



# Electoral Commission of Queensland 2011- 2012 Annual Report



This is the twentieth annual report to Parliament on the operations of the Electoral Commission of Queensland.

This report is available for downloading from the Commission's website [www.ecq.qld.gov.au](http://www.ecq.qld.gov.au) and in paper form. Enquiries and requests for a copy of this report may be directed to:

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**Electoral Commission of Queensland**

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28 September 2012

The Honourable Jarrod Bleijie MP  
Attorney-General and Minister for Justice  
State Law Building  
50 Ann Street  
BRISBANE QLD 4000

Dear Attorney

I am pleased to present the Annual Report 2011-12 and financial statements for the Electoral Commission of Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be located on the Commission's website [www.ecq.qld.gov.au](http://www.ecq.qld.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to be 'David Kerslake', is written over a horizontal line.

David Kerslake  
Electoral Commissioner









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## FOREWORD



During the 2011-12 reporting period the Electoral Commission of Queensland was primarily focused on preparing for and delivering two key electoral events: the State general election and the local government quadrennial elections.

Under the governing legislation the quadrennial elections were originally scheduled for the last Saturday in March 2012. The Commission factored into its planning processes the possibility that the State general election might be called before or after that date. As it turned out, the postponement of the local government elections to late April 2012 meant that the State and local government campaign periods overlapped. Conducting two such major events within quick succession was a major challenge, with a combined total of almost 2000 candidates contesting 650 elected positions and almost 8.6 million ballot papers to be counted - no mean feat! Although the Commission's resources were stretched to the limit, its hard working staff can take considerable pride in a job well done. I am especially proud of their efforts.

The complexity of these events was increased in the lead up through changes to both State and local government electoral legislation, such as the provision for pre-poll votes to be cast as an ordinary (rather than declaration) vote and the requirement that postal vote applications be lodged in an approved form. While some of these amendments were enacted in direct response to the Commission's recommendations, it was disappointing that in some cases requests for consistency between State and local government provisions went unheeded.

While 2011-2012 was for the most part events driven, the Commission also successfully fulfilled a number of other statutory responsibilities. For example, in last year's Annual Report I reported on major reforms to Queensland's election funding and financial disclosure laws that took effect in May 2011. The Commission is grateful to the new staff who have come on board and for their assistance in 'bedding down' the new funding and disclosure system. Political party and candidate returns under the new laws are now available for public inspection.

As Electoral Commissioner I am also Queensland's Change Commissioner, responsible for local government electoral and boundary reviews. During the period covered by this report the Change Commission dealt with a total of 29 referrals from the Minister for Local Government. 12 of the matters decided required comprehensive and complex analysis of proposals for major changes to existing electoral systems, such as the move from undivided to divided status in the Townsville City, Fraser Coast and Gympie Regional councils.

### Looking forward

It is incumbent on electoral authorities to remain abreast of the latest developments in technology and to draw attention to possibilities for both modernising our electoral system and making it more accessible to citizens across the board.



In previous annual reports I have commented on the large number of eligible persons who are 'missing' from the electoral roll – about 1.5 million Australia-wide and almost 400,000 in Queensland alone. These are persons who are qualified to vote (Australian citizens aged 18 or above) but not able to do so because they have either not enrolled at all, or having previously enrolled have failed to keep their enrolled address up to date. Other states such as New South Wales and Victoria have recently responded to this issue through the introduction of automatic enrolment systems, using reliable date sources to place electors directly on the roll upon becoming eligible and automatically updating their details whenever they move address. A similar proposal was floated in Queensland in recent times but too late for the necessary systems to be developed ready for the 2012 State election. The Commission notes, however, that Queensland's enrolment eligibility provisions are currently linked to the Commonwealth's and that federal parliament recently enacted legislation to provide for direct enrolment. It remains possible, then, that we may see the introduction of direct or automatic enrolment procedures for Queensland electors in the near future.

The Commission has also raised with the incoming government the desirability of introducing internet and telephone voting facilities for people with disabilities, such as the blind and vision impaired, who are currently denied a secret vote because of their need to seek assistance in filling out a ballot paper. Such systems were successfully implemented at the 2011 New South Wales State election, allowing people with disabilities to cast their vote in secret and also improving access for these electors by enabling them to vote from their own homes. In the case of New South Wales, these systems also expanded access for electors in remote areas as well as interstate or overseas.

The Commission has also commenced a major upgrade of its server infrastructure to expand capacity for future electoral events, as well as working collaboratively with our interstate counterparts on the acquisition and sharing of hardware for off-site use in polling places.

The Commission looks forward to working with the Queensland Parliament and other key stakeholders in improving the functionality and accessibility of our electoral system.

A handwritten signature in dark ink, consisting of several loops and a long horizontal stroke extending to the right.

David Kerslake  
**Electoral Commissioner**



# ELECTION SUMMARIES

## Summary Report: 2012 Queensland State General Election

The State general election held on 24 March 2012 was the eighth conducted by the Commission since its inception in 1991.

In the absence of fixed term elections, the Commission usually has no advance notice when an election is held. This election was an exception, with the date of the election announced several weeks before the actual issue of the writ. While the earlier notice was welcomed by the Commission, the conduct of the election still posed a significant challenge, with the postponement of the local government quadrennial elections and the consequent overlap between the two events. It was a huge logistical exercise to conduct two such complex electoral events (as well as the later State by-election for the district of South Brisbane) within such a tight timeframe.

### Election cost

The Commission is funded by the Queensland Government to conduct State elections. As at 30 June 2012, the overall cost of the Queensland State election was \$19.13 million, compared with a budget estimate of \$16.27 million. The increase in expenditure was largely attributable to the longer formal campaign period (35 days compared with a 26 day period in 2009), resulting in additional costs such as salaries for temporary election officials, office accommodation in each electorate and pre-poll facilities. These factors were beyond the Commission's control.

### Innovations

Unlike previous elections, there was no legislative requirement to make a declaration of eligibility to cast a pre-poll vote. Electors were free to vote early if they wished and could do so as an ordinary vote rather than the more cumbersome declaration voting procedure that applied to pre-poll voting in previous elections. 245,247 electors took advantage of the additional flexibility and voted in this way. Pre-poll voting increased by 62.58% compared with the 2009 State general election.

A further 211,619 electors opted to vote by post, a 17.37% increase compared with the 2009 State general election.

Another significant legislative change preceding this election was the provision for first time electors to enrol, and for other electors to update their address details, at any time between the official close of rolls and the day before Election Day. This resulted in approximately 60,000 additional electors being eligible to vote. While this broadened the franchise for the State election, one drawback was the absence of a similar provision for the local government elections and the potential confusion for electors as a result of this inconsistency.



For the first time the Commission notified registered overseas electors by email of the announcement of the election. This enabled these electors to apply for a postal vote at the earliest opportunity, allowing more to participate. This improved service was well received and was also implemented for the local government elections.

The Commission put in place a number of organisational and technological innovations for the 2012 State general election.

The use of laptop computers in the polling booths, first introduced in the Brisbane CBD for the 2009 State election, was extended to key polling centres on the Gold Coast and Sunshine Coast, allowing a large number of electors (including absent voters) who use those centres to be marked off the roll and have their ballot papers issued electronically. This greatly reduced voting times in those areas.

A total of 2,746,844 eligible Queenslanders were enrolled at the close of rolls. 91% of the total eligible electors actually voted at the election, a slight increase on participation at the 2009 election (90.93%). The number of candidates was also higher with a total of 430 compared to 397 in 2009. Daylight Saving for South East Queensland was the only registered political party not to contest the election.

### **Students' (Kidz) Election**

As part of our community awareness role, the Commission conducted a student election where students in a number of schools were given the opportunity to vote for candidates for the electorate in which their school was situated. The votes for this election were stored securely until after polling day and then counted so as to have no influence on the State election result. Nineteen schools participated in the Kidz election, compared with five in 2009. The Commission hopes to expand this initiative at future elections.

A more detailed report on the State election, including comprehensive statistics, is currently being prepared and will be tabled in Parliament once elector surveys are analysed. This report will provide a comprehensive overview of the election.

The report will also include a number of recommendations for legislative change, including a greater level of consistency between State and local government electoral laws.

### **South Brisbane by-election**

On Saturday 28 April 2012, a by-election was held for South Brisbane following the resignation of the Member for South Brisbane. 30,825 electors were enrolled at the close of rolls. The by-election was contested by 8 candidates. Costs of conducting the by-election were reduced by virtue of coinciding with the local government elections.



## Summary Report: 2012 Local Government Elections

The *Local Government Electoral Act 2011* provides for the Commission to conduct all local government elections in Queensland. The 2012 quadrennial elections were conducted on a scale and complexity equal to if not greater than the State general election, with over 300 individual elections in all (compared with only 89 State electoral districts).

The Commission is currently undertaking comprehensive surveys of a range of stakeholders to assist in its evaluation of the elections and will table a report in Parliament once completed. The following summary is based on an interim report prepared for the Minister for Local Government.

- Under the Act, both candidates and electors were entitled to dispute any election result in the Court of Disputed Returns. The absence of any challenges directed at the Commission's own handling of the elections is, of itself, testimony to the successful conduct of the elections overall.
- The cost of the running the elections was approximately \$4.50 per elector, lower than the average per elector figure for both the 2008 elections run by the Commission and costs incurred by councils in running the 2004 elections (as reported by the Local Government Association).
- Some concerns were registered in council areas with full postal ballots that electors did not receive ballot material. The vast majority of concerns were unfounded in that the persons concerned had either failed to enrol or to keep their registered address details up to date. The Commission could not lawfully forward ballot material to persons who were not enrolled and, for those who were enrolled, was required to direct the material to the postal address each elector had registered on the roll. The Commission drew attention in last year's annual report to the large numbers in these categories, with an estimated 1.5 million 'missing' electors across Australia with 390,000 in Queensland alone.
- Some issues reported by electors were valid concerns, in that there were some apparent delays in postal deliveries, but mail services are outside of the control of the Commission.
- A shortage of ballot papers is known to have occurred in five out of approximately 1500 polling booths throughout the state, but affecting only a small number of electors, with fresh ballot papers delivered within 15-20 minutes. There were also 382 known instances in councils with full postal ballots where electors received incorrect ballot material as a result of errors in printing and despatch processes that were handled by external contractors. The Commission appreciates that, while the number of cases was small relative to the combined total of 360,000 electors in eleven councils with full postal ballots, any error is unsatisfactory from an individual elector's perspective. Advances in printing technology may help to avoid such errors in future.
- Another issue for future consideration is the degree of inconsistency between current State and local government electoral laws, which has the potential to create confusion for electors. The Commission will report separately on these matters as part of its more comprehensive election reviews.

