41 | \$1,074,442.82 |
| Pauline Hanson's One Nation Queensland Division | \$218,889.87 | \$218,889.87 | \$437,779.74 |
| Queensland Greens | \$142,105.37 | \$142,105.37 | \$284,210.74 |
| Katter's Australian Party | \$36,922.44 | \$36,922.44 | \$73,844.88 |
| Total amounts | \$1,500,000 | \$1,500,000 | \$3,000,000 |

Table: Policy development payments to registered political parties in 2019-20.

Register of political parties

The ECQ maintains the Register of Political Parties. During 2019-20, the following changes were made to the register:

- 'Civil Liberties, Consumer Rights, No-Tolls' name was changed to 'Motorists Party'
- 'North Queensland First' was registered as a political party
- The address of the Registered Officer for 'North Queensland First' was changed
- 'Animal Justice Party' was registered as a political party
- 'Clive Palmer's United Australia Party' was registered as a political party, and
- 'Motorists Party' name changed to 'Civil Liberties & Motorists Party'.

As of 30 June 2020, there are three amendments to the register being processed, including one application to register a new political party.

| Party Name | Abbreviation | Date Registered |
|---|-----------------------------|-------------------|
| Australian Labor Party (State of Queensland) | Australian Labor Party | 14 August 1992 |
| Queensland Greens | The Greens | 6 May 1994 |
| Liberal National Party of Queensland | LNP | 9 September 2008 |
| Pauline Hanson's One Nation Queensland Division | Pauline Hanson's One Nation | 12 August 2011 |
| Katter's Australian Party (KAP) | KAP | 22 September 2011 |
| Civil Liberties & Motorists Party | No abbreviation registered | 23 October 2015 |
| Shooters, Fishers and Farmers Party (QLD) | No abbreviation registered | 5 November 2018 |
| North Queensland First | NQF | 31 October 2019 |
| Animal Justice Party (Queensland) | Animal Justice Party | 2 January 2020 |
| Clive Palmer's United Australia Party | Clive Palmer's UAP | 14 April 2020 |

Table: Register of Political Parties

Local Government Change Commission

Overview

The Local Government Change Commission (Change Commission) is an independent body established under the *Local Government Act 2009* to review local government boundaries and electoral arrangements. It consists of the Electoral Commissioner of Queensland or any combination of the following persons nominated by the Electoral Commissioner; the Deputy Electoral Commissioner, or one or more casual commissioners that have been appointed by the Governor in Council. The Change Commission is supported by a secretariat and spatial experts within the ECQ.

As required by section 25 of the *Local Government Act 2009*, the Change Commission must prepare a report about its operations during each financial year. The following sections constitute that report.

This section highlights the ECQ's achievements supporting the following Strategic Objectives:

- Objective 4. Queensland has balanced representation across electoral boundaries

Change Commission review process

Under the provisions of the *Local Government Act 2009* and the *City of Brisbane Act 2010*, the Change Commission assesses whether proposed changes to Queensland's local governments are in the public interest. Its assessments include:

- divisional boundary reviews – periodically reviewing the internal boundaries of divided councils to ensure each division or ward has relatively the same number of electors
- external boundary reviews – assessing proposed changes to the common or shared boundaries between councils, and
- electoral arrangement reviews – reviewing proposed changes such as whether a council is divided or undivided, the number of councillors should be increased or decreased, the council name or the council's classification (i.e. shire, region or city).

The Minister responsible for Local Government is the only person who can refer a proposed change to the Change Commission, except in the case of the Brisbane City Council which may be referred by the Minister, the ECQ or the council itself. A local government change can only be implemented by the Governor in Council under a regulation.

In 2019-20, the Change Commission has been constituted by Mr Pat Vidgen, Electoral Commissioner of Queensland, and the following casual commissioners:

- Mr Wade Lewis, Assistant Electoral Commissioner, ECQ
- Ms Jennifer Lang, Deputy Director-General, Justice Services, Department of Justice and Attorney-General, and
- Mr Peter McGraw, Manager, Elections Operations, ECQ.

2019-20 reviews

In 2019, the Change Commission received 22 referrals for divisional boundary, external boundary and electoral arrangement reviews. Of these, the Change Commission finalised 18 reviews including:

- divisional boundary reviews for 16 Queensland councils,
- an electoral arrangement review of the Cloncurry Shire Council, and
- an electoral arrangement and divisional boundary review of the Ipswich City Council.

Under section 19(4) of the *Local Government Act 2009* and section 21(4) of the *City of Brisbane Act 2010*, the Minister responsible for Local Government is empowered to direct the Change Commission in writing to conduct its assessment in a particular way. The Minister did not provide directions for how most reviews were to be conducted, however, he did provide advice regarding planned development and growth in some council areas and noted information of relevance to the Change Commission's deliberations.

The Minister did provide directions to the Change Commission on how to undertake a review of the proposed change between the Rockhampton Regional Council and Livingstone Shire Council including:

- consulting with the residents of the affected communities and the two local governments on levels of support for the proposed change and regarding the name of each local government area
- conducting a review of the financial sustainability of the two local governments and determining the classification of each local government area, and
- providing advice to the Minister on the boundaries of the two local government areas and, if boundaries were to change, the timing for implementation and how electoral arrangements or divisional boundaries may need to be changed.

Due to the legislative requirement to conduct divisional boundary reviews in the year before the 2020 local government elections, the Change Commission prioritised finalising the divisional boundary reviews, to uphold the principle of 'one vote, one value' for the March 2020 local government elections.

The Change Commission determined it had the capacity to undertake reviews for the Ipswich City Council and Cloncurry Shire Council in 2019, with the remaining external boundary and electoral arrangement reviews to be completed after the 2020 State and local government elections. The Minister and the affected councils were notified of this decision and have been provided status updates in 2020.

The status of the Change Commission's reviews, as at 30 June 2020, is detailed in the table below. All Change Commission reports are published on the ECQ website.

| Local Government Area | Date referred to Change Commission | Status | Final determination report published |
|---|------------------------------------|------------------------------------|--------------------------------------|
| Brisbane City Council | 20 March 2019 | Finalised | 18 October 2019 |
| Cassowary Coast Regional Council | 26 March 2019 | Finalised | 30 August 2019 |
| Fraser Coast Regional Council | 3 April 2019 | Finalised | 6 September 2019 |
| Gold Coast City Council | 9 April 2019 | Finalised | 9 August 2019 |
| Gympie Regional Council | 15 February 2019 | Finalised | 6 September 2019 |
| Isaac Regional Council | 3 April 2019 | Finalised | 30 August 2019 |
| Logan City Council | 26 March 2019 | Finalised | 27 September 2019 |
| Moreton Bay Regional Council | 1 March 2019 | Finalised | 6 September 2019 |
| Redland City Council | 17 April 2019 | Finalised | 20 September 2019 |
| Rockhampton Regional Council | 26 March 2019 | Finalised | 25 October 2019 |
| Scenic Rim Regional Council | 26 March 2019 | Finalised | 9 August 2019 |
| South Burnett Regional Council | 26 March 2019 | Finalised | 2 August 2019 |
| Sunshine Coast Regional Council | 26 March 2019 | Finalised | 1 November 2019 |
| Tablelands Regional Council | 28 March 2019 | Finalised | 4 October 2019 |
| Townsville City Council | 17 April 2019 | Finalised | 25 October 2019 |
| Whitsunday Regional Council | 2 April 2019 | Finalised | 1 November 2019 |
| Ipswich City Council | 7 May 2019 | Finalised | 18 October 2019 |
| Cloncurry Shire Council | 10 January 2019 | Finalised | 22 November 2019 |
| Torres Strait Island Regional Council | 18 October 2019 | Near completion as at 30 June 2020 | N/A |
| Toowoomba Regional Council and Western Downs Regional Council | 20 November 2019 | Consultation underway | N/A |
| Rockhampton Regional Council and Livingstone Shire Council | 31 January 2019 | Due to commence in 2021 | N/A |
| Cook Shire Council | 30 May 2019 | Due to commence in 2021 | N/A |

Table: Change Commission reviews undertaken

Future priorities for 2020-21

In 2020, the ECQ is focused on finalising the local government elections, including reporting and other activities, and preparing to deliver the 2020 State general election in October.

The small change proposed to the shared boundary between the Toowoomba and Western Downs Regional Councils is anticipated to be finalised in 2020-21, while the remaining assessments are expected to commence in 2021.

Queensland Government Bodies report

| Local Government Change Commission | | | | | |
|------------------------------------|--|----------------------------------|---|---|-----------------------------------|
| Act or instrument | Local Government Act 2009 | | | | |
| Functions | See overview above | | | | |
| Achievements | See 2019-20 reviews above | | | | |
| Financial reporting | Transactions of the entity are accounted for in the financial statements | | | | |
| Remuneration | | | | | |
| Position | Name | Meetings attendance ² | Approved annual, sessional or daily fee | Approved sub-committee fees if applicable | Actual fees received ³ |
| Chair | Mr Pat Vidgen | 26 | N/A | N/A | N/A |
| Casual Commissioner | Mr Wade Lewis | 26 | N/A | N/A | N/A |
| Casual Commissioner | Ms Jennifer Lang | 2 | N/A | N/A | N/A |
| Casual Commissioner | Mr Peter McGraw | 12 | N/A | N/A | N/A |
| No. scheduled meetings | 28 | | | | |
| Total out of pocket expenses | \$0 | | | | |

² Casual commissioners do not take part in every review and only attend scheduled meetings pertaining to the reviews they are party to.

³ All members of the Change Commission are public sector employees and therefore do not receive any fees.

Organisational Governance

The ECQ is comprised of numerous divisions each with specific roles and responsibilities. The following sections will outline the functions of each divisions and how they support the successful delivery of the ECQ's objectives.

Election Event Management

Election Event Management is responsible for planning and delivering elections with an emphasis on voter services such as identifying and leasing early voting centres and election day polling booths. The division also plans and delivers telephone voting, postal voting, visits to residential aged care facilities during polling, and a visitation program to Indigenous remote communities during elections, allowing residents to enrol and vote.

Funding, Disclosure and Compliance

Funding, Disclosure and Compliance is responsible for regulating political funding and financial disclosure in Queensland through enforcement activities and real-time disclosure, supported by stakeholder engagement to promote compliance. The ECQ also maintains and provides user support for the Electronic Disclosure System for the real-time reporting of gifts.

The division provides support to candidates, third parties and registered political parties to comply with Queensland's electoral donation laws, including prohibited donation laws, which supports the delivery of transparent and accountable elections. Where breaches are identified, they are responsible for undertaking proportionate enforcement activities which could include warnings, PINs, recovery of money and prosecution.

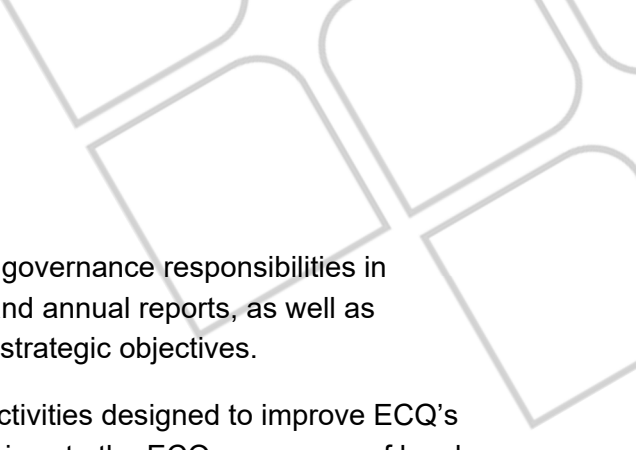
This division is also responsible for registering new political parties and maintaining the Queensland register of political parties.

Digital Technologies

Digital Technologies is responsible for the planning and delivery of ICT services for the ECQ. Digital Technologies provides the necessary networking, computing, storage, desktop, collaboration and business solutions that allows the ECQ to deliver its services to Queensland citizens. This includes the provisioning of ICT services for election delivery in every polling place across Queensland. The division also has responsibilities for the planning and delivery (in conjunction with ECQ business owners) the foundations for digital transformation to create new technology services aligned with the ECQ's strategic priorities.

Strategy, Policy and Governance

Strategy, Policy and Governance comprises the Communications, Strategy and Governance, Internal Audit and in-house legal functions within the ECQ. The Communications unit supports ECQ to deliver its corporate communications and stakeholder engagement functions, through strategic communications, media management, social media activities, graphic design services, delivery of advertising campaigns and stakeholder engagement activities.



The Strategy and Governance unit supports ECQ's corporate governance responsibilities in preparing key documents such as the ECQ's strategic plans and annual reports, as well as providing policy and research capability to support the ECQ's strategic objectives.

Internal Audit provides independent auditing and assurance activities designed to improve ECQ's operations. The General Counsel provides in-house legal services to the ECQ on a range of legal matters including the interpretation and application of electoral laws and performance of the ECQ's regulatory responsibilities.

Corporate Services

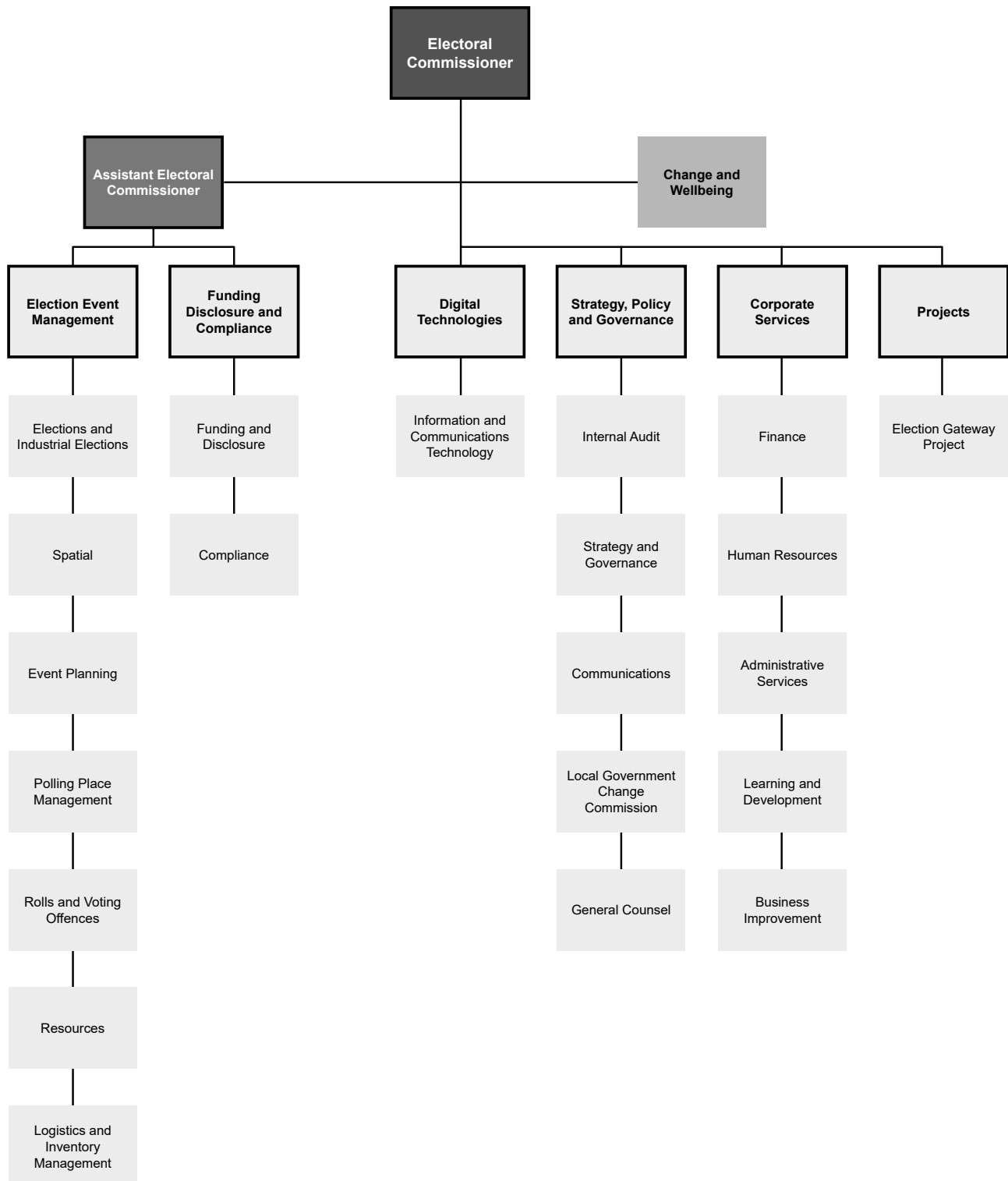
Corporate Services is a multidisciplinary skilled division working across ECQ to enable performance and compliance with legislative requirements within key functions including finance, facilities management, human resources, learning and development, business improvement, administrative services and records management.

Change and Wellbeing

The Change and Wellbeing function supports ECQ staff through changes to systems, technology, business processes, or organisational structure. The function works with project managers, the Senior Management Team and ECQ staff, to help support effective communication, engagement and readiness for change.

This function also takes a lead role on ECQ's wellbeing agenda including supporting staff with their wellbeing and resilience and fostering an environment that facilitates productivity and values individual contributions.

Organisational Structure



Executive Management

Electoral Commissioner

The Electoral Commissioner is Queensland's senior electoral officer and the ECQ's chief executive officer with powers and responsibilities conferred by the *Electoral Act 1992*, the *Local Government Electoral Act 2011*, the *Referendums Act 1997*, the *City of Brisbane Act 2010*, the *Local Government Act 2009* and the *Financial Accountability Act 2009*. The Electoral Commissioner is responsible for upholding the integrity of Queensland's elections and for ensuring Queenslanders have equal representation through the Queensland Redistribution Commission and the Local Government Change Commission.

Mr Pat Vidgen PSM has been the Electoral Commissioner since September 2018.

Assistant Electoral Commissioner

The Assistant Electoral Commissioner supports the Electoral Commissioner with the day-to-day running of the ECQ. The role has direct oversight of election event management and regulating political funding, disclosure and compliance. In the absence of the Electoral Commissioner, the Assistant Electoral Commissioner will act in that role.

Mr Wade Lewis is the current Assistant Electoral Commissioner.

Governance committees

Senior Management Team

The Senior Management Team is a consultative body enabling the Electoral Commissioner to make informed decisions through:

- supporting the ECQ's corporate vision and strategic direction
- building organisational capability
- ensuring the ECQ supporting the achievement of the Queensland Government's objectives for the community, and
- being responsible for general governance duties including risk management.

The Senior Management Team members are:

- Electoral Commissioner (chair)
- Assistant Electoral Commissioner (deputy chair)
- Executive Director, Election Event Management, and
- Executive Director, Digital Technologies.

The following positions are attendees at Senior Management Team meetings:

- Director, Funding, Disclosure and Compliance
- Director, Strategy, Policy and Governance
- Director, Corporate Services
- Director, Change and Wellbeing
- Director, Gateway Integration Office, and
- Chief Financial Officer.

The Senior Management Team generally meets on a weekly basis and held 59 meetings during 2019-20, with a number of extraordinary meetings held during the conduct of the 2020 local government elections.

Election Delivery Board

The Election Delivery Board is responsible for oversight of the assurance framework for the successful delivery of all elections, including the upcoming 2020 State general election. Election Delivery Board activities include:

- overall governance of each election, and the provision of strategic guidance to election program and project managers
- election project planning approval
- monitoring risks to the delivery of elections and approving treatment plans
- management and treatment of major issues requiring attention or decisions, and
- project assurance activities including financial, resource and capability monitoring and reporting.

Election Delivery Board members are:

- Executive Director, Election Event Management (Chair)
- Electoral Commissioner
- Assistant Electoral Commissioner
- Director, Strategy, Policy and Governance, and
- Chief Financial Officer.

All members of the Senior Management Team are invited to regularly attend meetings to provide input to the decision-making process. Other stakeholders, including program managers and project managers and representatives of the Election Gateway Project are also regularly invited to attend.

Information Security Steering Committee

The Information Security Steering Committee was established during 2019-20 to provide strategic management of the ECQ's information security risks. The chair is the Assistant Electoral Commissioner who also is the ECQ Information Security Senior Executive.

The activities of the committee include:

- providing assurance on the ECQ's information security risk to the Electoral Commissioner
- providing management oversight of the Information Security Management System in order to ensure it achieves intended objectives
- responsibility for making informed decisions that set the direction for information security, balancing business requirements with information confidentiality, integrity and availability considerations, and
- providing recommendations to the Electoral Commissioner on the information security aspects of strategic decisions and projects.

The Information Security Steering Committee members are:

- Assistant Electoral Commissioner (Chair)
- Executive Director Digital Technologies
- Director Corporate Services
- Project Director, Election Gateway Project,
- Executive Director, Election Event Management, and
- Director Strategy, Policy and Governance.

Standing invitations are provided to the following observers:

- Director Funding, Disclosure and Compliance, and
- Head of Internal Audit.

Election Gateway Project Steering Committee

The Election Gateway Project Steering Committee delivers strategic direction, leadership and expertise to drive the success of the Election Gateway Project in delivering the new Election Management System (EMS). The steering committee is the key governance entity with overall responsibility for the successful conduct of the delivery phase of the project, encompassing implementation the EMS as it undergoes development, testing, trialling and pre-operational stages.

Election Gateway Project Steering Committee members are:


- Electoral Commissioner (Chair)
- Assistant Electoral Commissioner
- Assistant Director-General, Digital Platforms and Data, Department of Housing and Public Works
- Assistant Under Treasurer, Budget Office, Queensland Treasury
- Assistant Commissioner, Elections, Australian Electoral Commission, and
- Special Advisor.

Gateway Integration Committee

The Gateway Integration Committee is a time-limited committee, overseeing the delivery of the EMS by the Election Gateway Project. The purpose of the committee is to conduct management, coordination, assurance and verification activities designed to ensure the effective handover and acceptance of the EMS and associated project and business improvement activities.

The Gateway Integration Committee members are:

- Assistant Electoral Commissioner (Chair)
- ECQ Transition Manager
- Project Director, Election Gateway Project
- Election Gateway Project Transition Manager
- Director, Change and Wellbeing
- Executive Director, Election Events Management
- Manager, Election Operations
- Executive Director, Digital Technologies
- Team Leader, ICT

- 
- Director, Corporate Services
 - Director, Funding Disclosure and Compliance, and
 - Head of Internal Audit.

Public sector ethics

The ECQ is committed to ensuring all staff act ethically and are accountable for their actions and decisions. The ECQ considers the conduct and performance of employees central to achieving its deliverables and objectives and continues to support the principles identified under the *Public Sector Ethics Act 1994* by:

- providing code of conduct training and an induction program for all new employees
- releasing staff bulletins and online training courses
- providing compulsory annual training for all staff including domestic violence awareness
- providing training in people management and complaints management
- ensuring all staff have performance and development agreements in place that set out key performance indicators and behavioural expectations in line with the code of conduct
- promoting an ethical culture and ethical decision-making processes
- providing compulsory annual face-to-face training on public sector ethics conducted by the Office of the Queensland Ombudsman, and
- building on and refining the ECQ integrity framework, which consists of resource management policies, practices, protocols and fact sheets to guide employees and managers in their day-to-day duties and clarify expected conduct.

The ECQ employs a team of human resource practitioners to advise and assist all employees about ethical behaviour in theory and in practice in the public sector context.

Human rights

As part of the commencement of the *Human Rights Act 2019*, the ECQ implemented a number of measures to further the object of the Act. All staff at the ECQ undertook human rights training for public entities provided by the Human Rights Commission. Additionally, the ECQ's internal policies and procedures were reviewed to ensure human rights were considered in their development and, if required, amended as necessary. Finally, templates used for the development of policies, procedures and briefs were updated to prompt staff to consider human rights as part of normal business practice.

Human rights complaints

All complaints made to the ECQ are reviewed with consideration of rights protected under the *Human Rights Act 2019*. In 2019-20, 117 complaints the ECQ responded to specifically required reference to human rights considerations. In all these instances, the complaints fell outside the powers of the ECQ to resolve. All complainants were informed of their options to escalate matters for external review. None had done so as of 30 June 2020.

Risk management

The Electoral Commissioner is committed to a robust governance structure that is supported by a strong risk management framework and practices. Risk management is an activity that the ECQ has incorporated across all of levels of our business from election delivery to daily actions.

All employees are empowered to identify risks (both threats and opportunities) and manage or escalate the risk in accordance with this framework.

Through the risk management framework, ECQ has successfully managed its response to the COVID-19 global pandemic by adapting, practicing, and promoting safe work practices such as physical distancing, frequent use of hand sanitiser, working remotely, as well as strict adherence to hygiene measures. All of these measures are an important part of the ECQ's management of a COVID-safe environment.

Audit and Risk Committee

The Audit and Risk Committee provides independent advice and support to the ECQ's operations to the Electoral Commissioner. The committee has oversight of risk, control, and the compliance frameworks and fiscal responsibilities underpinning the ECQ's corporate governance arrangements. The committee review all reports and recommendations for improvements put forward by Internal Audit and the Queensland Audit Office.

The committee has two external independent members and two ECQ members. A representative of the Queensland Audit Office also has a standing invitation to attend meetings of the Committee along with the ECQ's Head of Internal Audit, Chief Risk Officer and Chief Financial Officer.