Depending on whether councils were divided or undivided, the system of voting used in the local government elections was either Optional Preferential Voting for the 23 divided councils, or



First-Past-the-Post for the 50 undivided councils. The same system of voting used to elect councillors was used to elect the mayor in each council. Elections for 30 councils were conducted by postal ballot; the remaining 43 were conducted as attendance ballots.

The enrolment for council elections ranged from over 670,000 for Brisbane to 161 for the Diamantina council.

## LITIGATION

The conduct of an election includes the nomination of candidates, counting of ballot papers and declaration of results. Legal disputes may arise at any of these stages.

In both State and local government elections, disputes may be initiated in the Court of Disputed Returns by any candidate or elector for the electoral district concerned, or by the Commission itself.

Challenges could relate to administrative actions or adjudications taken by the Commission, or the eligibility of other candidates.

### 2012 State election

The following disputes were lodged in relation to the 2012 State general election.

#### *Katter's Australian Party (Qld Division)*

In the course of the State general election Katter's Australian Party (Qld Division) applied to the Supreme Court seeking a declaration that the party was entitled to have, on the ballot paper beside the name of candidates endorsed by the party, the full title of the party.

The curious feature of this case, as described by the Court, was that the party had previously applied to the Commission to use the abbreviation The Australian Party, in the knowledge that if approved that abbreviation would be used on the ballot paper in Queensland elections. After the issue of the writ for the 2012 general election, the party had second thoughts and requested its full name on the ballot paper.

Having previously approved the party's requested abbreviation, the Commission informed the party that it was required by law to print that abbreviation on ballot papers for the elections. The party contended that use of the abbreviation it had in fact asked for would impede the freedom of political communication implied in the Australian Constitution. The party further argued that the Commission should have rejected its original application on the basis that its requested abbreviation was likely to misinform or mislead electors. The Court did not assent to the party's submissions and found that the Commission had acted appropriately.

#### *Application from Robert Messenger*

The State general election was held on Saturday 24 March followed by the local government quadrennial elections on Saturday 28 April.



Robert Messenger was the member for Burnett in the Legislative Assembly. He stood for re-election in the State general election but was not re-elected. After about 70% of the votes had been counted Mr Messenger concluded that he was unlikely to be elected and decided to nominate for election as the Mayor of Bundaberg in the local government elections.

At issue, however, was the fact that he remained a Member of Parliament as at the close of local government nominations (on Tuesday 27 March) because the result in the State electorate of Burnett had not yet been declared. As a Member of Parliament he was disqualified from nominating for a local government position.

To address this issue, Mr Messenger purported to resign from his position as a Member of Parliament. The Commission declined to accept his nomination on the basis that he was still, in fact, a Member of the Queensland Parliament.

Mr Messenger applied to the Supreme Court seeking an order that the result of the election for Burnett be declared prior to the close of local government nominations or, alternatively, that the deadline for nominations be extended.

The Court declined the orders sought and upheld the Commission's decision, in particular pointing out that the result of an election could and should not be declared when votes had yet to be counted and there remained a mathematical possibility that any of two or more candidates could emerge the winner.

## **2012 local government elections**

Three disputes were lodged for the local government quadrennial elections. All related to divisions of the Torres Strait Regional Council, seeking declarations that particular candidates were not eligible to stand for election on the basis that they did not meet residing requirements laid down in the *Local Government Act 2009*.

Section 31 of the Local Government Act provides that, in accepting candidate nominations, the Returning Officer is not obliged to look beyond the voters roll. In other words, it is sufficient in accepting a nomination to establish that the candidate is duly enrolled for the electoral district they are seeking to contest.

It is open, however, to other candidates or electors to challenge the election of a candidate if they are of the view that the person was not qualified to contest the election, for example because they had not resided in the electoral district for the required period leading up to the election.

At the time of writing this report, only one of the three challenges had been decided, with the Court ordering a fresh election for Division 13 of the Torres Strait Regional Council. Although listed as a party to these proceedings, the Commission properly adopted a neutral position.



# REFORM OF QUEENSLAND ELECTORAL LAWS

## State General Election

Under the *Electoral Act 1992* the Commission is responsible for the conduct of parliamentary elections in Queensland. The following arrangements now apply to parliamentary elections.

- Electors can update their enrolment details and cast a vote following the close of roll, up to and including 5:00pm on the Friday immediately prior to Election Day.
- All electors casting a pre-poll vote are required to use a Commission approved postal vote form.
- Pre-poll voting in person is now regarded as an ordinary vote if cast within the elector's district.
- Any elector can cast a pre-poll vote.
- Enrolment has been extended to persons who are aged 16 or older, although they can only vote from age 18.
- Pre-poll votes are counted as if they are ordinary votes.

## Local Government Quadrennial Elections

In accordance with the Local Government Electoral Act, the Commission is responsible for the conduct of all local government council elections including by-elections and City of Brisbane elections.

- Candidates who registered as a group for the election are required to have the group name printed adjacent to the candidate's name on the ballot paper.
- As with the State election, there were no longer any restrictions on electors wishing to cast pre-poll votes for the election. Additionally electors were not required to complete a declaration form to receive their pre-poll vote.
- The postal vote and Electoral Visit applications closure date before polling day was changed from 6:00pm Thursday to 6:00pm Wednesday.
- Electors voting on polling day in divided councils were able to vote at any polling booth within their local government area. (As the previous local government elections, electors in divided councils could not vote outside of their division.)
- Candidate's deposits for the election were held and refunded by the Commission instead of the council.

## Local Government Disclosure

The Local Government Electoral Act came into effect on 15 September 2011 and made the Electoral Commission responsible, for the first time, for administering the financial disclosure requirements for candidates at local government elections.



Previously, candidates at local government elections lodged financial disclosure returns with the Chief Executive Officer of the council concerned. Local government election candidates must now give the Commission a return about gifts received within 15 weeks after polling day. Successful candidates are no longer required to submit their return before taking their oath of office.

All candidates or, as the case may be, groups of candidates must give the Electoral Commission a return stating—

- the total value of all gifts received; and
- how many persons made the gifts; and
- details of who gave the gifts where the value of all gifts given by a person is \$200 or more.

Loans other than those from financial institutions, are also required to be disclosed.

Third parties which incur political expenditure of \$200 or more, including giving gifts to one or more candidates, or which receive gifts of \$1,000 or more, also have an obligation to give a financial disclosure return to the Commission.

All returns are published by the Commission as soon as practicable after receipt.



## EGYPTIAN PRESIDENTIAL ELECTION

In May 2012 the Electoral Commissioner was invited to represent Australia as a 'witness' at the Egyptian presidential election, the first such election held in this new democracy. In the company of other observer nations, including Denmark, the Netherlands, Romania, Russia, Japan, Turkey and a number of African nations, the Commissioner was able to witness both voting and the counting of ballot papers.

Unlike Australian jurisdictions, Egypt does not have a stand-alone electoral commission. Rather, election operations are overseen by a body headed by senior judges drawn from each of Egypt's three superior courts. District and local judges were responsible for the supervision of voting and counting in individual polling places.

Voting took place predominantly if not exclusively in local schools. Witnesses were free to visit whichever polling places they chose and over the two days of voting the Commissioner visited a significant number of polling locations across a wide range of socio-economic areas. One school visited had as many as 50,000 electors divided among 10 rooms.



Electors wait patiently to vote in the Egyptian elections.

Despite some of the logistical challenges, the Commissioner was impressed by the efforts made by local officials to ensure that voting went smoothly.

Electors were only entitled to vote if they held a valid national (photographic) ID card, which they were required to present. They were also required to vote at the designated polling place in the local precinct in which they were registered. Only citizens living overseas could cast a postal vote.

At most polling places there were quite large queues, with voters remarkably calm and content to wait to record their vote. The Commissioner was also impressed by the high level of enthusiasm to participate in a democratically conducted election, something that in Australia many electors take for granted. The election, as one voter put it, was regarded as 'a celebration for the whole country.'

It was in many senses a privilege to witness the first stage of Egypt's presidential elections, the efforts particularly at local level to maintain secure and transparent voting practices and the eagerness of so many ordinary citizens to participate.



## COLLABORATION WITH OTHER ELECTORAL BODIES

The Electoral Council of Australia (ECA) consists of the Electoral Commissioners from Federal, all States and Territories and recently including New Zealand. The ECA meets four times every year to discuss matters relating to the planning and conduct of elections.

The ECA is guided by three key directions:

1. The need to keep pace with the Australian community's changing expectations regarding the delivery of electoral services through modernisation and innovation.
2. Cooperation and coordination across electoral authorities, where statutes allow, to enhance the individual and collective delivery of electoral services to the Australian community.
3. Informing the community and other political stakeholders through credible research and other information programs of the implication of electoral changes consistent with the challenges outlined in this document.



New Zealand, Commonwealth, State and Territory representatives at the March ECA meeting in Brisbane.

In March of this year, the Commission hosted the ECA meeting in Brisbane. The Commissioners were also invited to attend State election activities such as visiting the Brisbane CBD pre-poll centre and the tally room.



# PUBLIC FUNDING AND FINANCIAL DISCLOSURE

## Administration Funding

Parliamentary registered political parties and independent Members of Parliament are entitled to be paid administration funding. These payments are remitted six monthly. A party's entitlement is calculated according to the number of its parliamentary members, up to a current maximum of \$1,035,800; an independent MP's entitlement is calculated on expenditure incurred in relation to parliamentary duties up to a current maximum of \$21,500. For 2011-12, a total of \$4,158,915 was paid to eligible parties and independent MP's.

Public funding is not available for local government election participants or for elected candidates in local government elections.

## Election Funding

In accordance with the Electoral Act, the Commission administers a scheme for registered political parties and candidates at a State general election and by-elections for the reimbursement of electoral expenditure incurred in a specified period. The scheme operates by means of capping electoral expenditure, which is reimbursed to eligible claimants on a sliding scale.

In the 2011-12 financial year, election funding payments will be made in respect of two State election events; the State general election held on Saturday 24 March 2012 and the South Brisbane by-election held on Saturday 28 April 2012. In 2011-12, a total of \$631,026 was paid to eligible parties and candidates.

Claims for election funding for the State general election and South Brisbane by-election were due for lodgement with the Commission by 13 August 2012 and 17 September 2012, respectively.

Candidates who, and registered political parties which, contested the previous election may apply to the Commission for an advance on their election funding. This funding, if any, is then deducted from the candidate's or party's final entitlement determined after the election.

## Financial Disclosure

### General

The Electoral Act requires that all registered political parties and their associated entities must report financial transactions to the Commission for each half of the financial year. Parties and their associated entities must report the total value of all moneys received, all monies paid and all debts owing for the reporting period.