In 2019-20 the committee operated under the terms of its charter and met on six occasions. The membership, meeting attendance and remuneration for the committee are detailed below.

| Member | Term | Meetings Attended | Remuneration for meeting attendance* |
|--|-----------|-------------------|--------------------------------------|
| Mr Graham Carpenter (external member and Chair) | 12 months | Six out of six | \$6,125.00 |
| Mrs Debra-Lee Best (external member) | 12 months | Six out of six | \$4,375.00 |
| Pat Vidgen (Electoral Commissioner) | 12 months | Five out of six | Not applicable |
| Wade Lewis (Assistant Electoral Commissioner) | 12 months | Six out of six | Not applicable |

*All amounts exclude GST and do not include reimbursement of out-of-pocket expenses.

Internal audit

The ECQ's internal audit function:

- operates in accordance with requirements of the *Financial Accountability Act 2009* and *Financial and Performance Management Standard 2019*
- provides independent, objective and risk-based assurance and advice to the Electoral Commissioner regarding the efficacy of the ECQ's governance, risk management and control processes
- operates under an approved charter in accordance all applicable guidelines, including the Audit Committee Guidelines, and
- employs a Head of Internal Audit who is responsible for developing an annual and strategic three-year audit program for approval by the Audit and Risk Committee.

In 2019-20, seven internal audits were undertaken which provided an independent assessment on financial, operational, governance, compliance, and risk management audit objectives. These reports included identification of areas for potential improvement, recommendations for change; and were forwarded to the Electoral Commissioner in accordance with the International Standards for the Professional Practices of Internal Auditing as set by the Institute of Internal Auditors.

External scrutiny

Legal Affairs and Community Safety Committee Inquiry

On the evening of the 28 March 2020, the ECQ results page failed to display, in a timely manner, the progress of ballot counts for the 2020 local government elections and State by-elections. This was due to a technical fault with the feed of data from polling places to the ECQ results website and was resolved within hours. On 22 April 2020, the Attorney-General and Minister for Justice referred an *Inquiry into the Electoral Commission of Queensland's online publication of preliminary and formal counts of the votes cast in the local government elections and state by-elections held on 28 March 2020* to the Queensland Parliament's Legal Affairs and Community Safety Committee (the Parliamentary Committee).

The Parliamentary Committee's inquiry involved multiple stages including:

- undertaking a public briefing with senior officers of the ECQ
- seeking a submission from the ECQ to provide greater insight into the technical fault
- seeking submissions from the public and key stakeholders, including local governments, registered political parties and peak organisations
- the ECQ providing detailed responses to the points raised in these submissions
- conducting public hearings, and
- releasing a public report.

The ECQ cooperated fully with the Parliamentary Committee to ensure their deliberations were fully informed and to outline the solutions being implemented to ensure the issues were resolved prior to the 2020 State general election. The Parliamentary Committee's report recommended the Queensland Parliament note the contents of the report.

The steps the ECQ is undertaking to prevent the same issues with the results website from occurring at the 2020 State general election include:

- the formation of a Technical Reference Group, chaired by the Queensland Government Chief Digital Officer and comprised of external experts and ECQ senior officers, to provide assurance that the results website is fit for purpose and meets the needs of interested parties
- finalising XML data feed specifications with stakeholders
- undertaking a rigorous ongoing program of load and security testing, which includes testing, analysing and remediating any identified issues
- developing and testing changes to the EMS website, and
- undertaking final targeted load and security testing prior to implementation.

Information systems and recordkeeping

Recordkeeping

The ECQ utilises both the RecFind and JIRA systems to manage records in accordance with relevant retention and disposal schedules and legislative requirements. The new Election Management System will also hold many of the records the ECQ creates in the course of carrying out its core functions. These systems will be continually reviewed and improved as the systems are updated and adapted during 2020-21.

The ECQ has progressively been archiving RecFind records to ensure compliance with approved retention and disposal schedules and appointed team champions within each ECQ division to support improvement in recordkeeping practices.

Internally, the ECQ has transitioned a majority of its records to digital files. However, the ECQ continuously engages with the Queensland State Archives to transition from paper-based records to digital records for permanent archiving purposes.

ECQ information systems

In 2019-20, the ECQ delivered a significant upgrade of its corporate network infrastructure with the replacement of obsolescent equipment and expanding its internet connectivity. The upgrades significantly improve the ability of the ECQ to manage and monitor the corporate network and provides boosts to network security and performance.

The ECQ enhanced its business continuity posture by implementing a backup internet connection. The backup internet solution reduces risks from the loss of internet connectivity preventing normal business activities. The additional internet connection also allows ECQ to deliver improved performance for selected services.

During 2019-20, ECQ commenced the implementation of a new intranet and file services moving from on-premises delivery to the cloud using the Microsoft SharePoint online platform. Foundational activities of design, development and establishing the new Intranet and team sites (replacing the traditional file services) were undertaken. Migration activities will be completed during 2020-21, delivering the ECQ a modern, secure and 'access anywhere' collaboration capability.

Given the large amount of sensitive data held by the ECQ, implementation continues of key aspects of the ECQ Cyber Security Strategy for 2019-2022. In 2020, an Information Security Steering Committee was established, and the implementation of an Information Security Management System commenced as per the Queensland Government's Information Standard IS18:2018, *Information Security Policy* (ISO 27001).

Leading up to the 2020 local government elections, the ECQ commenced an ongoing regime of penetration testing and engaged a managed security service provider to further enhance its cyber security capabilities. The ECQ also established an ongoing 'phishing' training campaign for ECQ staff to raise awareness of cyber security risks. The ECQ has undertaken regular phishing exercises with staff and scanned key ECQ business systems for security vulnerabilities using services sponsored by the Queensland Chief Customer and Digital Officer.

The ECQ continues to strengthen its working relationships with the Australian and other state electoral commissions and with key State and Federal Government agencies on matters relating to cyber security and information integrity.

Strategic workforce planning and performance

Within the ECQ, strategic workforce planning is critical to long-term workforce requirements and developing a modern and professional workforce that is agile, capable, and diverse. It also ensures that planning is aligned with the ECQ's strategic objectives and managing the many challenges faced, such as rapid technological expansion, increasing stakeholder expectations and demographic shifts.

The ECQ actively engages with its workforce and develops strategies to achieve these strategic objectives now and in the future through an open and consultative workforce, an engaged leadership cohort and open discussions with other electoral jurisdictions within Australia to share electoral capability and resources. In the 2019 Queensland Government *Working for Queensland* survey, the ECQ reported the highest improvements, compared to 2018, in the areas of:

- organisational leadership and management
- people and relationships
- agency management, and
- organisational fairness.

Utilising the results of this survey, the ECQ Working for Queensland Working Group is responsible for identifying strategic initiatives and actions that help ECQ address key policy areas such as safety, health and wellbeing; performance and development; and diversity and inclusion, helping make ECQ a better place to work.

The ECQ leadership forum is a team of ECQ leaders and line managers who regularly meet as a group and discuss policies, ideas and issues that may enhance or impact the ECQ's objectives. These discussions are focused on developing shared awareness and understanding across the organisation, with a particular focus on areas that managers and leaders in the organisation are responsible for leading.

The ECQ has enjoyed a history of cooperation and access to specific capability within other Australian electoral jurisdictions to meet its legislative obligations. Through open dialogue and identification of shared operational and strategic opportunities, the ECQ is exploring further ways to access contingent or surge capacity to bolster expert staffing in critical areas during elections, the sharing of election knowledge, skill and innovations outside of election periods and, encourage and explore opportunities for long term partnerships.

As of 30 June 2020, the Commission employed a total of 76 full-time equivalent employees and the permanent separation rate was 2.6 per cent.

Staff health and wellbeing

The ECQ supports employee health and wellbeing by actively pursuing a positive culture and a working environment that advocates zero harm to all employees. In 2019-20, to support this positive culture and working environment, team building and planning sessions were held across the ECQ.

The ECQ recognises the importance of flexible work arrangements and the different type of flexible work options available to staff. These options as well as a range of health and well-being services are well promoted through established staff communication channels including:

- free annual influenza vaccinations to all employees
- compulsory domestic and family violence training to promote a respectful workplace culture and provide support to those who lives are affected by domestic and family violence
- compulsory human rights training, and
- access to an employee assistance program for free, short-term professional counselling and support services for employees and immediate family members.

During 2019-20, the ECQ delivered personal resilience training sessions for staff to help build awareness around how to help balance the pressures of day-to-day work and life outside of work, as well as learn strategies to adapt to and prepare for future challenges in a healthy way. Approximately 60 staff attended this training. Throughout the year, the ECQ regularly published wellbeing tips in its weekly newsletter, offering short, bite-sized tips for staff to help support health and wellbeing.

During the restrictions put in place in response to COVID-19, the ECQ produced working from home guidance for staff and managers. This included information around what was expected, how to stay connected, and tips for managing wellbeing when working from home.

In support of diversity and inclusion, the ECQ staff also celebrated a number of national days such as International Women's Day and the World Day for Cultural Diversity.

Early retirement, redundancy and retrenchment

No redundancy, early retirement and or retrenchment packages were paid during the period.

Open data

Information concerning the ECQ's consultancies, overseas travel and language services is available through the Queensland Government Open Data website at www.data.qld.gov.au.

Service Standards

As part of the Queensland Government budget process the ECQ reports its non-financial performance in the Department of Justice and Attorney-General's Service Delivery Statement. ECQ performance is reported under the Service Area "Electoral Services".

Electoral Services

Service Area objectives

Deliver fair, accessible and transparent Queensland elections through maximising voter participation and ensuring adherence to electoral law.

Description

Electoral Services prepares plans and delivers impartial State and local government elections in Queensland and regulates the funding and disclosure activities of political parties and candidates participating in these elections. The service area also maintains equitable representation across electoral boundaries through periodic reviews of Queensland electoral district boundaries and assessing proposals for changes to local government boundaries and electoral arrangements. These services are provided to electoral clients and conducted in accordance with the requirements of the *Electoral Act 1992*, *Local Government Electoral Act 2011*, *Local Government Act 2009* and *City of Brisbane Act 2010*.

| Electoral Services | 2019-20 Target | 2019-20 Actual |
|---|----------------|----------------|
| Effectiveness measures | | |
| Level of informal voting – State general election ¹ | ... | ... |
| Level of informal voting – Local government quadrennial elections (Mayoral) ² | 5% | 4.76% |
| Level of stakeholder satisfaction with the voting experience – State general election ³ | ... | ... |
| Level of stakeholder satisfaction with the voting experience – Local government quadrennial election ⁴ | 85% | 75% |
| Efficiency measures | | |
| Cost of State general election per elector ⁵ | ... | ... |
| Cost of local government quadrennial elections per elector ⁶ | \$8.63 | \$9.13 |

Notes:

1. There was no State general election in 2019-20 and therefore no target measure.
2. This measure is calculated by dividing the total number of informal votes cast by the total number of votes cast for every mayoral election in Queensland.
3. There was no State general election in 2019-20 and therefore no target measure.
4. In 2020, the ECQ altered its methodology for measuring voter satisfaction, which impacted its comparability to previous benchmarks. The ECQ also notes that the COVID-19 global pandemic had a significant impact on the voter experience at the 2020 local government elections.
5. There was no State general election in 2019-20 and therefore no target measure.
6. The costs included in the calculation methodology for this measure are Returning Officer and temporary election staff expenses, office and polling location leases, advertising and community education, computer, consumables and communications, election materials, and Voter Information Cards. At first close of rolls for the 2020 local government elections there were 3,292,980 electors on the electoral roll. The ECQ delivered the 2020 local government elections when COVID-19 was declared a global pandemic. In response to COVID-19, the ECQ provided additional safety measures for voters and polling officers such as engagement of queue controllers to promote and maintain social distancing at polling places, hand sanitiser and cleaning products. The ECQ also extend early voting hours and experienced an increase in demand for postal voting and electronically assisted voting. The total financial impact of COVID-19 on the delivery of the local government elections is estimated to be \$2.702 million.

Financial Performance

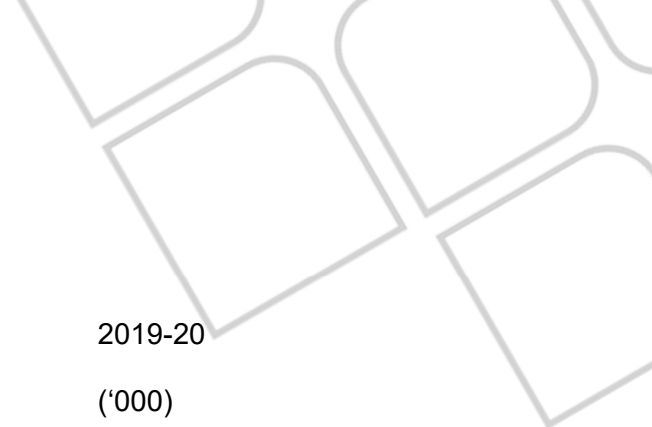
ECQ's financial position

The ECQ's assets as of 30 June 2020 were \$34.715 million and liabilities were \$7.854 million, resulting in net positive equity of \$26.861 million. The increase in the ECQ's equity on the previous year is the result of contributions to develop the new Election Management System.