Donors to registered political parties, associated entities, candidates and third parties have an obligation to lodge disclosure returns.



For the first half of the 2011-12 financial year, the Electoral Commission received disclosure returns from:

- seven registered political parties
- five associated entities
- 374 donors

Disclosure returns for the second half of the financial year to 30 June 2012 must be lodged by 25 August 2012.

All returns are available for public inspection on the Commission's website or at the Commission's office.

### **Special reporting events**

Gifts in the amount of or accumulating to \$100,000 or more during a six month reporting period must be reported to the Commission on each occasion this threshold is reached. For 2011-12, there were two special reporting events.

### **Election Disclosure Obligations - State**

Candidates for a State election must, for the relevant disclosure period, lodge a return giving details of electoral expenditure incurred for the election. This return must also show particulars for any gifts and loans received.

Registered political parties are required to lodge a return setting out the party's electoral expenditure incurred for the capped expenditure period for an election.

Third parties, being persons or organisations which incur expenditure of or exceeding \$1,000 for a political purpose, or which incur electoral expenditure exceeding \$200 for an election, must also give the Electoral Commission a return reporting expenditure, gifts and loans in relation to the election.

Broadcasters and publishers have an obligation to give the Electoral Commission a return that gives details of election advertising broadcast or, as the case may be, published.

Returns for the 2012 State general election and South Brisbane by-election were due for lodgement with the Commission by 9 July and 13 August 2012, respectively.

### **Election Disclosure Obligations – Local Government**

Candidates for a local government election have an obligation to give the Electoral Commission a return reporting the amount of gifts and loans received. Where gifts and loans attain a \$200 threshold from the one source, the candidate is required also to disclose prescribed details for the donor or lender, as the case may be.

Returns for the 2012 local government elections were due for lodgement with the Commission by 13 August 2012.



## Register of Political Parties

As at 30 June 2012, the seven parties on the Queensland Register of Political Parties were:

Registered Political Party	Date of Registration
Australian Labor Party (State of Queensland)	14 August 1992
Queensland Greens	6 May 1994
Family First Party Queensland	12 April 2006
Liberal National Party of Queensland	9 September 2008
Daylight Saving for South East Queensland	4 December 2008
One Nation Queensland Division	12 August 2011
Katter's Australian Party	22 September 2011

One party was removed from the Register in the 2011-12 financial year, specifically The Queensland Party. Applications to register another two political parties were received; however, both applications failed due to not meeting the minimum registration checks and requirements.



## LOCAL GOVERNMENT CHANGE COMMISSION

Under the Local Government Act the Electoral Commissioner also serves as Queensland's Local Government Change Commissioner, responsible for the review of proposed local government changes including internal and external electoral boundaries and electoral arrangements.

### Reviews of divided councils

For any councils whose internal divisions are 'out of quota', the Change Commission is required to review the internal electoral boundaries to ensure that each electoral division has an approximately equal number of electors.

The following reviews were completed in the second half of 2011, in readiness for the 2012 local government quadrennial elections:

- Logan City Council
- Moreton Bay Regional Council
- Gold Coast City Council
- Ipswich City Council
- Sunshine Coast Regional Council
- Rockhampton Regional Council
- Isaac Regional Council
- Cairns Regional Council
- Whitsunday Regional Council

### Review of councils' electoral arrangements

It is also open to councils to apply to the Minister for Local Government for a voluntary change to their existing arrangements. The Minister may in turn refer the application to the Change Commission for review. The following such reviews were completed in 2011-12.

Three councils requested a change to their divisional boundaries:

- Redland City Council
- South Burnett Regional Council
- Bundaberg Regional Council

Four councils requested a change from divided to undivided structure:

- Cassowary Coast Regional Council
- Longreach Regional Council



- North Burnett Regional Council
- Blackall-Tambo Regional Council

The Minister for Local Government requested a change from undivided to divided structure for the following two councils:

- Gympie Regional Council
- Townsville City Council

Fraser Coast Regional Council also requested a change from undivided to divided.

The following councils requested an increase in the number of councillors:

- Blackall-Tambo Regional Council
- Balonne Shire Council
- Carpentaria Shire Council
- Flinders Shire Council
- Richmond Shire Council
- Winton Shire Council

Townsville City Council requested a decrease in the number of councillors.

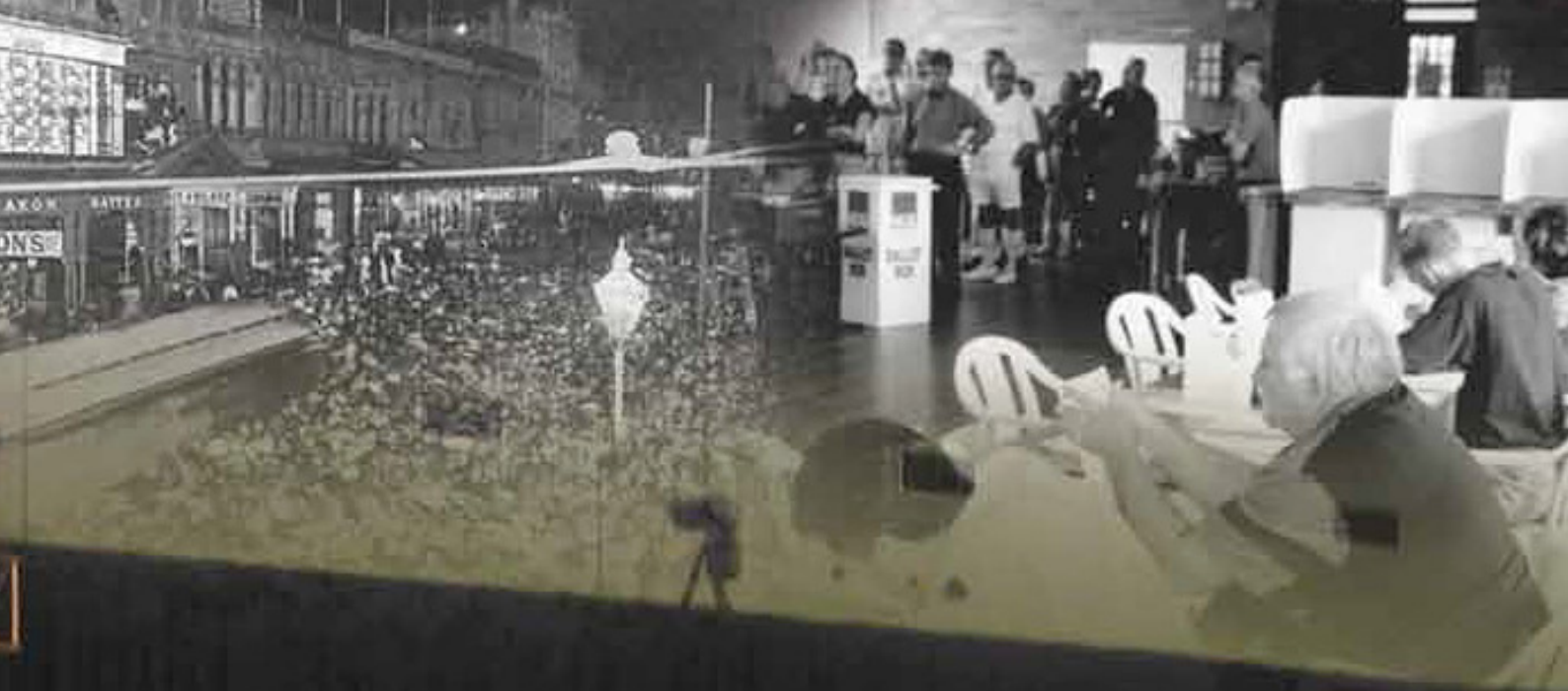
Reports on the outcome of these reviews are available on the Commission's website.

All recommendations by the Change Commission were approved and implemented by the Governor in Council.

As at the end of the reporting period, three other reviews were underway. They are:

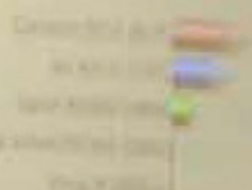
- Ipswich City Council and Somerset Regional Council
- Moreton Bay Regional Council and Sunshine Coast Regional Council (Postman's Track)
- Moreton Bay Regional Council and Brisbane City Council (Hills District)





## Greenslopes

### Percentage of Primary Votes



Electors: 18,000  
Last Updated: 6/23/14  
Results Counted: 1 of 10



## 2014 State General Election

Electors: 1,000,000  
Last Updated: 6/23/14  
Results Counted: 10 of 10

## Stafford

### Primary Votes

Electors: 10,000  
Last Updated: 6/23/14  
Results Counted: 1 of 10



## 2014 State General Election

Electors: 10,000  
Last Updated: 6/23/14  
Results Counted: 10 of 10

## Clayfield

### Primary Votes

Electors: 10,000  
Last Updated: 6/23/14  
Results Counted: 10 of 10





## AGENCY OVERVIEW

The Electoral Commission of Queensland was established in accordance with the Electoral Act. The Commission is a Statutory Authority that independently administers Queensland's electoral laws.

### Our Purpose

The Commission has a number of functions as prescribed by the Electoral Act and Local Government Electoral Act, which include:

- Conducting parliamentary elections, by-elections and referendums
- Conducting local government quadrennial elections, by-elections and fresh elections
- Conducting industrial elections
- Administering all political party registrations
- Administering all funding and disclosure requirements
- Undertaking reviews of boundaries and electoral arrangements for local governments
- Assisting the State Redistribution Commission as required
- Maintaining Queensland's electoral roll and
- Inquiring into preselection for candidates in State and local government elections.

In 2012, for the first time, the Commission was also required to conduct Protected Action Ballots under recent amendments to the *Industrial Relations Act 1999*.

### Corporate Goals and Objectives

The Commission's principal goals and objectives include:

- administering Queensland's electoral laws impartially and independently
- conducting free and democratic parliamentary, local government and industrial elections
- managing a comprehensive process for the independent review of local government boundaries and
- promoting the informed participation and confidence of Queenslanders in the electoral system.



## OPERATIONAL ACTIVITIES

### Maintenance of the Electoral Roll

The electoral roll for Queensland is maintained by the Australian Electoral Commission under a joint arrangement between the Commonwealth and Queensland Governments. The Commission paid an annual fee of \$2,325,319.16 for this service in 2011-12 and for related roll products.

Although the AEC has primary responsibility for maintenance of the roll, the Commission assists by arranging access to relevant data held by State Government agencies, as well as conducting education and awareness activities to encourage new enrolments.