The ECQ is primarily funded through appropriations from Queensland Treasury. The level of appropriations received, and correspondingly expenditure, during the 2019-20 financial year was higher than the 2018-19 financial year as ECQ conducted the 2020 local government elections during the period.

The appropriations and expenditure are expected to be comparable in 2020-21 as the ECQ continues to prepare for and deliver the 2020 State general election. A breakdown of revenue and expenditure by category is presented below.

| | Actual | Actual |
|---|----------|----------|
| REVENUE | 2018-19 | 2019-20 |
| | (\$'000) | (\$'000) |
| Appropriation revenue | 21,821 | 65,374 |
| User charges and fees | 94 | 97 |
| Contributions | 74 | 48 |
| Other revenue | 41 | 93 |
| | | |
| Total Revenue | 22,030 | 65,612 |
| Gains on disposal | 3 | 7 |
| Total Income from Continuing Operations | 22,033 | 65,619 |



| EXPENDITURE | 2018-19 | 2019-20 |
|---|---------|---------|
| | ('000) | ('000) |
| Employee expenses | 6,949 | 23,408 |
| Supplies and services | 15,056 | 40,094 |
| Depreciation and amortisation | 861 | 1,619 |
| Finance/borrowing costs | - | 18 |
| Other expenses | (969) | 235 |
| | <hr/> | |
| Total Expenses from Continuing Operations | 21,897 | 65,374 |

Financial statements



**Electoral
Commission**
QUEENSLAND

**Financial Statements
for the financial year ended
30 June 2020**

**Electoral Commission of Queensland Financial Statements
For the Year Ended 30 June 2020**

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For the Year Ended 30 June 2020**

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Electoral Commission of Queensland Statement of Comprehensive Income

for the year ended 30 June 2020

| | Note | 2020 \$'000 | 2019 \$'000 |
|--|------|-------------------|-------------------|
| OPERATING RESULT | | | |
| Income from continuing operations | | | |
| Appropriation revenue | B1-1 | 65,374 | 21,821 |
| User charges and fees | | 97 | 94 |
| Contributions | | 48 | 74 |
| Other revenue | | 93 | 41 |
| Total revenue | | <u>65,612</u> | <u>22,030</u> |
| Gains on disposal | | 7 | 3 |
| Total income from continuing operations | | <u>65,619</u> | <u>22,033</u> |
| Expenses from continuing operations | | | |
| Employee expenses | B2-1 | 23,408 | 6,949 |
| Supplies and services | B2-2 | 40,094 | 15,056 |
| Depreciation and amortisation | B2-3 | 1,619 | 861 |
| Finance / borrowing costs | | 18 | - |
| Other expenses | B2-4 | 235 | (969) |
| Total expenses from continuing operations | | <u>65,374</u> | <u>21,897</u> |
| Operating result for the year | | <u><u>245</u></u> | <u><u>136</u></u> |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME | | <u><u>245</u></u> | <u><u>136</u></u> |

The accompanying notes form part of these statements.

Electoral Commission of Queensland Statement of Financial Position

as at 30 June 2020

| | Note | 2020 \$'000 | 2019 \$'000 |
|--------------------------------------|------|----------------|----------------|
| Current assets | | | |
| Cash and cash equivalents | C1 | 11,678 | 9,003 |
| Receivables | C2 | 955 | 2,090 |
| Inventories | C3 | 494 | 659 |
| Other current assets | C4 | 2,759 | 365 |
| Total current assets | | 15,886 | 12,117 |
| Non-current assets | | | |
| Plant and equipment | C5-1 | 927 | 1,268 |
| Right-of-use assets | C8-1 | 1,005 | - |
| Intangible assets | C6-1 | 16,897 | 9,823 |
| Total non-current assets | | 18,829 | 11,091 |
| Total assets | | 34,715 | 23,208 |
| Current liabilities | | | |
| Payables | C7 | 6,563 | 3,993 |
| Lease liabilities | C8-1 | 293 | - |
| Accrued employee benefits | | 288 | 310 |
| Total current liabilities | | 7,144 | 4,303 |
| Non-current liabilities | | | |
| Lease liabilities | C8-1 | 710 | - |
| Total non-current liabilities | | 710 | - |
| Total liabilities | | 7,854 | 4,303 |
| Net assets | | 26,861 | 18,905 |
| Equity | | | |
| Contributed equity | C9-1 | 21,703 | 14,015 |
| Accumulated surplus | | 5,158 | 4,890 |
| Total equity | | 26,861 | 18,905 |

The accompanying notes form part of these statements.

Electoral Commission of Queensland Statement of Changes in Equity

for the year ended 30 June 2020

| | Contributed Equity \$'000 | Accumulated Surplus \$'000 | TOTAL \$'000 |
|--|---------------------------------|-------------------------------|-----------------|
| Balance as at 1 July 2018 | 9,847 | 4,753 | 14,600 |
| Operating result | | | |
| Operating result for the year | - | 136 | 136 |
| Transactions with owners as owners: | | | |
| - Appropriated equity injections (Note C9-2) | 4,244 | - | 4,244 |
| - Appropriated equity withdrawals (Note C9-2) | (76) | - | (76) |
| Balance as at 30 June 2019 | 14,015 | 4,890 | 18,905 |
| Net effect of changes in accounting policies (Note G3-2) | - | 24 | 24 |
| Balance as at 1 July 2019 | 14,015 | 4,914 | 18,929 |
| Operating result | | | |
| Operating result for the year | - | 245 | 245 |
| Transactions with owners as owners: | | | |
| - Appropriated equity injections (Note C9-2) | 7,764 | - | 7,764 |
| - Appropriated equity withdrawals (Note C9-2) | (76) | - | (76) |
| Balance as at 30 June 2020 | 21,703 | 5,158 | 26,861 |

The accompanying notes form part of these statements.

Electoral Commission of Queensland Statement of Cash Flows

for the year ended 30 June 2020

| | | 2020 | 2019 |
|---|------|----------------|----------------|
| | Note | \$'000 | \$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| <i>Inflows:</i> | | | |
| Service appropriation receipts | | 66,714 | 21,821 |
| User charges and fees | | 178 | 22 |
| GST input tax credits from ATO | | 4,412 | 1,428 |
| GST collected from customers | | 1 | - |
| Other | | 93 | 41 |
| <i>Outflows:</i> | | | |
| Employee expenses | | (23,330) | (7,275) |
| Supplies and services | | (41,765) | (13,608) |
| GST paid to suppliers | | (4,498) | (1,643) |
| GST remitted to ATO | | (1) | - |
| Other | | (70) | (74) |
| Net cash provided by operating activities | CF-1 | 1,734 | 712 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| <i>Inflows:</i> | | | |
| Sales of plant and equipment | | 10 | 3 |
| <i>Outflows:</i> | | | |
| Payments for plant and equipment | | (84) | - |
| Payments for intangibles | | (7,946) | (4,205) |
| Net cash used in investing activities | | (8,021) | (4,202) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| <i>Inflows:</i> | | | |
| Equity injections | | 9,359 | 2,649 |
| <i>Outflows:</i> | | | |
| Equity withdrawals | | (76) | (76) |
| Lease payments | CF-2 | (321) | - |
| Net cash provided by financing activities | | 8,962 | 2,573 |
| Net increase (decrease) in cash and cash equivalents | | 2,675 | (917) |
| Cash and cash equivalents - opening balance | | 9,003 | 9,920 |
| Cash and cash equivalents - closing balance | C1 | 11,678 | 9,003 |

The accompanying notes form part of these statements.

Electoral Commission of Queensland Statement of Cash Flows

for the year ended 30 June 2020

NOTES TO THE STATEMENT OF CASH FLOWS

CF-1 Reconciliation of operating result to net cash provided by operating activities

| | 2020 \$'000 | 2019 \$'000 |
|--|----------------|----------------|
| Operating surplus/(deficit) | 245 | 136 |
| <i>Non-cash items included in operating result:</i> | | |
| Depreciation and amortisation expense | 1,619 | 861 |
| Lease interest | 18 | - |
| Net gains on disposal of plant and equipment | (7) | (3) |
| <i>Change in assets and liabilities:</i> | | |
| (Increase)/decrease in appropriation revenue receivable | (555) | - |
| (Decrease)/increase in deferred appropriation payable to Consolidated Fund | 1,895 | (1,205) |
| (Increase)/decrease in trade receivables | 81 | (36) |
| (Increase)/decrease in GST input tax credits receivable | (86) | (215) |
| (Increase)/decrease in LSL reimbursement receivables | 13 | (21) |
| (Increase)/decrease in annual leave reimbursement receivables | 88 | (52) |
| (Increase)/decrease in inventories | 165 | (199) |
| (Increase)/decrease in prepayments/other | (2,394) | 31 |
| Increase/(decrease) in accounts payable | 675 | 1,555 |
| Increase/(decrease) in accrued employee benefits | (23) | (140) |
| Net cash provided by operating activities | 1,734 | 712 |

CF-2 Changes in liabilities arising from financing activities

| | Opening balance \$'000 | Non-cash changes New leases acquired \$'000 | Lease interest \$'000 | Cash flows Cash repayments \$'000 | Closing balance \$'000 |
|-------------------|------------------------------|--|-----------------------------|--|------------------------------|
| 2020 | | | | | |
| Lease liabilities | (1,306) | - | (18) | 321 | (1,003) |
| Total | (1,306) | - | (18) | 321 | (1,003) |
| 2019 | | | | | |
| Lease liabilities | - | - | - | - | - |
| Total | - | - | - | - | - |

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

SECTION 1 ABOUT THE ELECTORAL COMMISSION OF QUEENSLAND AND THIS FINANCIAL REPORT

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 GENERAL INFORMATION

The Electoral Commission of Queensland (ECQ) is an independent statutory authority established on proclamation of the *Electoral Act 1992* (the Act). The ECQ is responsible for the impartial conduct of parliamentary, local government and industrial elections in Queensland, as well as the periodic review of electoral boundaries for parliament and local councils.

The ECQ is a Public Service Office of the Queensland Government established under the *Public Service Act 2008* and controlled by the State of Queensland, which is the ultimate parent. For the purpose of the *Financial Accountability Act 2009*, the ECQ is a Department.

The head office and principal place of business of the ECQ is Level 20, 1 Eagle Street, Brisbane Qld 4000.

A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The ECQ has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for the reporting periods beginning on or after 1 July 2019.

The ECQ is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note G3.

A1-3 PRESENTATION

Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2018-19 financial statements.

Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying 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 ECQ 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.

A1-4 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the Electoral Commissioner and the Chief Finance Officer at the date of signing the Management Certificate.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

A1 BASIS OF FINANCIAL STATEMENT PREPARATION (continued)

A1-5 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except for inventories which are measured at the lower of cost and net realisable value.

Historical cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Net realisable value

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

A1-6 THE REPORTING ENTITY

The financial statements include all income, expenses, assets, liabilities and equity of the ECQ. The ECQ does not control any other entities.

A2 ECQ's OBJECTIVES

The primary objective of the ECQ is to promote awareness of and participation in electoral matters to deliver fair elections and to drive improvements to election services and to ensure equitable representation across Queensland electoral boundaries.

The ECQ is responsible for the impartial conduct of parliamentary, local government and industrial elections in Queensland. The ECQ is also responsible for administration of the periodic review of electoral boundaries for the State and local governments. The ECQ performs its functions in accordance with requirements of the *Electoral Act 1992*, the *Local Government Electoral Act 2011*, the *Referendums Act 1997*, the *Industrial Relations Act 1999*, the *Local Government Act 2009* and the *City of Brisbane Act 2010*.