As at 30 June 2012, there were 2,772,589 electors enrolled for Queensland, compared with 2,746,285 at the corresponding time in the previous year.

During the reporting period, 569,980 enrolment transactions occurred. The transactions consisted of new enrolments, amendments and changes of address, reinstatements, intrastate and interstate, death deletions and objection action where an elector no longer resides at the address that they are enrolled.

Amendments to the Electoral Act, brought about changes to the 'close of roll' process for the State general election where by electors could enrol and vote after the official close of rolls up to the day before polling day. The total enrolment statistics for the second close of roll was 64,618 in the period from 25 February to 23 March 2012. This figure included 18,908 new additions and 45,710 changes to the electoral roll.

### Non-Voters

The Commission has a statutory obligation under both the Electoral Act and the Local Government Electoral Act to follow up on all electors not marked as having voted unless they have provided a valid reason for failing to vote.

### Industrial Elections

Under the provisions of the Industrial Relations Act the Commission is required to conduct industrial and related elections. During the 2011-12 reporting period the Commission conducted a total of 84 elections, involving 2950 positions. This is in comparison to the 48 elections (1085 positions) held during the previous financial year.

### Community Awareness and Education

In the lead up to the 2012 State and local government elections, Education and Public Awareness staff delivered a comprehensive educative programme designed to inform individuals of their rights and responsibilities in the electoral process.

In August 2011, staff attended the Brisbane Exhibition (the Ekka) to promote this message to a wide



audience from both regional and metropolitan Queensland. A number of school groups visited the information stand including students from regional areas. Positive feedback from these groups has encouraged the Commission to further explore the expansion of school visits to regional areas.



Commission staff promoting public awareness at the Ekka. The Commission shared an information stand with the Australian Electoral Commission.

The Community Awareness programme extends to educate school students in the electoral process. This programme is called the Kidz Election. The programme commenced as a pilot during the State election in 2009 and at that time, involved four schools. For the 2012 State election, 19 schools from both the government and non-government education sectors registered; nine primary and ten secondary schools. The Kidz Election serves a dual purpose. Firstly, to introduce students to the electoral process to acquire knowledge and an understanding of the State electoral system with an emphasis on voting processes; secondly, for students to participate in an authentic voting activity in a school environment using the Optional Preferential Voting system used at State elections.

Schools which participated included an 18 student school – Mutarnee State School, north of Townsville, and schools located in Brisbane, Ipswich, the Gold Coast and Sunshine Coast. It is hoped to expand this highly commended programme at future elections, particularly outside the State's south east corner.



The Commission's community awareness and education programme is committed to continuously developing new initiatives to encourage elector participation in the voting process. For the 2015 election cycle, staff will continue to provide information sessions to schools and community groups, and attend community events such as the Ekka, Homeless Connect and NAIDOC week.

The Commission is currently reviewing strategies to modernise our message and to connect with groups that historically have been less likely to participate in the voting processes, thereby ensuring all electors can cast their vote and have their say as part of the electoral community.



## CORPORATE SUPPORT

### Senior Management Team (SMT)

The Senior Management team for 2011-12 consisted of the:

- Commissioner (Chair)
- Executive Director Elections Management
- Director Funding & Disclosure
- Director Business Services and
- Executive Officer (Executive Secretary to the SMT)

The Senior Management team meets regularly to determine organisational outcomes for the Commission. It is also responsible for establishing strategic and corporate priorities, providing leadership in organisational improvement and monitoring the Commission's use of human, financial and information resources and infrastructure.

### Human Resource Management

#### Electoral Commission of Queensland approved establishment as at 30 June 2012:

	AO3	AO4	AO5	AO6	AO7	AO8	SO	SES2	CEO	Total
Positions	10	12	14	9	7	1	2	1	1	57

The Local Government Electoral Act was given assent on 13 September 2011. Electoral reforms included changes to disclosure requirements and the Commission's involvement in local government elections. In response, the approved establishment increased by 11 positions from the 2010-11 financial year.

#### Commission actual staff (including temporary staff) as at 30 June 2012:

	AO3	AO4	AO5	AO6	AO7	AO8	SO	SES2	CEO	Total
Male	3	2	4	5	4	1	1	1	1	22
Female	4	6	7	2	1	0	1	0	0	21
<b>Total</b>	<b>7</b>	<b>8</b>	<b>11</b>	<b>7</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>43</b>

The variation between the approved establishment and actual staff reflects vacant positions.

The Commission employed over 8000 casuals and temporary staff to assist with electoral events in the 2011-12 financial year. The number of casual and temporary staff is not reflected in the tables above. Positions included Returning Officers and Polling Officials.



## Early Retirement, Redundancy and Retrenchment

During the 2011-12 financial year, no employment severance packages were offered to Commission staff.

## Voluntary Separation Program

The Voluntary Separation Program was introduced in January 2011. The Electoral Commission of Queensland elected not to be a participant in the programme for the 2011-12 financial year.

## Information Systems

The Commission's Strategic Election Management System (SEMS) suite of applications has been upgraded to include the ability to run concurrent State and local government elections and manage recent legislative changes. Extra functionality was also added to modernise recruitment, payroll and finance processes associated with the conduct of electoral events.

An upgrade of the Commission's server infrastructure during 2011 allowed for an expansion of the functionality of the SEMS for future electoral events. This upgrade also allowed the election systems to cope with a substantial increase in data traffic due to the conduct of concurrent State and local government elections.

At the 2009 State general election, the Commission successfully trialled an electronic roll mark-off facility in the Brisbane CBD Polling Booth. In 2012 this trial was also extended to include the Gold Coast and Sunshine Coast super centres for the State election. The result of this trial was extremely positive with the average voter throughput being approximately one and a half minutes.

A review of Returning Officer roles and responsibilities and Returning Officer staff training processes is currently being conducted. A major focus of this review is the development of an online training and assessment package to help address the cost and logistical issues of training, particularly in rural and remote areas.

## Record-keeping Practices

Record-keeping has recently embarked upon a major upgrade of its entire server environment to minimise risks as the level of election activities steadily increases.

The Commission strives for best practice in meeting its obligations under the *Public Records Act 2002* and Information Standards (IS31 and 40).

The Commission's Retention and Disposal Schedule has been approved by Queensland State Archives. This document establishes and governs the records management of the Electoral Commission of Queensland.



The Commission is actively reviewing its current information management processes with a longer term objective to transition to an electronic records management system.

### **Internal Audit**

The Commission has an established Audit and Risk Management Committee that provides independent assurance and assistance to the Electoral Commissioner on matters relating to the risk, control and compliance environments within the Commission. The Committee's operational framework is outlined in the Commission's Audit and Risk Management Committee Charter. Members of the Committee are appointed by the Electoral Commissioner.

In accordance with the *Financial Accountability Act 2009*, a Head of Internal Audit is appointed to manage all internal audit activity. Due to limited staffing resources, the Commission engages external audit services to conduct larger more complex audits with smaller reviews conducted by Commission officers. Two major election events held during the 2011-12 financial year impeded audit activity, with the Commission conducting two audits in this timeframe. Increased audit activity is planned for 2012-13 upon completion of State and local government election based activities.

### **Risk Management**

For the State and local government election events in 2011-12, the Commission developed a high level risk management plan to monitor key areas of election administration in order to ensure that the delivery of the elections met all statutory requirements. This plan was in alignment with the Commission's existing Risk Management Framework.

The Commission has also established, maintained, operated and demonstrated an appropriate framework of business controls to cover all operations and activities.



# STATUTORY INFORMATION

## Performance Statement

	Notes	2011-12 Target/est.	2011-12 Est. actual	2012-13 Target/est.
<b>Service Area: Electoral Services</b>				
<b>Service Standards</b>				
Level of voter turnout State general election	1	91%	91%	-
Level of informal voting State general election	1	2%	2.15%	-
Level of elector satisfaction with the overall election process	2	95%	-	95%
Cost of State general election per elector	1,3	\$5.77	\$6.40	-
Per elector cost of public information and awareness campaigns - State elections		\$1.42	\$1.01	-
<b>Other measures</b>				
Number of Parliamentary State general elections conducted	1	1	1	-
Number of local government elections conducted	4	98	74	-
Number of local government electoral and boundary reviews conducted	5	25	29	6
Number of industrial elections referred by Industrial Registrar	6	40	41	36
Number of industrial election positions elected	6	1,725	2,950	1,161
Number of industrial election ballots conducted	6	65	84	66
Number of roll services provided	7	136	167	60
Number of inquiries/audits of pre-selection ballots conducted	8	8	1	6
Number of enrolment transactions during the period	9	550,000	537,059	500,000
Increase in total enrolment during this period	9	50,000	26,090	50,000
Elector client base		2,840,000	2,772,713	2,823,000
Access to electoral services for Queenslanders - ECQ website pages visited	10	35,000,000	47,929,792	10,000,000
<b>State contribution (\$000)</b>		<b>85,170</b>	<b>61,427</b>	<b>43,312</b>
<b>Other revenue (\$000)</b>	11	<b>192</b>	<b>311</b>	<b>36</b>
<b>Total cost (\$000)</b>		<b>85,362</b>	<b>61,738</b>	<b>43,348</b>



#### Notes:

1. The State general election was conducted in March 2012. No State electoral events are anticipated for 2012-13.
2. The evaluation process has commenced and the results will be made public through a report to Parliament.
3. The increase in the per elector cost of the State election is due to the election being called at the last possible date and the extended election period compared to previous elections. This resulted in additional costs incurred including wages, pre-poll voting, and hire of office accommodation.
4. The variation in local government elections conducted relates to a change in the method of calculation. The 2011-12 target/estimate calculates the number of elections as 72 local government elections and 26 individual elections for the City of Brisbane resulting in an estimate of 98. The actual calculation uses the basis of one election per council (73) plus an additional local government election conducted due to the death of a candidate for the Aurukun Shire Council.
5. In 2011-12, ECQ conducted 24 quadrennial reviews of internal boundaries and electoral arrangements and five external boundary reviews. The 2012-13 target is based on known reviews then increased for an anticipated level of review activity.
6. The decrease in 2012-13 is expected due to one large State organisation seeking a federal exemption and a number of organisations being deregistered.
7. The higher number of roll services in 2011-12 were due to the roll products required for the conduct of the elections.
8. Due to the timing of the State and local government elections, the inquiries/audits of pre-selection ballots will occur in 2012-13.
9. The electoral roll increased from 2.746 million to 2.773 million. This increase was not as great as what had been anticipated because of roll cleansing activities by the Australian Electoral Commission earlier in the financial year. An increase is anticipated in 2012-13 as a result of enrolment activities associated with the next Federal election due in 2013.
10. The increase in website pages visited is due to the level of elector interest in the State and local government elections.
11. The higher level of funding in 2011-12 reflects costs associated with the conduct of State and local government elections. Funds have been deferred to 2012-13 to finalise election processes.

## Ethics Training

The Public Sector Ethics Act contains four ethics principles that are fundamental to good public administration. The principles are:

- integrity and impartiality
- promoting the public good
- commitment to the system of government; and
- accountability and transparency.

The established procedures and management practices of the Commission have proper regard for the ethics principles, values and the Code of Conduct for the Queensland Public Service.

Section 12K of the *Public Sector Ethics Act 1994* requires the Commission to conduct annual public sector ethics training. In early 2012 98% of Commission staff attended Workplace Ethics training. This training was conducted on site by the Ethical Standards Unit of the Department of Justice and Attorney-General. The training focused on staff accountabilities, the ethical framework, the Code of Conduct, legislation and common ethical issues.



## **Aboriginal & Torres Strait Islander Matters**

The Electoral Commission of Queensland continues to actively support Aboriginal and Torres Strait Islander peoples by partnering with the Indigenous Enrolment Participation Programme staff at the Australian Electoral Commission. The programme aims to reduce indigenous disadvantage in electoral participation. As part of this programme, our staff promote electoral awareness by attending events centred around the annual NAIDOC week.

Early this year, the Commission attended celebrations for the 50th anniversary of the indigenous right to vote (1962-2012). The celebrations captured the Indigenous culture and pride in achieving the right to enrol, allowing these individuals to participate in the electoral process.

For election events, the Commission provides mobile polling in the Torres Strait islands to provide a wider opportunity for electors to cast their vote. Additionally, in appreciation of local knowledge and cultural sensitivities, the Commission works collaboratively with local indigenous groups to promote election events.

## **Queensland Multicultural Policy**

The Commission is committed to improving access to electoral services for all Queenslanders. We recognise that Queenslanders identify with a diverse range of cultures and may have difficulty in accessing services, communicating their needs, and understanding their privileges. These barriers may affect an individual's ability to participate in any aspect of the voting process.

In 2011 staff from the Commission implemented a multicultural project to educate and provide ongoing support to new citizens through partnering with key agencies. The central aim of this programme is to encourage citizens from multicultural backgrounds to be active and equal members in the electoral process. Under this programme, comprehensive information on electoral processes has been provided to over 80 multicultural groups.

For the next State election cycle, a project focused on delivering tailored electoral information to people from culturally and linguistically diverse backgrounds will be delivered. One key anticipated outcome of this project is to identify individuals who may be employed as polling officials in locations where electors require assistance due to language barriers or cultural differences.

To assist electors from diverse backgrounds, the Commission's website [www.ecq.qld.gov.au](http://www.ecq.qld.gov.au) provides information in a number of languages.

## **Consultancies**

The Commission did not engage any consultants during this reporting period.



## Overseas Travel

In May 2012 the Electoral Commissioner was asked by the Commonwealth to observe the Egyptian Presidential election. This trip was conducted at negligible cost to the Queensland Government, with most costs met by the Australian Electoral Commission.

Overseas Travel				
Position	Destination	Reason for Travel	Agency Cost	Contribution from Other Agencies or Sources
Electoral Commissioner	Egypt	Invitation from Commonwealth	\$272.70*	Unknown

\*All other costs were paid for by the Australian Electoral Commission.

## Carbon Emissions

The Queensland Government has previously established minimum greenhouse gas emissions reporting requirements for departments covering their main greenhouse gas emitting business activities; namely those linked to (i) vehicle use, (ii) electricity consumption and (iii) air travel. These activities are sources of both direct and indirect greenhouse gas emissions, which are reported as carbon dioxide equivalent emissions.

It is noted that due to data collection limitations in previous years, the reporting period has been the twelve-month period from 1 April of the preceding year to 31 March of the year for which the annual report was prepared. Some of the past data collection limitations have now been addressed. To enable a transition for the reporting period to a standard financial year, as a once-off exercise this annual report (i.e. for the 2011-12 financial year) will additionally outline the emissions data for the preceding three month period of 1 April 2011 to 30 June 2011. For clarity the data for the two periods is presented in each section of the table below as two adjacent figures; namely data for the twelve-month period 1 July 2011 to 30 June 2012, followed by data for the three-month period 1 April 2011 to 30 June 2011 (shown in brackets).

Reporting of greenhouse gas emissions by departments is limited due to the complexity of the operational boundaries within the public sector, especially in situations where internal government shared services providers are used.

Importantly, any attempted comparison of emission levels with those of previous periods must first ensure that all the relevant parameters are exactly the same, and relevant emissions information has not been affected by changes such as differences in the configuration and make-up of the department's building



portfolio; changes to building functionality and/or occupancy levels; or changes to the emissions conversion factors (which can vary each year, as published by the Australian Government).

The following table outlines the emissions relating to the Electoral Commission Queensland for (a) the twelve-month period 1 July 2011 to 30 June 2012, and (b) for the preceding three-month period 1 April 2011 to 30 June 2011 (shown in brackets).

Greenhouse Gas Emissions in tonnes of CO <sup>2</sup> -e				
Activity	GROSS emissions	LESS offsets	NET emissions	Explanatory Notes
<b>Vehicle Usage</b>				
• QFleet leased & department owned vehicles	7 (2)	-	7 (2)	1
• Hired vehicles	-	-	-	2
<b>Electricity Consumption</b>				
• Government-owned buildings	-	-	-	3
• Leased privately-owned buildings	259 (65)	-	259 (65)	4
<b>Air Travel</b>				
• Domestic air travel on commercial airlines	17 (6)	-	17 (6)	5
• International air travel on commercial airlines	-	-	-	5

Figures shown in brackets are the emissions calculated for the 3-month period 1 April to 30 June in 2011 only, which falls outside the 12-month reporting period of the financial year 2011-12.

Notes:

1. These emissions are those attributable to fuel usage in government vehicles, including vehicles owned by this department, as well as any it leases from QFleet. The Queensland Government Chief Procurement Office has provided departments with available fuel procurement data to enable the departments to calculate their emissions. All emissions reported represent emissions associated with four primary fuel types: unleaded petrol, diesel, liquefied petroleum gas (LPG) and E10. The emissions offsets relate to the national Greenhouse Friendly™ certified carbon offsets purchased for those government vehicles that did not comply with the minimum Greenhouse Vehicle Guide (GVG) ratings. Vehicle emissions offsetting undertaken by this department since 1 July 2010 relates to the Queensland Government's commitment to offset 50% of vehicle emissions from 2010.



2. The hire car vehicle emissions figures are attributable to Avis Australia vehicles booked under the Standing Offer Arrangement for vehicle hire managed by the Queensland Government Chief Procurement Office. The emissions have been calculated by Avis Australia. The emission offsets figure relates to purchased national Greenhouse Friendly™ certified carbon offsets.
3. Emissions related to electricity consumption in Government-owned buildings are calculated based on available building-related electricity consumption records. The emissions reported are limited to those linked to the electricity consumed by this department in buildings it owns, or in space it leases within other government buildings. Incomplete electricity consumption records have been apportioned and/or extrapolated where necessary. For example, in those government office buildings that do not have separate electricity sub-metering for departmental tenants, the electricity consumption and associated emissions have been apportioned 45% to the landlord, and 55% to the tenants – in line with historical benchmarking. Emissions have been calculated by converting relevant electricity consumption using the Scope 2 conversion factor of 0.88 kg CO<sub>2</sub>-e/kWh as published in the *National Greenhouse and Energy Reporting (Measurement) Amendment Determination 2011 (No.1)*.
4. Emissions related to electricity consumption in leased privately-owned buildings are based on available building-related electricity consumption records (Note: The data provided will not include emissions where the occupant of the private-owned building pays an electricity retailer directly). The emissions reported are limited to those linked to the electricity consumed by this department in space leased within buildings other than government-owned (i.e. in privately-owned buildings). Electricity usage has been calculated or estimated using actual electricity records or lease charges received from landlords. Incomplete electricity consumption records have been apportioned and/or extrapolated where necessary.
5. Air travel includes all flights recorded by the Queensland Government Chief Procurement Office (QGCPPO), specifically:
  - international air travel on commercial airlines; and
  - domestic air travel on commercial airlines.

These emissions are calculated by QGCPPO using the kilometres flown from data provided by the relevant commercial airline and applying a methodology based on International Civil Aviation Organisation criteria. This methodology uses an averaged consumption of fuel per passenger for flights, which can then be converted into tonnes of CO<sub>2</sub>.

The emission offsets figure for air travel relates to purchased national Greenhouse Friendly™ certified carbon offsets.