The ECQ is funded for the services it delivers principally by parliamentary appropriations. It also provides sale of electoral products and materials on a fee for service basis.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

SECTION 2 NOTES ABOUT OUR FINANCIAL PERFORMANCE

B1 REVENUE

B1-1 APPROPRIATION REVENUE

| | | |
|---|---------------|---------------|
| Reconciliation of payments from Consolidated Fund to appropriated revenue recognised in operating result | 2020 | 2019 |
| | \$'000 | \$'000 |
| Original budgeted appropriation revenue | 70,231 | 48,003 |
| Supplementary amounts: | | |
| Transfers from appropriation revenue to equity | (3,517) | - |
| Lapsed appropriation revenue | - | (26,182) |
| Total appropriation received (cash) | 66,714 | 21,821 |
| Plus: Closing balance of appropriation revenue receivable | 555 | - |
| Plus: Opening balance of deferred appropriation payable to Consolidated Fund | 1,913 | 3,118 |
| Less: Closing balance of deferred appropriation payable to Consolidated Fund | (3,808) | (1,913) |
| Net appropriation revenue | 65,374 | 23,026 |
| Plus: Deferred appropriation payable to Consolidated Fund (expense in 2018-19) | - | (1,205) |
| Appropriation revenue recognised in Statement of Comprehensive Income | 65,374 | 21,821 |
| Variance between original budgeted and actual appropriation revenue | (4,857) | (26,182) |

Accounting policy – Appropriation revenue

Appropriations provided under the *Appropriation Act 2019* and the *Appropriation (COVID-19) Act 2020* are recognised as revenue when received. Where the ECQ has an obligation to return unspent (or unapplied) appropriation receipts to Consolidated Fund at year end (a deferred appropriation repayable to Consolidated Fund), a liability is recognised with a corresponding reduction to appropriation revenue, reflecting the net appropriation revenue position with Consolidated Fund for the reporting period. Prior to 1 July 2019, any liability at the end of the financial year for deferred appropriation repayable was debited to expense under the requirements of the superseded AASB 1004 *Contributions* (refer Note B2-4). Capital appropriations are recognised as adjustments to equity, refer to Note C9-2.

Disclosure - Variance analysis

- *Budget vs actual appropriation revenue* – Refer to Note E2-1, Variance note 1.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

B2 EXPENSES

B2-1 EMPLOYEE EXPENSES

| | 2020 | 2019 |
|---|---------------|--------------|
| | \$'000 | \$'000 |
| Employee benefits | | |
| Wages and salaries * | 7,240 | 5,000 |
| Election wages, polling officials and returning officers fees and allowance | 13,755 | 139 |
| Annual leave levy | 687 | 639 |
| Employer superannuation contributions | 886 | 709 |
| Long service leave levy | 179 | 121 |
| Termination benefits | - | 163 |
| Other employee benefits | 21 | 22 |
| Employee related expenses | | |
| Workers' compensation premium | 59 | 29 |
| Other employee related expenses | 581 | 127 |
| Total | 23,408 | 6,949 |

* Wages and salaries includes \$80,913 of \$1,250 one-off, pro-rata payments for 64.73 full-time equivalent employees (announced in September 2019).

Disclosure – Employee expenses

In 2019-20, total employee expenses of \$14.063 million was incurred for the 2020 Local Government Elections. This amount includes additional employee expenses due to the impact of COVID-19 on the ECQ service delivery model during the election process (refer to Note E1).

Disclosure – Full-time equivalent employees

| | 2020 | 2019 |
|---------------------------------|------|------|
| | No. | No. |
| Full-Time Equivalent Employees: | 76 | 66 |

The ECQ engages casual employees on an "as need basis" and during the 2019-20 financial year the number of casual employees engaged was 19 (2019: 2).

Accounting policy - Wages and salaries

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates. As the ECQ expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Accounting policy - Sick leave

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.

Accounting policy - Annual leave

The Queensland Government's Annual Leave Central Scheme (ALCS) became operational on 30 June 2008 for the ECQ. Under this scheme, a levy is made on the ECQ to cover the cost of employees' annual leave (including leave loading and on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave are claimed from the scheme quarterly in arrears.

Accounting policy - Long service leave

Under the Queensland Government's long service leave scheme, a levy is made on the ECQ to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

B2 EXPENSES (continued)

B2-1 EMPLOYEE EXPENSES (continued)

Accounting policy - Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the ECQ at the specified rate following completion of the employee's service each pay period. The ECQ's obligations are limited to those contributions paid.

Accounting policy - Workers' compensation premiums

The ECQ pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not employee benefits and is recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are detailed in Note G1.

B2-2 SUPPLIES AND SERVICES

| | 2020 \$'000 | 2019 \$'000 |
|--|----------------|----------------|
| Computer processing costs | 3,062 | 1,152 |
| Consultants and contractors | 12,577 | 4,624 |
| Public funding to political parties and candidates | 3,087 | 3,000 |
| Freight and cartage | 616 | 31 |
| Advertising and promotion | 1,308 | 27 |
| Joint roll arrangement | 2,854 | 2,748 |
| Printing and postage | 6,069 | 213 |
| Office accommodation | 1,531 | 1,108 |
| Lease expenses | 2,720 | 281 |
| Telephone | 764 | 309 |
| Portable and attractive equipment | 1,776 | - |
| Other | 3,730 | 1,563 |
| Total | 40,094 | 15,056 |

Disclosure – Supplies and services expenses

In 2019-20, the ECQ incurred supplies and services expenditure of \$15.866 million to conduct the 2020 Local Government Elections. This amount includes additional supplies and services expenses due to the impact of COVID-19 on the ECQ service delivery model during the election process (refer to Note E1).

Payments for non-specialised commercial office accommodation under the Queensland Government Accommodation Office (QGAO) framework arise from non-lease arrangements with the Department of Housing and Public Works, who has substantive substitution rights over the assets used within these schemes. Payments are expensed as incurred and categorised within the office accommodation line item.

Disclosure - Lease expenses

The ECQ has multiple short-term leases for 12 months or less to provide office accommodation for returning and polling officers for the 2020 Local Government Elections and State Government Election. Refer to Note C8-1 for breakdown of lease expenses and other lease disclosures.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

B2 EXPENSES (continued)

B2-3 DEPRECIATION AND AMORTISATION

| | 2020 \$'000 | 2019 \$'000 |
|--|----------------|----------------|
| Depreciation - plant and equipment (Note C4-1) | 422 | 453 |
| Depreciation - right-of-use assets (Note C8-1) | 324 | - |
| Amortisation - intangibles (Note C5-1) | 873 | 408 |
| Total | 1,619 | 861 |

B2-4 OTHER EXPENSES

| | 2020 \$'000 | 2019 \$'000 |
|---|----------------|----------------|
| Deferred appropriation payable to Consolidated Fund * | - | (1,205) |
| Insurance - QGIF | 19 | 29 |
| External audit fees ** | 51 | 45 |
| Inventory written off | 165 | 13 |
| Services provided at below fair value | - | 149 |
| Total | 235 | (969) |

Deferred appropriation payable to Consolidated Fund

* Prior to 1 July 2019, any liability at the end of the financial year for deferred appropriation repayable was debited to expense under the requirements of the superseded AASB 1004 *Contributions*. In 2019-20, the reversal of 2018-19 deferral and the deferred appropriation repayable at the end of 2019-20 were recognised with a corresponding reduction to appropriation revenue.

Audit fees

** Total audit fees quoted by the Queensland Audit Office relating to the 2019-20 financial statements are \$50,750 (2019: \$38,500). There are no non-audit services included in this amount.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

SECTION 3 NOTES ABOUT OUR FINANCIAL POSITION

C1 CASH AND CASH EQUIVALENTS

| | 2020 \$'000 | 2019 \$'000 |
|------------------|----------------|----------------|
| Imprest accounts | 1 | 1 |
| Cash at bank | 11,677 | 9,002 |
| Total | 11,678 | 9,003 |

Accounting policy - 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.

ECQ's bank accounts grouped within the whole-of-Government set-off arrangement with the Queensland Treasury Corporation do not earn interest on surplus funds. Interest earned on the aggregate set-off arrangement balance accrues to the Consolidated Fund.

C2 RECEIVABLES

| | 2020 \$'000 | 2019 \$'000 |
|-----------------------------------|----------------|----------------|
| Trade debtors | - | 81 |
| GST receivable | 350 | 263 |
| Annual leave reimbursements | 40 | 128 |
| Long service leave reimbursements | 10 | 23 |
| Appropriation revenue receivable | 555 | - |
| Other | - | 1,595 |
| Total | 955 | 2,090 |

Accounting policy - Receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/ contract price. Settlement of these amounts is required within 30 days from invoice date.

Other debtors generally arise from transactions outside the usual operating activities of the ECQ and are recognised at their assessed values. Terms are a maximum of three months, no interest is charged and no security is obtained.

Disclosure - Other receivables

In 2018-19, the other receivables of \$1.595 million represented an equity adjustment receivable to provide funding for the SEMS replacement and other capital projects.

C3 INVENTORIES

| | 2020 \$'000 | 2019 \$'000 |
|---|----------------|----------------|
| Inventories held for distribution - at cost | 494 | 659 |
| Total | 494 | 659 |

Accounting policy - Inventories

Inventories held for distribution are those inventories that the ECQ distributes for no or nominal consideration. These consist of materials purchased for elections. Inventories held for distribution are measured at cost adjusted, where applicable, for any loss of service potential.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

C4 OTHER CURRENT ASSETS

| | 2020 | 2019 |
|--------------|--------------|------------|
| | \$'000 | \$'000 |
| Prepayments | 2,442 | 365 |
| Deposits | 317 | - |
| Total | 2,759 | 365 |

Disclosure – Prepayments

The prepayments include \$1.496 million in total for short-term leases at various locations to provide office accommodation for returning and polling officers for the 2020 State Government Election.

C5 PLANT, EQUIPMENT AND DEPRECIATION EXPENSE

C5-1 CLOSING BALANCES AND RECONCILIATION OF CARRYING AMOUNT

| | Plant and equipment | | Work in progress | | Total | |
|---|---------------------|--------------|------------------|----------|------------|--------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Gross | 3,795 | 3,750 | - | - | 3,795 | 3,750 |
| Less: Accumulated depreciation | (2,868) | (2,482) | - | - | (2,868) | (2,482) |
| Carrying amount at 30 June | 927 | 1,268 | - | - | 927 | 1,268 |
| <i>Represented by movements in carrying amount:</i> | | | | | | |
| Carrying amount at 1 July | 1,268 | 1,721 | - | - | 1,268 | 1,721 |
| Acquisitions | 84 | - | - | - | 84 | - |
| Disposals | (3) | - | - | - | (3) | - |
| Depreciation expense | (422) | (453) | - | - | (422) | (453) |
| Carrying amount at 30 June | 927 | 1,268 | - | - | 927 | 1,268 |

C5-2 RECOGNITION AND ACQUISITION

Accounting policy – Recognition thresholds

Items of plant and equipment with a historical cost or other value equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

Accounting policy – Cost of acquisition

Historical cost is used for the initial recording of all plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition, plus all other costs incurred in getting the assets ready for use.

C5-3 MEASUREMENT USING HISTORICAL COST

Accounting policy

Plant and equipment is measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Policies. The carrying amounts for such plant and equipment at cost is not materially different from their fair value.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

C5 PLANT, EQUIPMENT AND DEPRECIATION EXPENSE (continued)

C5-4 DEPRECIATION EXPENSE

Accounting policy

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost of each asset progressively over its estimated useful life to the ECQ.

Key judgement: Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the ECQ.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the ECQ.

Assets under construction (work-in-progress) are not depreciated until construction is complete and the asset is put to use or is ready for its intended use, whichever is the earlier. These assets are then reclassified to the relevant class within plant and equipment.

For the ECQ's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

Depreciation rates

Key estimate: For each class of depreciable asset the following depreciation rates are used:

| Class | Useful life |
|------------------------|-------------|
| Plant and equipment: | |
| Computer equipment | 3-8 years |
| Office equipment | 3-8 years |
| Leasehold improvements | 4-5 years |
| Other equipment | 4-7 years |

C5-5 IMPAIRMENT

Accounting policy

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the ECQ 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.

Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

An impairment loss is recognised immediately in the Statement of Comprehensive Income.

Where an impairment loss subsequently reverses, it is recognised as income.

C6 INTANGIBLES AND AMORTISATION EXPENSE

C6-1 CLOSING BALANCES AND RECONCILIATION OF CARRYING AMOUNT

| | Software internally generated: at cost | | Software: work in progress | | Total | |
|---|--|--------------|----------------------------|--------------|---------------|--------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Gross | 19,147 | 6,174 | 2,182 | 7,209 | 21,329 | 13,383 |
| Less: Accumulated amortisation | (4,432) | (3,560) | - | - | (4,432) | (3,560) |
| Carrying amount at 30 June | 14,715 | 2,614 | 2,182 | 7,209 | 16,897 | 9,823 |
| <i>Represented by movements in carrying amount:</i> | | | | | | |
| Carrying amount at 1 July | 2,614 | 3,022 | 7,209 | 3,004 | 9,823 | 6,026 |
| Acquisitions | - | - | 7,946 | 4,205 | 7,946 | 4,205 |
| Transfers between classes | 12,973 | | (12,973) | | - | - |
| Amortisation | (873) | (408) | - | - | (873) | (408) |
| Carrying amount at 30 June | 14,715 | 2,614 | 2,182 | 7,209 | 16,897 | 9,823 |

Amortisation of intangibles is included in the line item 'Depreciation and Amortisation' in the Statement of Comprehensive Income.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

C6 INTANGIBLES AND AMORTISATION EXPENSE (continued)

C6-2 RECOGNITION AND MEASUREMENT

Accounting policy

Intangible assets of the ECQ comprise internally developed software. Intangible assets with a historical cost or other value equal to or greater than \$100,000 are recognised in the financial statements. Items with a lesser value are expensed. Any training costs are expensed as incurred.

There is no active market for any of the ECQ's intangible assets. As such, the assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the internal development of computer software are capitalised and amortised under the amortisation policy below.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

C6-3 AMORTISATION EXPENSE

Accounting policy

All intangible assets of the ECQ have finite useful lives and are amortised on a straight line basis over their estimated useful life to the ECQ. Straight line amortisation is used reflecting the expected consumption of economic benefits on a progressive basis over the intangible's useful life. The residual value of all the ECQ's intangible assets is zero.

Amortisation rates

Key estimate: For each class of intangible asset the following amortisation rates are used:

| Intangible asset | Useful life |
|-------------------------------|-------------|
| Software internally generated | 3-13 years |

C6-4 IMPAIRMENT

Accounting policy

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the ECQ 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.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the ECQ, including discontinuing the use of the software or patent. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

C6-5 OTHER DISCLOSURES

Individually significant intangible assets

At 30 June the ECQ holds Election Management System (EMS), which has a carrying amount of \$10.658 million and a remaining amortisation period of 8 years, and Electronic Disclosure System (EDS), which has a carrying amount of \$3.597 million and a remaining amortisation period of 7 years.

C7 PAYABLES

| | 2020 \$'000 | 2019 \$'000 |
|---|----------------|----------------|
| Current | | |
| Trade creditors | 2,142 | 2,049 |
| Deferred appropriation payable to Consolidated Fund | 3,808 | 1,913 |
| Other | 613 | 31 |
| Total | 6,563 | 3,993 |

Accounting policy – Payables

Trade creditors are recognised upon receipt of the goods and 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.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

C8 LEASES

A new accounting standard AASB 16 *Leases* came into effect in 2019-20, resulting in significant changes to the ECQ's accounting for leases for which it is lessee. The transitional impacts of the new standard are disclosed in Note G3-2.

C8-1 LEASES AS LESSEE

| Right-of-use assets | Buildings \$'000 | Total \$'000 |
|--|---------------------|-----------------|
| Opening balance at 1 July 2019 | 1,330 | 1,330 |
| Depreciation charge | (324) | (324) |
| Closing balance at 30 June 2020 | 1,005 | 1,005 |

| Lease liabilities | 2020 \$'000 | 2019 \$'000 |
|--------------------|----------------|----------------|
| Current | | |
| Lease liabilities | 293 | - |
| Total | 293 | - |
| Non-current | | |
| Lease liabilities | 710 | - |
| Total | 710 | - |

Accounting policies – Leases as lessee

The ECQ measures right-of-use assets at cost on initial recognition, and measures all right-of-use assets at cost subsequent to initial recognition.

The ECQ has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

Where a contract contains both a lease and non-lease components such as asset maintenance services, the ECQ allocates the contractual payments to each component on the basis of their stand-alone prices.

When measuring the lease liability, the ECQ uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all of the ECQ's leases. To determine the incremental borrowing rate, the ECQ uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

Disclosures - Leases as lessee

(i) Details of leasing arrangements as lessee

| | |
|---------------------|--|
| Storage facility #1 | The ECQ has a lease agreement to rent a storage facility in Brisbane ending in 2020-21 with an option to extend until 2023-24. At the time of preparation of financial statements, the ECQ was intending to exercise the option to renew the lease. Lease payments are indexed annually at a specified fixed rate. |
| Storage facility #2 | The ECQ has a lease agreement to rent a second storage facility in Brisbane ending in 2023-24. |
| Short-term leases | The ECQ entered into multiple short-term leases for 12 months or less at various locations across the State in order to conduct the 2020 Local Government Elections and State Government Election and provide office accommodation for returning and polling officers. In accordance with AASB 16, the ECQ elected to recognise the lease payments as an expense on a straight-line basis. |

(ii) Office accommodation and motor vehicles

The Department of Housing and Public Works (DHPW) provides the ECQ with access to office accommodation and motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because DHPW has substantive substitution rights over the assets. The related service expenses are included in Note B2-2.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

C8 LEASES (continued)

C8-1 LEASES AS LESSEE (continued)

| | 2020 \$'000 | 2019 \$'000 |
|--|----------------|----------------|
| <i>(iii) Amounts recognised in profit or loss</i> | | |
| Interest expense on lease liabilities | 18 | - |
| Expenses relating to short-term leases (included in Note B2-2) | 2,720 | - |
| <i>(iv) Total cash outflow for leases</i> | | |
| Storage facility #1 | (292) | - |
| Storage facility #2 | (29) | - |
| Short-term leases | (4,217) | - |
| | (4,538) | - |

2018-19 disclosures under AASB 117

| | |
|--|---------------|
| <i>Operating lease commitments at 30 June 2019</i> | \$'000 |
| Not later than 1 year | 1,810 |
| Later than 1 year and not later than 5 years | 3,817 |
| Total | 5,627 |

C9 EQUITY

C9-1 CONTRIBUTED EQUITY

Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* specifies the principles for recognising contributed equity by the ECQ. The following item is recognised as contributed equity by the ECQ during the reporting and comparative years:

- Appropriations for equity adjustments (refer Note C9-2).

C9-2 APPROPRIATIONS RECOGNISED IN EQUITY

Reconciliation of payments from Consolidated Fund to equity adjustment

| | 2020 \$'000 | 2019 \$'000 |
|---|----------------|----------------|
| Original budgeted equity adjustment appropriation | 1,809 | 3,265 |
| Supplementary amounts: | | |
| Transfers from appropriation revenue to equity | 3,517 | - |
| Lapsed equity adjustment | - | (692) |
| Unforeseen expenditure | 3,957 | - |
| Equity adjustment receipts (payments) | 9,283 | 2,573 |
| Less: Opening balance of equity adjustment receivable | (1,595) | - |
| Plus: Closing balance of equity adjustment receivable | - | 1,595 |
| Equity adjustment recognised in contributed equity | 7,688 | 4,168 |
| Variance between original budgeted and actual equity adjustment appropriation | 5,879 | 903 |

(1) - *Unforeseen expenditure* – refer to Note E4, Variance note 13.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

SECTION 4 NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

D1 FINANCIAL RISK DISCLOSURES

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the ECQ becomes party to the contractual provisions of the financial instrument. The ECQ has the following categories of financial assets and financial liabilities:

- Cash and cash equivalents - Note C1;
- Receivables at amortised cost - Note C2;
- Payables at amortised cost - Note C7.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

The ECQ does not enter into transactions for speculative purposes, nor for hedging. No financial assets and liabilities are classified at fair value through profit or loss.

D2 CONTINGENCIES

Litigation in progress

At 30 June 2020, the following cases were filed in the courts naming the State of Queensland acting through the Electoral Commission of Queensland as a party to the matter:

| | 2020 | 2019 |
|-----------------|-----------------|-----------------|
| | Number of cases | Number of cases |
| Court of Appeal | - | 1 |
| Total | - | 1 |

Effective 1 July 2001, the ECQ joined the Queensland Government Insurance Fund (QGIF). Under the QGIF, the ECQ would be able to claim back, less a \$10,000 deduction, the amount paid to successful litigants. This includes any cases that existed as at 1 July 2001 and cases that have arisen since that date.

D3 COMMITMENTS

Capital expenditure commitments

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

| | 2020 | 2019 |
|--|------------|--------------|
| | \$'000 | \$'000 |
| <i>Intangibles</i> | | |
| Not later than 1 year | 300 | 1,001 |
| Later than 1 year and not later than 5 years | - | - |
| Total | 300 | 1,001 |

D4 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

At the date of authorisation of the financial report, the Australian accounting standards and interpretations with future effective dates are either not applicable to the ECQ's activities, or have no material impact on the ECQ.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

SECTION 5 NOTES ON OUR PERFORMANCE COMPARED TO BUDGET

E1 BUDGETARY REPORTING DISCLOSURES AND SIGNIFICANT FINANCIAL IMPACTS FROM COVID-19

This section discloses the ECQ's original published budgeted figures for 2019-20 compared to actual results, with explanations of major variances, in respect of the ECQ's Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows.

SIGNIFICANT FINANCIAL IMPACTS - COVID-19 PANDEMIC

The ECQ delivered the 2020 Local Government Elections when coronavirus (COVID-19) was declared a global pandemic. In response to COVID-19, the ECQ provided additional safety measures for voters and polling officers such as engagement of queue controllers to promote and maintain social distance at polling places, hand sanitisers and cleaning products. The ECQ also experienced an increased demand for postal voting and electronically assisted voting and had to extend pre-polling hours. The total financial impact of COVID-19 pandemic on the ECQ is estimated at \$2.702 million.

E2 BUDGET TO ACTUAL COMPARISON - STATEMENT OF COMPREHENSIVE INCOME (Controlled Activities)

| | Variance note | 2020 Original budget \$'000 | 2020 Actual result \$'000 | Budget variance \$'000 |
|--|------------------|--------------------------------------|------------------------------------|------------------------------|
| Income from continuing operations | | | | |
| Appropriation revenue | 1 | 70,231 | 65,374 | (4,857) |
| User charges and fees | | 30 | 97 | 67 |
| Contributions | | - | 48 | 48 |
| Other revenue | | - | 93 | 93 |
| Total revenue | | 70,261 | 65,612 | (4,649) |
| Gains on disposal | | - | 7 | 7 |
| Total income from continuing operations | | 70,261 | 65,619 | (4,642) |
| Expenses from continuing operations | | | | |
| Employee expenses | 2 | 21,634 | 23,408 | 1,774 |
| Supplies and services | 3 | 47,705 | 40,094 | (7,611) |
| Depreciation and amortisation | 4 | 1,141 | 1,619 | 478 |
| Finance / borrowing costs | | (314) | 18 | 332 |
| Other expenses | | 95 | 235 | 140 |
| Total expenses from continuing operations | | 70,261 | 65,374 | (4,887) |
| Operating result for the year | | - | 245 | 245 |
| Other comprehensive income | | - | - | - |
| Total comprehensive income | | - | 245 | 245 |

E2-1 EXPLANATION OF MAJOR VARIANCES – STATEMENT OF COMPREHENSIVE INCOME

- The reduction in appropriation revenue is mainly caused by the deferral of operational funding due to a delay in completion of the Election Management System (EMS) and transfer from appropriation revenue to equity to fund EMS capital expenditure.
- The increase in employee expenses in comparison to the budget is mainly due to COVID-19 safety measures, which include additional staffing requirements for extended operating hours at early voting centres.
- The decrease in supplies and services is mainly related to deferral of activities in delivering the EMS modules for the 2020 State General Election.
- Higher amortisation costs are caused by completion of the EMS modules, which were used for the 2020 Local Government Elections.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

E3 BUDGET TO ACTUAL COMPARISON - STATEMENT OF FINANCIAL POSITION

| | Variance note | 2020 Original budget \$'000 | 2020 Actual result \$'000 | Budget variance \$'000 |
|--------------------------------------|------------------|--------------------------------------|------------------------------------|------------------------------|
| Current assets | | | | |
| Cash and cash equivalents | 5 | 8,224 | 11,678 | 3,454 |
| Receivables | | 170 | 955 | 785 |
| Inventories | | 460 | 494 | 34 |
| Other current assets | 6 | 396 | 2,759 | 2,363 |
| Total current assets | | 9,250 | 15,886 | 6,636 |
| Non-current assets | | | | |
| Plant and equipment | 7 | 1,723 | 927 | (796) |
| Right-of-use assets | 8 | 658 | 1,005 | 347 |
| Intangible assets | 9 | 8,984 | 16,897 | 7,913 |
| Total non-current assets | | 11,365 | 18,829 | 7,464 |
| Total assets | | 20,615 | 34,715 | 14,100 |
| Current liabilities | | | | |
| Payables | 10 | 526 | 6,563 | 6,037 |
| Lease liabilities | 11 | - | 293 | 293 |
| Accrued employee benefits | | 449 | 288 | (161) |
| Total current liabilities | | 975 | 7,144 | 6,169 |
| Non-current liabilities | | | | |
| Lease liabilities | 11 | 658 | 710 | 52 |
| Total non-current liabilities | | 658 | 710 | 52 |
| Total liabilities | | 1,633 | 7,854 | 6,221 |
| Net assets / Total equity | | 18,982 | 26,861 | 7,879 |

E3-1 EXPLANATION OF MAJOR VARIANCES – STATEMENT OF FINANCIAL POSITION

5. The higher actual cash balance is primarily due to the deferral of operating expenditure for the EMS.
6. The increase against other current assets is mainly the result of prepayments for office accommodation, which will be used by returning and polling officers for the 2020 State Government Election.
7. The variance is attributable to the lower than expected purchase of plant and equipment.
8. The difference is a result of the under-estimated original budget for the right-of-use assets.
9. The higher amount of actual intangible assets is mainly due to additional capital expenditure relating to the EMS project.
10. The variance in payables is primarily attributable to the higher than expected amount of accrued invoices, deferred appropriation revenue and PAYG tax payable for temporary election staff.
11. The difference is a result of the under-estimated original budget for the lease liability.