## Waste Management

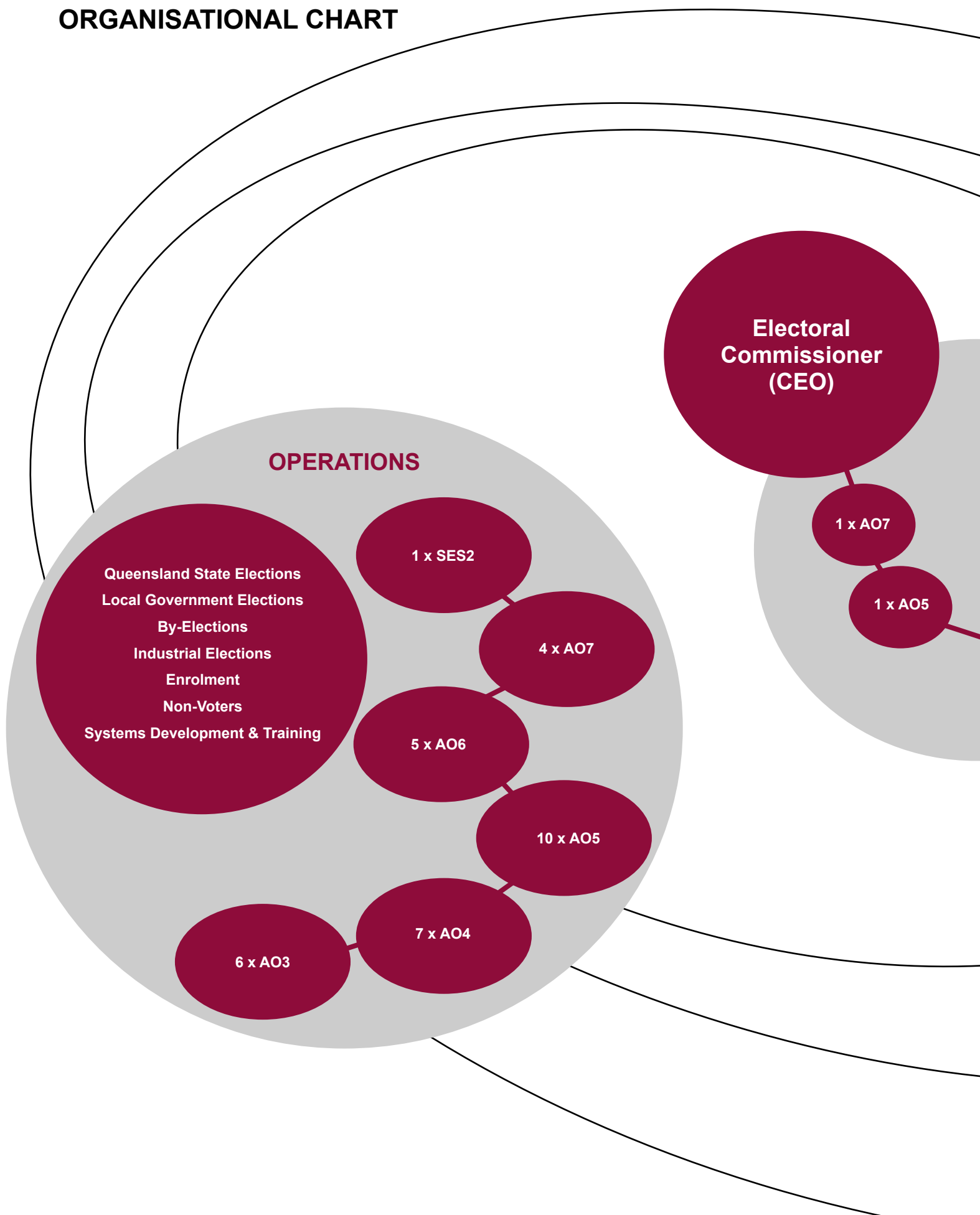
Materials used by the Commission at electoral events are recycled or reused where possible. At the completion of each election, materials are sorted, counted and catalogued with unused and reusable items set aside for use at future elections. Items include cardboard voting booths, blank election forms and other stationary items which are either recycled through a local recycler if damaged or returned to stock to be reused at the next event.

The Commission has a legislative obligation to store all used election forms, such as ballot papers, until the issue of the Writ for the next election. This material is then shredded under secure conditions by a local recycler.

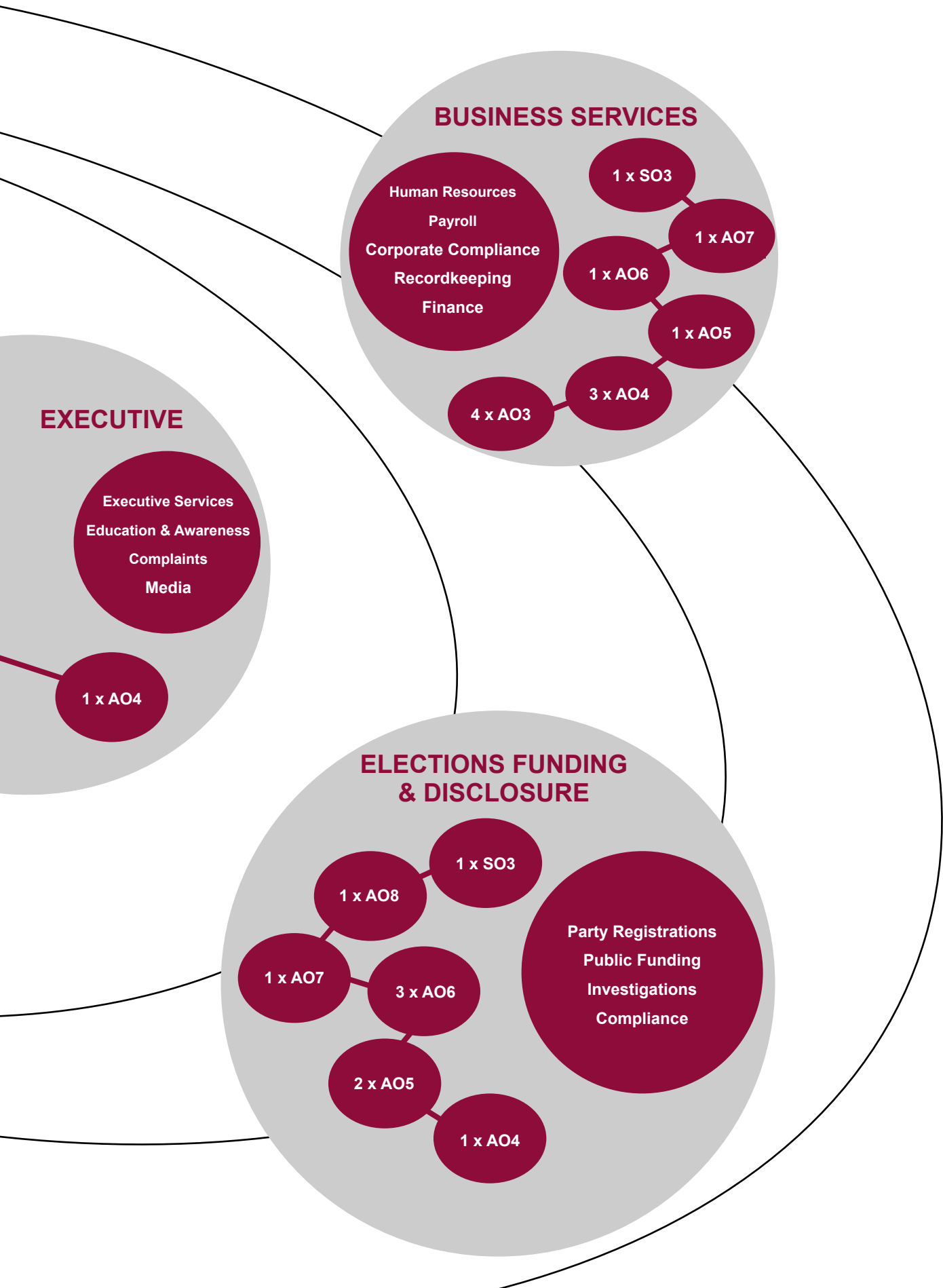
Within the office, recycling bins for paper and recyclable waste are provided to reduce general waste in the Commission's daily operations.



# ORGANISATIONAL CHART









# CHIEF FINANCE OFFICER STATEMENT

## TO THE ACCOUNTABLE OFFICER ELECTORAL COMMISSION OF QUEENSLAND FOR THE FINANCIAL YEAR 1 JULY 2011 TO 30 JUNE 2012

Section 77(2)(b) of the *Financial Accountability Act 2009* states that the Chief Finance Officer must give to the accountable officer for each financial year, a statement about whether the financial internal controls of the department are operating efficiently, effectively and economically.

Based on an assessment of the Commission's systems of internal controls and other governance mechanisms, in my opinion, the Commission's financial internal controls have operated efficiently, effectively and economically and:

- In all material aspects, internal compliance and control systems relating to the financial management of the Commission have operated efficiently, effectively, and economically throughout the financial year.
- Ongoing risk assessments conducted by Commission officers have not identified any significant operational or strategic risks that have impacted, or may impact, on the achievement of the Commission's targets and goals.
- No known matter or circumstance has arisen subsequent to the reporting date that would have a material effect on the Commission's financial position, internal control systems, risk management or fraud mitigation processes.
- An acceptable Assurance Statement has been received from the Department of Public Works (Queensland Shared Services) who undertake corporate support services including Finance, HR and Procurement on behalf of the Commission.
- An acceptable Service Level Agreement is in place between the Commission and the Department of Justice and Attorney-General (JAG). Under this Agreement, JAG provides corporate support functions including Financial and Human Resources Support to the Commission. No material issues have been raised pursuant to this agreement for the financial year.
- The results of the reviews and audits conducted within the 2011-12 financial year of the Commission's operations have not disclosed any material errors, omissions or departures from the Commission's policies.
- Recommendations raised by the internal and external audit functions have been addressed to the satisfaction of the Commission's Audit and Risk Management Committee.

Based on the results of my assessment of the Commission's financial controls and processes for the 2011-12 financial year, it is my opinion that a reasonable assurance can be given that:

- the financial records of the Commission have been properly maintained throughout the year;
- the financial statements for the year are fairly stated; and



- the Commission has complied with the financial requirements mandated in the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009*, and other prescribed requirements, including internal governance policies and Australian Accounting Standards, where relevant.

A handwritten signature in black ink, appearing to read 'y. zischke', written in a cursive style.

Yvette Zischke CPA  
**Chief Finance Officer**  
Electoral Commission of Queensland



## THE COMMISSION'S FINANCIAL POSITION

### Expenses

The total operating expenses for 2011-12 were \$61.7 million, an increase of \$48.7 million over the previous financial year. The increase relates to costs incurred for the conduct of the State and local government quadrennial elections. The largest expense category was supplies and services totalling \$40.9 million and representing 66% of the total annual expenditure. An expenditure percentage split across other areas is detailed in the table below.

	%
Supplies and services	66.2
Employee expenses	32.8
Depreciation	0.8
Other expenses	0.2

### Assets

As at 30 June 2012, total assets reflected in the balance sheet were \$16.5 million. The change from 2010-11 represents the net movement contributable to asset acquisitions, disposals and depreciation in an election year. A significant increase in the closing asset balance is directly attributable to an appropriation receivable to offset a liability for election funding owed at 30 June. Asset categories as a percentage of the total are reflected in the below table.

	%
Receivables	77.6
Intangible Assets	8.5
Cash	5.4
Plant & Equipment	5.2
Inventory	2.8
Other	0.5

### Liabilities

Total liabilities as at 30 June 2012 were \$12.4 million. The largest single liability is \$12.2 million for payables; this reflects, in the main, election funding claims outstanding at 30 June. The remaining balance generally relates to accrued employee entitlements. This information is represented in the table below.

	%
Payables	98.9
Accrued employee benefits	1.1



The financial position provides an indication of the Commission's underlying financial health, or net worth, at 30 June 2012. This is reflected as a measure of equity as at financial year end. The Commission's assets at 30 June were \$16.5 million and liabilities \$12.4 million, resulting in net positive equity of \$4.1 million. The positive movement to the Commission's equity level from the previous financial year is the result of a net reduction (excluding payables of \$12.2M offset by appropriation receivable) in the level of current liabilities. This information is represented in the below table.

	\$ million	
	2012	2011
Assets	16.5	4.2
Liabilities	12.4	0.7
Total Equity (Net Worth)	4.1	3.5

## Financial performance

The Commission's Income Statement shows the total income for 2011-12 as \$61.7 million and expenditure as \$61.7 million.