**Electoral Commission of Queensland
Notes to the Financial Statements**

for the year ended 30 June 2020

E4 BUDGET TO ACTUAL COMPARISON – STATEMENT OF CASH FLOWS

| | Variance note | 2020 Original budget \$'000 | 2020 Actual result \$'000 | Budget variance \$'000 |
|---|------------------|--------------------------------------|------------------------------------|------------------------------|
| Cash flows from operating activities | | | | |
| <i>Inflows:</i> | | | | |
| Service appropriation receipts | 12 | 70,231 | 66,714 | (3,517) |
| User charges and fees | | 30 | 178 | 148 |
| GST input tax credits from ATO | | 890 | 4,412 | 3,522 |
| GST collected from customers | | 2 | 1 | (1) |
| Other | | - | 93 | 93 |
| <i>Outflows:</i> | | | | |
| Employee expenses | 2 | (21,634) | (23,330) | (1,696) |
| Supplies and services | 3 | (47,755) | (41,765) | 5,990 |
| GST paid to suppliers | | (840) | (4,498) | (3,658) |
| GST remitted to ATO | | (2) | (1) | 1 |
| Borrowing costs | | 314 | - | (314) |
| Other | | (95) | (70) | 25 |
| Net cash provided by (used in) operating activities | | 1,141 | 1,734 | 593 |
| Cash flows from investing activities | | | | |
| <i>Inflows:</i> | | | | |
| Sales of plant and equipment | | - | 10 | 10 |
| <i>Outflows:</i> | | | | |
| Payments for plant and equipment | | (79) | (84) | (5) |
| Payments for intangibles | 9 | (1,846) | (7,946) | (6,100) |
| Net cash provided by (used in) investing activities | | (1,925) | (8,021) | (6,096) |
| Cash flows from financing activities | | | | |
| <i>Inflows:</i> | | | | |
| Equity injections | 13 | 1,885 | 9,359 | 7,474 |
| <i>Outflows:</i> | | | | |
| Equity withdrawals | | (76) | (76) | - |
| Lease payments | | (314) | (321) | (7) |
| Net cash provided by (used in) financing activities | | 1,495 | 8,962 | 7,467 |
| Net increase (decrease) in cash and cash equivalents | | 711 | 2,675 | 1,964 |
| Cash and cash equivalents - opening balance | | 7,513 | 9,003 | 1,490 |
| Cash and cash equivalents - closing balance | | 8,224 | 11,678 | 3,454 |

E4-1 EXPLANATION OF MAJOR VARIANCES – STATEMENT OF CASH FLOWS

12. The reduction in service appropriation receipts is caused by the reclassification of appropriation revenue to equity in order to fund the EMS capital expenditure.
13. The variance is due to additional capital expenditure relating to the EMS project.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

SECTION 6 WHAT WE LOOK AFTER ON BEHALF OF WHOLE-OF-GOVERNMENT AND THIRD PARTIES

F1 ADMINISTERED ITEMS

The ECQ administers, but does not control, certain activities on behalf of the Government. In doing so, it has responsibility for administering those activities (and related transactions and balances) efficiently and effectively, but does not have the discretion to deploy those resources for the achievement of the ECQ's own objectives.

These transactions and balances are not significant in comparison to the ECQ's overall financial performance/ financial position.

Accounting policies applicable to administered items are consistent with the equivalent policies for controlled items, unless stated otherwise.

F1-1 SCHEDULE OF ADMINISTERED INCOME AND EXPENDITURE

| | 2020 \$'000 | 2019 \$'000 |
|--|----------------|----------------|
| Administered income | | |
| Revenue from local councils | 24,058 | 703 |
| Fines and forfeitures | 72 | 1,047 |
| Total Administered income | 24,130 | 1,750 |
| Administered expenses | | |
| Transfers of administered income to Government | 23,942 | 1,747 |
| Impairment losses | 188 | - |
| Other expenses | - | 3 |
| Total Administered expenses | 24,130 | 1,750 |

F1-2 SCHEDULE OF ADMINISTERED ASSETS AND LIABILITIES

| | 2020 \$'000 | 2019 \$'000 |
|----------------------------------|----------------|----------------|
| Administered assets | | |
| <i>Current</i> | | |
| Cash | 2,089 | 171 |
| Receivables | 24,283 | 8 |
| Total current assets | 26,373 | 179 |
| Administered liabilities | | |
| <i>Current</i> | | |
| GST payable | 2,406 | - |
| Payable to Government | 23,967 | 179 |
| Total current liabilities | 26,373 | 179 |

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

F1 ADMINISTERED ITEMS (continued)

F1-3 ADMINISTERED ACTIVITIES - BUDGET TO ACTUAL COMPARISON AND VARIANCE ANALYSIS

This note compares the original published budgeted figures for 2019-20 to actual results in respect of the ECQ's major classes of administered income, expenses, assets and liabilities. An explanation of major variances is also included.

| | Variance note | 2020 Original budget \$'000 | 2020 Actual result \$'000 | Budget variance \$'000 |
|--|------------------|--------------------------------------|------------------------------------|------------------------------|
| INCOME AND EXPENDITURE | | | | |
| Administered income | | | | |
| Revenue from local councils | 14 | 21,794 | 24,058 | 2,264 |
| Fines and forfeitures | | 660 | 72 | (588) |
| Total Administered income | | 22,454 | 24,130 | 1,676 |
| Administered expenses | | | | |
| Transfers of administered income to Government | | 22,454 | 23,942 | 1,488 |
| Impairment losses | | - | 188 | 188 |
| Total Administered expenses | | 22,454 | 24,130 | 1,676 |
| ASSETS AND LIABILITIES | | | | |
| Administered assets | | | | |
| <i>Current</i> | | | | |
| Cash | 15 | (12) | 2,089 | 2,101 |
| Receivables | 14 | 766 | 24,283 | 23,517 |
| Other | | 40 | - | (40) |
| Total current assets | | 794 | 26,373 | 25,578 |
| Administered liabilities | | | | |
| <i>Current</i> | | | | |
| Trade creditors | | 1 | - | (1) |
| GST payable | 16 | - | 2,406 | 2,406 |
| Payable to Government | 14 | 793 | 23,967 | 23,174 |
| Total current liabilities | | 794 | 26,373 | 25,579 |

Notes explaining major variances for administered activities

14. The actual revenue represents reimbursements of the ECQ's costs incurred for the Local Government Elections. The variance is due to a conservative approach used in calculation of the original budget.
15. The higher amount of actual cash is attributable to reimbursements from local councils received in June 2020.
16. The actual GST payable is associated with tax invoices issued to local councils in June 2020 for reimbursement of the ECQ's costs for the Local Government Elections.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

SECTION 7 OTHER INFORMATION

G1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

Details of key management personnel

The ECQ's responsible Minister is identified as part of the ECQ's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Attorney-General and Minister for Justice.

The following details for non-Ministerial KMP reflect those ECQ positions that had authority and responsibility for planning, directing and controlling the activities of the ECQ during 2019-20 and 2018-19. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management.

| Position | Position Responsibility |
|---|---|
| Electoral Commissioner | The Electoral Commissioner is responsible for the running of the Electoral Commission of Queensland, an independent statutory authority established under the <i>Electoral Act 1992</i> to administer the electoral laws of Queensland in an efficient, effective and economical manner thus ensuring the conduct and administration of elections are not influenced by political considerations. |
| Assistant Electoral Commissioner | To provide direct support to the Electoral Commissioner in preparing for, conducting and reporting on elections in Queensland. |
| Executive Director, Election Event Management | To provide direct support to the Assistant Electoral Commissioner in ensuring the successful administration of election events. The position is responsible for contributing to the overall strategic direction and success of the Electoral Commission of Queensland in building reputation while creating confidence with a diverse range of stakeholders. |
| Executive Director, Digital Technologies | To provide direct support to the Electoral Commissioner and be responsible for the digital transformation of the commission aligned with the overall strategic priorities. |
| Director, Readiness | To lead the Event Planning and Information, Communication and Technology Units by ensuring quality electoral services to key stakeholders throughout Queensland. This position ceased to be a non-Ministerial KMP in 2019-20. |
| Director Strategy, Policy and Governance | To lead the Strategy, Policy and Governance unit responsible for the efficient and effective administration of strategy policy and communication strategy for the commission. This position ceased to be a non-Ministerial KMP in 2019-20. |
| Director, Elections, Disclosure and Spatial | To lead the Elections, Funding and Disclosure and Spatial Units by ensuring the commission complies with the responsibilities and obligations as prescribed in the <i>Electoral Act 1992</i> and <i>Local Government Act 2011</i> . This position ceased to be a non-Ministerial KMP in 2019-20. |
| Director, Integrity | To lead and deliver an integrated and practical approach to effective governance, communications and business improvements for the commission. This position ceased to be a non-Ministerial KMP in 2019-20. |
| Director, Corporate Services | To lead the corporate services unit in the management and coordination of finance, human resources, learning development and business improvement of the commission. This position ceased to be a non-Ministerial KMP in 2019-20. |
| Director, Technology Division | To lead the Information Technology division by ensuring all technology related decisions are aligned with the commission's strategic objectives. This position ceased to be a non-Ministerial KMP in 2019-20. |
| Chief Finance Officer | To lead the Finance Unit and perform the legislated responsibilities of the Chief Finance Officer. This position ceased to be a non-Ministerial KMP in 2019-20. |

The ECQ's executive positions - Electoral Commissioner, Assistant Electoral Commissioner, Executive Director, Election Event Management, and Executive Director, Digital Technology - represent non-ministerial KMP in 2019-20 and onwards in line with the new organisational structure. KMP positions in 2018-19 reflected a transition period where the previous organisational structure was in place for the most part of the year.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

G1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

KMP remuneration policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The ECQ does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements for the 2019-20 financial year, which are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for the ECQ's other KMP is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*, with the exception of the Electoral Commissioner who is appointed under the *Electoral Act 1992*. Individual remuneration and other terms of employment (including motor vehicle entitlements) are specified in employment contracts.

Remuneration expenses for those key management personnel comprise the following components:

Short term employee expenses, including:

- salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee occupied a KMP position; and
- non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.

Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses include amounts expensed in respect of employer superannuation obligations.

Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

Performance bonuses are not paid under the contracts in place.

Electoral Commission of Queensland
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G1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (continued)

Remuneration Expenses

The following disclosures focus on the expenses incurred by the commission that are attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

2019-20

| Position | Short Term Employee Expenses | | Long Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Expenses |
|---|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|----------------|
| | Monetary Expenses \$'000 | Non-Monetary Benefits \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Electoral Commissioner | 367 | 3 | 9 | 42 | - | 421 |
| Assistant Electoral Commissioner | 232 | 3 | 5 | 23 | - | 263 |
| Executive Director, Election Event Management | 184 | 1 | 4 | 19 | - | 208 |
| Executive Director, Digital Technologies | 182 | 1 | 4 | 19 | - | 206 |

2018-19

| Position | Short Term Employee Expenses | | Long Term Employee Expenses | Post-Employment Expenses | Termination Benefits | Total Expenses |
|--|------------------------------|------------------------------|-----------------------------|--------------------------|----------------------|----------------|
| | Monetary Expenses \$'000 | Non-Monetary Benefits \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Electoral Commissioner (Acting to 06/09/2018, appointed from 07/09/2018) | 359 | 3 | 8 | 41 | - | 411 |
| Assistant Electoral Commissioner (to 07/02/2019) * | 158 | 3 | 3 | 19 | 26 | 209 |
| Assistant Electoral Commissioner (Acting from 10/10/2018, appointed from 24/05/2019) | 149 | 3 | 3 | 14 | - | 169 |
| Director, Readiness (Acting from 14/01/2019) | 59 | 2 | 1 | 7 | - | 69 |
| Director, Readiness (to 24/01/2019) | 60 | 2 | 2 | 10 | 136 | 210 |
| Director Strategy, Policy and Governance (created 5/04/2019, appointed 23/04/2019) | 20 | - | - | 2 | - | 22 |
| Director, Elections, Disclosure and Spatial | 38 | 1 | 1 | 5 | - | 45 |
| Director, Integrity (position abolished 25/03/2019) | 102 | 3 | 2 | 13 | - | 120 |
| Director, Corporate Services (from 26/03/2019) | 40 | 1 | 1 | 5 | - | 47 |
| Director, Technology Division (from 15/10/2018) | 74 | 3 | 2 | 10 | - | 89 |
| Chief Finance Officer | 118 | - | 3 | 16 | - | 137 |
| Executive Director, Election Event Management | - | - | - | - | - | - |
| Executive Director, Digital Technologies | - | - | - | - | - | - |

* The officer was on a secondment to another government agency for part of the financial year

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

G2 RELATED PARTY TRANSACTIONS

Transactions with people/entities related to KMP

Based upon KMP declarations, there have been no transactions with related parties that have materially affected the ECQ's operating result and/or financial position.