	\$ million	
	2012	2011
Services Revenue	61.43	13.10
User Charges	0.23	0.24
Other Revenue	0.08	0.09
<b>Total Income</b>	<b>61.74</b>	<b>13.43</b>
Employee Related Costs	20.24	3.64
Supplies and Services	40.87	8.99
Depreciation	0.50	.30
Other Expenses	0.13	.15
<b>Total Expenses</b>	<b>61.74</b>	<b>13.08</b>

## Income

The Commission is a budget funded agency with the significant majority of income (over 99% of total income this financial year) derived from appropriations from the Queensland Government. This financial year, the level of appropriations has increased considerably to fund the administration of election events. The Commission also generates a small amount of income through user charges.



## Electoral Commission of Queensland Financial Statements 2011-12

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### General Information

These financial statements cover the Electoral Commission of Queensland, an independent statutory authority established on proclamation of the *Electoral Act 1992*.

The Electoral Commission of Queensland is a Public Service Office of the Queensland Government established under the *Public Service Act 2008*. For the purpose of the *Financial Accountability Act 2009*, the Commission is a Department.

The Commission is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the Commission is:

Level 6  
Forestry House  
160 Mary Street  
BRISBANE QLD 4000

A description of the nature of the Commission's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the Commission's financial statements please call (07) 3035 8059, email [yvette.zischke@ecq.qld.gov.au](mailto:yvette.zischke@ecq.qld.gov.au) or visit the Commission's internet site [www.ecq.qld.gov.au](http://www.ecq.qld.gov.au).

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.



**ELECTORAL COMMISSION OF QUEENSLAND**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2012**

	Notes	2012 \$'000	2011 \$'000
<b>Income from Continuing Operations</b>			
Departmental services revenue	2	61,427	13,103
User charges	3	231	235
Contributions	4	77	85
Other revenues	5	3	3
Total Revenue		61,738	13,426
<b>Total Income from Continuing Operations</b>		<b>61,738</b>	<b>13,426</b>
<b>Expenses from Continuing Operations</b>			
Employee expenses	6	20,242	3,646
Supplies and services	8	40,865	8,988
Depreciation and amortisation	9	499	297
Other expenses	10	132	148
<b>Total Expenses from Continuing Operations</b>		<b>61,738</b>	<b>13,079</b>
<b>Operating Result from Continuing Operations</b>		<b>-</b>	<b>347</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>-</b>	<b>347</b>

*The accompanying notes form part of these statements.*





**ELECTORAL COMMISSION OF QUEENSLAND**  
**Statement of Financial Position**  
**as at 30 June 2012**

	Notes	2012	2011
		\$'000	\$'000
<b>Current Assets</b>			
Cash and cash equivalents	11	888	1,259
Receivables	12	12,814	305
Inventories	13	463	441
Other	14	88	72
<b>Total Current Assets</b>		<b>14,253</b>	<b>2,077</b>
<b>Non-Current Assets</b>			
Intangible assets	15	1,394	1,360
Plant and equipment	16	857	786
<b>Total Non-Current Assets</b>		<b>2,251</b>	<b>2,146</b>
<b>Total Assets</b>		<b>16,504</b>	<b>4,223</b>
<b>Current Liabilities</b>			
Payables	17	12,243	526
Accrued employee benefits	18	131	179
<b>Total Current Liabilities</b>		<b>12,374</b>	<b>705</b>
<b>Total Liabilities</b>		<b>12,374</b>	<b>705</b>
<b>Net Assets</b>		<b>4,130</b>	<b>3,518</b>
<b>Equity</b>			
Contributed equity		2,396	1,784
Accumulated surplus		1,734	1,734
<b>Total Equity</b>		<b>4,130</b>	<b>3,518</b>

*The accompanying notes form part of these statements.*





**ELECTORAL COMMISSION OF QUEENSLAND**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2012**

	Accumulated Surplus \$'000	Contributed Equity \$'000	TOTAL \$'000
<b>Balance as at 1 July 2010</b>	1,387	1,355	2,742
Operating Result from Continuing Operations	347	-	347
<i>Transactions with Owners as Owners:</i>			
- Appropriated equity injections (Note 2)	-	505	505
- Appropriated equity withdrawals (Note 2)	-	(76)	(76)
<b>Balance as at 30 June 2011</b>	<b>1,734</b>	<b>1,784</b>	<b>3,518</b>
<b>Balance as at 1 July 2011</b>	1,734	1,784	3,518
Operating Result from Continuing Operations	-	-	-
<i>Transactions with Owners as Owners:</i>			
- Appropriated equity injections (Note 2)	-	688	688
- Appropriated equity withdrawals (Note 2)	-	(76)	(76)
<b>Balance as at 30 June 2012</b>	<b>1,734</b>	<b>2,396</b>	<b>4,130</b>

*The accompanying notes form part of these statements.*





**ELECTORAL COMMISSION OF QUEENSLAND**  
**Statement of Cash Flows**  
**for the year ended 30 June 2012**

	Notes	2012 \$'000	2011 \$'000
<b>Cash flows from operating activities</b>			
<i>Inflows:</i>			
Departmental services receipts		49,470	13,140
User charges		243	222
GST input tax credits from ATO		1,605	743
GST collected from customers		-	17
Other		3	3
<i>Outflows:</i>			
Employee expenses		(20,257)	(3,589)
Supplies and services		(29,186)	(10,056)
GST paid to suppliers		(2,202)	(799)
GST remitted to ATO		-	(17)
Other		(54)	(50)
<b>Net cash provided by (used in) operating activities</b>	19	<b>(378)</b>	<b>(386)</b>
<b>Cash flows from investing activities</b>			
<i>Outflows:</i>			
Payments for plant and equipment		(330)	(685)
Payments for intangibles		(275)	(382)
<b>Net cash provided by (used in) investing activities</b>		<b>(605)</b>	<b>(1,067)</b>
<b>Cash flows from financing activities</b>			
<i>Inflows:</i>			
Equity injections		688	505
<i>Outflows:</i>			
Equity withdrawals		(76)	(76)
<b>Net cash provided by (used in) financing activities</b>		<b>612</b>	<b>429</b>
Net increase (decrease) in cash and cash equivalents		(371)	(1,024)
Cash and cash equivalents at beginning of financial year		1,259	2,283
<b>Cash and cash equivalents at end of financial year</b>	11	<b>888</b>	<b>1,259</b>

*The accompanying notes form part of these statements.*





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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	Objectives and Principal Activities of the Commission
Note 1:	Summary of Significant Accounting Policies
Note 2:	Reconciliation of Payments from Consolidated Fund to Departmental Services Revenue Recognised in Statement of Comprehensive Income
	Reconciliation of Payments from Consolidated Fund to Equity Adjustment Recognised in Contributed Equity
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Note 19:	Reconciliation of Operating Surplus to Net Cash from Operating Activities
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Note 22:	Financial Instruments
Note 23:	Schedule of Administered Items





## **ELECTORAL COMMISSION OF QUEENSLAND**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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#### **Objectives and Principal Activities of the Commission**

The objective of the Electoral Commission of Queensland is to maintain the integrity of Queensland's electoral system.

The key strategic objectives of the Commission are to:

- impartially administer Queensland's electoral laws;
- conduct free and democratic parliamentary, local government and industry elections;
- manage a comprehensive process for the independent review of local government boundaries; and
- promote the informed participation and confidence of Queenslanders in the electoral system.

The Commission is predominantly funded for the services it delivers by Parliamentary appropriations. It also provides the following services on a fee for service basis:

- Sale of electoral products and materials; and
- Electoral roll scanning services.

#### **1. Summary of Significant Accounting Policies**

##### **(a) Statement of Compliance**

The Electoral Commission of Queensland has prepared these financial statements in compliance with section 42 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Treasury's Minimum Reporting Requirements for the year ending 30 June 2012, and other authoritative pronouncements.

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

##### **(b) The Reporting Entity**

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

##### **(c) Administered Transactions and Balances**

The Commission administers, but does not control, certain resources on behalf of the Government. In doing so, it has responsibility and is accountable for administering related transactions and items, but does not have the discretion to deploy the resources for the achievement of the Commission's objectives.

Administered transactions are disclosed in Note 23. These transactions are not significant in comparison to the Commission's overall financial performance/financial position.

##### **(d) Departmental Services Revenue/Administered Revenue**

Appropriations provided under the Annual Appropriation Act are recognised as revenue when received.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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**(e) User Charges and Fines**

User charges and fees controlled by the Commission are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue. User charges and fees are controlled by the Commission where they can be deployed for the achievement of the Commission's objectives.

Fines and forfeitures collected, but not controlled, by the Commission are reported as administered revenue. Refer to Note 23.

The Commission recovers costs from Councils associated with the administration and conduct of Local Government elections. These recovered costs are shown as administered revenues and are to be returned to the government.

**(f) Contributions**

Contributions that are non-reciprocal in nature are recognised as revenue in the year in which the Commission obtains control over them.

Contributed assets are recognised at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

**(g) Cash and Cash Equivalents**

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

**(h) Receivables**

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.

The collectability of receivables is assessed periodically with provision being made for impairment.

Other debtors generally arise from transactions outside the usual operating activities of the Commission and are recognised at their assessed values. Terms are a maximum of three months, no interest is charged and no security is obtained. Amounts receivable recognised in accordance with s225(6) of the *Electorate Act 1992* hold terms of repayment of 60 days after the day for the return of the writ for the election.

**(i) Inventories**

Inventories held for distribution are those inventories that the Commission 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 AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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**(j) Acquisitions of Assets**

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland department (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation. The Commission did not receive any assets free of charge from another Queensland department.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*. The Commission did not acquire any assets at no cost or for nominal consideration from another Queensland Government entity.

**(k) Plant and Equipment**

Items of plant and equipment with a 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.

Plant and equipment, is measured at cost in accordance with Treasury's *Non-Current Asset Policies*.

**(l) Intangibles**

Intangible assets with a cost or other value equal to or greater than \$100,000 are recognised in the financial statements, items with a lesser value being expensed. Each intangible asset, less any anticipated residual value, is amortised over its estimated useful life to the Commission. The residual value is zero for all the Commission's intangible assets.

It has been determined that there is not an active market for any of the Commission's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

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

*Internally Generated Software*

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 development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit to the Commission.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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**(m) Amortisation and Depreciation of Intangibles and Plant and Equipment**

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

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the Commission.

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 Commission.

Major spares purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate.