Transactions with other Queensland Government-controlled entities

The ECQ's primary ongoing sources of funding from the Government for its services are appropriation revenue (Note B1-1) and equity injections (Note C9-1 and C9-2), both of which are provided in cash via Queensland Treasury.

The ECQ makes payments to Queensland Government-controlled entities for general operating expenditure. Examples of this expenditure include payments for accounting services provided and workers compensation premiums. These payments are based on agreed terms and are consistent with the terms provided to other government entities.

The ECQ receives property tenancy and maintenance services from the Department of Housing and Public Works.

G3 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Accounting standards applied for the first time

Three new accounting standards with material impact were applied for the first time in 2019-20:

- AASB 15 *Revenue from Contracts with Customers*;
- AASB 1058 *Income of Not-for-Profit Entities*;
- AASB 16 *Leases*.

The effect of adopting these new standards are detailed in Notes G3-1 and G3-2. No other accounting standards or interpretations that apply to the ECQ for the first time in 2019-20 have any material impact on the financial statements.

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2019-20.

G3-1 IMPACT OF ADOPTION OF AASB 15 AND AASB 1058 IN THE CURRENT PERIOD

The ECQ receives revenue for providing electoral services and materials to Local Governments and registered political parties on request, as prescribed by State legislation. This revenue is recognised upon delivery of the services, and as such, there is no transitional impact arising from AASB 15 or AASB 1058.

Revenue recognition for appropriation, revenue from local councils, fines and forfeitures and other revenue did not change under AASB 1058. Revenue will continue to be recognised when the ECQ gains control of the asset (e.g. cash or receivable).

G3-2 AASB 16 LEASES

The ECQ applied AASB 16 *Leases* for the first time in 2019-20. The ECQ applied the modified retrospective transition method and has not restated comparative information for 2018-19, which continue to be reported under AASB 117 *Leases* and related interpretations.

The nature and effect of changes resulting from the adoption of AASB 16 are described below.

1. Definition of a lease

AASB 16 introduced new guidance on the definition of a lease.

For leases and lease-like arrangements existing at 30 June 2019, the ECQ elected to apply the practical expedient to 'grandfather' the previous assessments made under AASB 117 and Interpretation 4 *Determining whether an Arrangement contains a Lease* about whether those contracts contained leases. However, arrangements were reassessed under AASB 16 where no formal assessment had been done in the past or where lease agreements were modified on 1 July 2019.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

G3 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY (continued)

G3-2 AASB 16 LEASES (continued)

Amendments to former operating leases for office accommodation

In 2018-19, the ECQ held operating leases under AASB 117 from the Department of Housing and Public Works (DHPW) for non-specialised commercial office accommodation through the Queensland Government Accommodation Office (QGAO).

Effective 1 July 2019, the framework agreement that governs QGAO was amended with the result that this arrangement would not meet the definition of a lease under AASB 16 and therefore is exempt from lease accounting.

From 2019-20 onward, the costs for this service are expensed as supplies and services expenses when incurred. The new accounting treatment is due to a change in the contractual arrangements rather than a change in accounting policy.

2. Changes to lessee accounting

From 1 July 2019, all leases, other than short-term leases and leases of low value assets, are now recognised on balance sheet as lease liabilities and right-of-use assets.

Lease liabilities

Lease liabilities are initially recognised at the present value of the remaining lease payments over the lease term. The lease term includes any extension or renewal options that the ECQ is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the ECQ under residual value guarantees;
- the exercise price of a purchase option that the ECQ is reasonably certain to exercise; and
- payments for termination penalties, if the lease term reflects the early termination.

The lease payments shall be discounted using the interest rate implicit in the lease, or the ECQ's incremental borrowing rate if the implicit rate cannot be readily determined.

Subsequently, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

Right-of-use assets

Right-of-use assets are initially recognised at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- lease payments made at or before the commencement date, less any lease incentives received;
- initial direct costs incurred, and
- the initial estimate of restoration costs.

Right-of-use assets will subsequently give rise to a depreciation expense and be subject to impairment.

Short-term leases and leases of low value assets

The ECQ has elected to recognise lease payments for short-term leases and leases of low value assets as expenses on a straight-line basis over the lease term, rather than accounting for them on balance sheet. This accounting treatment is similar to that used for operating leases under AASB 117.

Electoral Commission of Queensland Notes to the Financial Statements

for the year ended 30 June 2020

G3 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY (continued)

G3-2 AASB 16 LEASES (continued)

3. Transitional impact

Former operating leases as lessee

- The ECQ's former operating leases of two storage facilities are now recognised on-balance sheet as right-of-use assets and lease liabilities.
- On transition, lease liabilities were measured at the present value of the remaining lease payments discounted at the ECQ's incremental borrowing rate at 1 July 2019.
- The ECQ incremental borrowing rate is considered equal to the Queensland Treasury Corporation (QTC) fixed loan rate for the remaining lease period, which on 1 July 2019 was 1.511%.
- The right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.
- New right-of-use assets were tested for impairment on transition and none were found to be impaired.
- On transition, the ECQ used practical expedients to:
 - not recognise right-of-use assets and lease liabilities for leases that end within 12 months of the date of initial application and leases of low value assets;
 - exclude initial direct costs from the measurement of right-of-use assets; and
 - use hindsight when determining the lease term.

The following table summarises the on-transition adjustments to asset and liability balances at 1 July 2019 in relation to former operating leases.

| | \$'000 |
|---------------------------------|---------------|
| Right-of-use assets – Buildings | 1,330 |
| Lease liabilities | 1,306 |
| Accumulated surplus | 24 |

4. Reconciliation of operating lease commitments at 30 June 2019 to the lease liabilities at 1 July 2019

| | \$'000 |
|---|---------------|
| Total undiscounted operating lease commitments at 30 June 2019 | 5,627 |
| - discounted using the incremental borrowing rate at 1 July 2019 (1.511%) | (181) |
| Present value of operating lease commitments | 5,446 |
| - less internal-to-government arrangements that are no longer leases | (4,119) |
| - less prepaid lease payments | (24) |
| - add other adjustments | 3 |
| Lease liabilities at 1 July 2019 | 1,306 |

G4 TAXATION

The ECQ is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the ECQ. GST credits receivable from, and GST payable to the ATO, are recognised (refer to Note C2).

G5 CLIMATE RISK DISCLOSURE

Climate Risk Assessment

The ECQ addresses the financial impacts of climate related risks by identifying and monitoring the accounting judgements and estimates that will potentially be affected, including asset useful lives, fair value of assets, provisions or contingent liabilities and changes to future expenses and revenue.

The ECQ has not identified any material climate related risks relevant to the financial report at the reporting date, however constantly monitors the emergence of such risks under the Queensland Government's Climate Transition Strategy.

Current Year Impacts

No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

Electoral Commission of Queensland Management Certificate

for the year ended 30 June 2020

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), s.38 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act 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 Electoral Commission of Queensland for the financial year ended 30 June 2020 and of the financial position of the ECQ at the end of that year.

The Electoral Commissioner, as the Accountable Officer of the ECQ, acknowledges responsibility 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.



Maya Marpudin
Chief Finance Officer

Date 19/08/20



Pat Vidgen
Electoral Commissioner

Date 19/8/20

INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Electoral Commission Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Electoral Commission Queensland .

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as at 30 June 2020, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory 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 department in accordance 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.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in the entity's annual report. Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the department for the financial report

The Accountable Officer 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 and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Accountable Officer is also responsible for assessing the department'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 department 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 expressing an opinion on the effectiveness of the department's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the department.
- Conclude on the appropriateness of the department'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 department'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 department 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 Accountable Officer 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 2020:

- 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 department's transactions and account balances to enable the preparation of a true and fair financial report.



Melissa Fletcher
as delegate of the Auditor-General

20 August 2020

Queensland Audit Office
Brisbane

Glossary

| | |
|--------------------------|---|
| CCC | <i>Crime and Corruption Commission</i> |
| Change Commission | <i>Local Government Change Commission</i> |
| ECQ | <i>Electoral Commission of Queensland</i> |
| EDS | <i>Electronic Disclosure System</i> |
| EMS | <i>Election Management System</i> |
| ICT | <i>Information and Communication Technologies</i> |
| PINs | <i>Penalty Infringement Notices</i> |

Compliance Checklist

| Summary of requirement | | Basis for requirement | Location |
|---------------------------|--|--|----------------|
| Letter of compliance | <ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s | ARRs – section 7 | ii |
| Accessibility | <ul style="list-style-type: none"> Table of contents Glossary | ARRs – section 9.1 | iii 87 |
| | <ul style="list-style-type: none"> Public availability | ARRs – section 9.2 | Inner Cover |
| | <ul style="list-style-type: none"> Interpreter service statement | Queensland Government Language Services Policy ARRs – section 9.3 | Inner Cover |
| | <ul style="list-style-type: none"> Copyright notice | Copyright Act 1968 ARRs – section 9.4 | Inner Cover |
| | <ul style="list-style-type: none"> Information Licensing | QGEA – Information Licensing ARRs – section 9.5 | Inner Cover |
| | | | |
| General information | <ul style="list-style-type: none"> Introductory Information | ARRs – section 10.1 | 1 |
| | <ul style="list-style-type: none"> Machinery of Government changes | ARRs – section 10.2, 31 and 32 | Not Applicable |
| | <ul style="list-style-type: none"> Agency role and main functions | ARRs – section 10.2 | 3 |
| | <ul style="list-style-type: none"> Operating environment | ARRs – section 10.3 | 6 |
| Non-financial performance | <ul style="list-style-type: none"> Government's objectives for the community | ARRs – section 11.1 | 3 |
| | <ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives | ARRs – section 11.2 | 3 |
| | <ul style="list-style-type: none"> Agency objectives and performance indicators | ARRs – section 11.3 | 4 |
| | <ul style="list-style-type: none"> Agency service areas and service standards | ARRs – section 11.4 | 47 |
| Financial performance | <ul style="list-style-type: none"> Summary of financial performance | ARRs – section 12.1 | 49 |
| | <ul style="list-style-type: none"> Organisational structure | ARRs – section 13.1 | 35 |

| Summary of requirement | | Basis for requirement | Location |
|---|---|---|-----------------|
| Governance – management and structure | • Executive management | ARRs – section 13.2 | 36 |
| | • Government bodies (statutory bodies and other entities) | ARRs – section 13.3 | 29 |
| | • Public Sector Ethics | Public Sector Ethics Act 1994 ARRs – section 13.4 | 40 |
| | • Human Rights | Human Rights Act 2019 ARRs – section 13.5 | 40 |
| | • Queensland public service values | ARRs – section 13.6 | 4 |
| Governance – risk management and accountability | • Risk management | ARRs – section 14.1 | 41 |
| | • Audit committee | ARRs – section 14.2 | 41 |
| | • Internal audit | ARRs – section 14.3 | 42 |
| | • External scrutiny | ARRs – section 14.4 | 42 |
| | • Information systems and recordkeeping | ARRs – section 14.5 | 43 |
| Governance – human resources | • Strategic workforce planning and performance | ARRs – section 15.1 | 44 |
| | • Early retirement, redundancy and retrenchment | Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2 | 46 |
| Open Data | • Statement advising publication of information | ARRs – section 16 | 46 |
| | • Consultancies | ARRs – section 33.1 | data.qld.gov.au |
| | • Overseas travel | ARRs – section 33.2 | data.qld.gov.au |
| | • Queensland Language Services Policy | ARRs – section 33.3 | data.qld.gov.au |
| Financial statements | • Certification of financial statements | FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1 | 83 |
| | • Independent Auditor's Report | FAA – section 62 FPMS – section 46 ARRs – section 17.2 | 84 |