For each class of depreciable asset the following depreciation and amortisation rates are used:

Class	Rate %
Plant and equipment:	
Computer equipment	25 - 33.3
Office equipment	20
Electrical equipment	25 - 33.3
Furniture	14.3
Leasehold improvements	10 - 20
Other	10
Intangible assets:	
Software internally generated	10

**(n) Impairment of Non-Current Assets**

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

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**(o) Leases**

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

The Commission does not have any finance leases.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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**(p) 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.

**(q) Financial Instruments**

*Recognition*

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Commission becomes party to the contractual provisions of the financial instrument.

*Classification*

Financial instruments are classified and measured as follows:

- Cash and cash equivalents - held at fair value through profit or loss
- Receivables - held at amortised cost
- Payables - held at amortised cost

The Commission does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the Commission holds no financial assets classified at fair value through profit or loss.

All other disclosures relating to the measurement and financial risk management of financial instruments held by the Commission are included in note 22.

**(r) Employee Benefits**

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

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

*Wages, Salaries and Sick Leave*

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

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. Entitlements not expected to be paid within 12 months are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement.

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.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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**(r) Employee Benefits (cont'd)**

*Annual Leave*

The Queensland Government's Annual Leave Central Scheme (ALCS) became operational on 30 June 2008 for the Commission. Under this scheme, a levy is made on the Commission 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.

No provision for annual leave is recognised in the Commission's financial statements as the liability 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*.

*Long Service Leave*

Under the Queensland Government's long service leave scheme, a levy is made on the Commission 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.

No provision for long service leave is recognised in the Commission's financial statements, the liability being 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*.

*Superannuation*

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable. The Commission's obligation is limited to its contribution to QSuper.

The QSuper scheme has defined benefit and defined contribution categories. 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*.

*Key executive management personnel and remuneration*

Key executive management personnel and remuneration disclosures are made in accordance with section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury. Refer to note 7 for the disclosures on key executive management personnel and remuneration

**(s) Major Services of the Commission**

The Commission undertakes only one service which is Electoral Services. All transactions relate to this service.

Electoral services provided by the Commission are outlined in section 7(1)-(4) of the *Electoral Act 1992* (the Act) and section 8 of the *Local Government Election Act 2011* include: the conduct of Parliamentary and Local Government elections and by-elections; electoral redistributions; promotion of public awareness of electoral matters; research into electoral and related matters; providing information and advice to all areas of government; maintaining the integrity of the Queensland electoral roll; administering the funding and disclosure provisions of the Act; and the registration of political parties.

**(t) Insurance**

The Commission's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. In addition, the Commission pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

**(u) Services Received Free of Charge or for Nominal Value**

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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**(v) Contributed Equity**

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of machinery-of-Government changes are adjusted to Contributed Equity in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*. Appropriations for equity adjustments are similarly designated.

The Commission did not have any changes to contributed equity resulting from machinery-of-Government changes for 2012.

**(w) Taxation**

The Commission 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 Commission. GST credits receivable from, and GST payable to the ATO, are recognised (refer note 12).

**(x) Issuance of Financial Statements**

The financial statements are authorised for issue by the Electoral Commissioner and the Director, Elections Funding and Disclosure at the date of signing the Management Certificate.

**(y) Accounting Estimates and Judgements**

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

The Commission has made judgements and assumptions when determining the depreciation and amortisation rates disclosed in note 1(m). These rates impact on depreciation expense and valuations of plant and equipment and intangible assets.

The Australian government passed its Clean Energy Act in November 2011 with a start date of 1 July 2012. The legislation will result in the introduction of a price on carbon emissions made by Australian businesses from 1 July 2012.

The flexible market-based price phase of the carbon pricing mechanism will commence on 1 July 2015. It will be preceded by a three-year period during which the price of permits will be fixed at \$23 per tonne or carbon dioxide equivalent in year one, \$24.15 in year two and \$25.40 in year three.

Section 4.3.4 of Queensland Treasury's report on 'Carbon Price Impacts for Queensland' dated August 2011 indicates that, for non-residential construction activities, costs may increase by between 0.7 per cent and 0.8 per cent over the period 2012-13 to 2015-16.

On this basis and other information available, the introduction of the carbon pricing mechanism is not expected to have a significant impact on the Commission's critical accounting estimates, assumptions and management judgements.

**(z) Rounding and Comparatives**

Amounts included in the financial statements are in Australian dollars and have been 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.

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

**(aa) New and Revised Accounting Standards**

The Commission did not voluntarily change any of its accounting policies during 2011-12. Those new and amended Australian accounting standards that were applicable for the first time in the 2011-12 financial year had no significant impact on the Commission's financial statements.





## ELECTORAL COMMISSION OF QUEENSLAND

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12

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AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] became effective from reporting periods beginning on or after 1 January 2011. Given the Commission's existing financial instruments, there was only a minor impact on the Commission's financial instruments note (note 22), in relation to disclosures about credit risk. That note no longer needs to disclose amounts that best represent the maximum exposure to credit risk where the carrying amount of the instruments already reflects this. As this was the case with all the Commission's receivables as at 30 June 2012 (and as at 30 June 2011), receivables are not included in the credit risk disclosure in this year's financial statements.

As the Commission held no collateral or other credit enhancements in respect of its financial instruments, and did not renegotiate the terms of any financial assets, during the reporting periods presented in these financial statements, there were no other changes required to the Commission's financial instruments note arising from the amendments to AASB 7 *Financial Instruments: Disclosures*.

AASB 1054 *Australian Additional Disclosures* became effective from reporting periods beginning on or after 1 July 2011. Given the Commission's previous disclosure practices, AASB 1054 had minimal impact on the Commission. One of the footnotes to note 10 Other Expenses, regarding audit fees, has been slightly amended to identify the Commission's auditor and clarify the nature of the work performed by the auditor.

AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project* [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113] also became effective from reporting periods beginning on or after 1 July 2011. The only potential implication for the Commission from this amending standard was the deletion from AASB 101 *Presentation of Financial Statements* of the requirement for disclosure of commitments. However, Treasury Department's Financial Reporting Requirements require continuation of commitments disclosures, so this deletion from AASB 101 has no impact on the Commission's commitments note (note 20).

The Commission is not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from the Treasury Department. Consequently, the Commission has not applied any Australian accounting standards and interpretations that have been issued but are not yet effective. The Commission applies standards and interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, there are no new or amended Australian accounting standards with future commencement dates which are either applicable to the Electoral Commission of Queensland's activities, or have a material impact on the Commission.

AASB 1053 *Application of Tiers of Australian Accounting Standards* applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements – Australian Accounting Standards (commonly referred to as "tier 1"), and Australian Accounting Standards – Reduced Disclosure Requirements (commonly referred to as "tier 2"). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1.

Details of which disclosures in standards and interpretations are not required under tier 2 reporting are set out in amending standards AASB 2010-2, AASB 2011-2, AASB 2011-6 and AASB 2011-11 (which also apply from reporting periods beginning on or after 1 July 2013). However, Treasury Department's Financial Reporting Requirements effectively do not allow application of AASB 2011-6 in respect of controlled entities, associates or interests in jointly controlled entities.

Pursuant to AASB 1053, public sector entities like the Electoral Commission of Queensland may adopt tier 2 requirements for their general purpose financial statements. However, AASB 1053 acknowledges the power of a regulator to require application of the tier 1 requirements. In the case of the Commission, Treasury Department is the regulator. Treasury Department has advised that its policy decision is to require adoption of tier 1 reporting by all Queensland Government departments (including the Electoral Commission of Queensland) and statutory bodies that are consolidated into the whole-of-Government financial statements. Treasury's policy also prohibits the early adoption of the arrangements outlined in AASB 1053 and its accompanying amending standards. Therefore, the release of AASB 1053 and associated amending standards will have no impact on the Electoral Commission of Queensland.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the Electoral Commission of Queensland's activities, or have no material impact on the Commission.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

	2012 \$'000	2011 \$'000
<b>2. Reconciliation of Payments from Consolidated Fund to Departmental Services Revenue Recognised in Statement of Comprehensive Income</b>		
Budgeted Departmental services appropriation	85,170	13,631
Appropriated equity injections		
- Transfers from other headings	-	(491)
Lapsed Departmental services appropriation	(35,700)	-
<b>Total Departmental services receipts</b>	<b>49,470</b>	<b>13,140</b>
Less: Opening balance of Departmental services appropriation receivable	-	(37)
Plus: Closing balance of Departmental services appropriation receivable	11,957	-
<b>Departmental services revenue recognised in Statement of Comprehensive Income</b>	<b>61,427</b>	<b>13,103</b>

**Reconciliation of Payments from Consolidated Fund to Equity Adjustment Recognised in Contributed Equity**

Appropriated equity withdrawals		
- Budgeted equity adjustment appropriation	1,778	(76)
Appropriated equity injections		
- Transfers to other headings	-	491
- Lapsed equity adjustment	(1,166)	-
- Unforeseen expenditure	-	14
<b>Equity adjustment recognised in Contributed Equity</b>	<b>612</b>	<b>429</b>

**3. User Charges**

Electoral services and materials	231	235
<b>Total</b>	<b>231</b>	<b>235</b>

**4. Contributions**

Services received at below fair value	77	85
<b>Total</b>	<b>77</b>	<b>85</b>

**5. Other Revenues**

Sale of Portable & Attractive Items	3	3
<b>Total</b>	<b>3</b>	<b>3</b>





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>6. Employee Expenses</b>		
<b>Employee Benefits</b>		
Wages and salaries	4,759	2,659
Election wages, polling officials and returning officers fees and allowance	12,765	153
Employer superannuation contributions*	1,357	343
Long service leave levy*	107	61
Annual leave levy*	346	261
Other employee benefits	19	-
<b>Employee Related Expenses</b>		
Workers' compensation premium*	55	8
Payroll tax*	792	137
Other employee related expenses	42	24
<b>Total</b>	<b>20,242</b>	<b>3,646</b>

\* Refer note 1(r).

Total employee expenses incurred for electoral events in 2011-12 were \$14.233 million (State \$7.500 million, Local Government \$6.680 million, By-elections \$0.053 million).

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:

	<b>2012</b>	<b>2011</b>
Number of Employees:	44	35

For an election event the Commission engages casual employees to meet additional operational requirements. During the 2011-12 financial year, the Commission administered two major election events requiring the engagement of an additional 12 full-time equivalents (2011: 6).





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

**7. Key Executive Management Personnel and Remuneration**

*(a) Key Executive Management Personnel*

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the agency during 2011-12. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position
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.	CEO/Electoral Act 1992	22nd May 2006
Executive Director, Elections Management	To lead the Elections Operations & Planning area by providing quality electoral services to clients throughout Queensland and at all times remaining politically neutral.	SES2/Public Service Act 2008	22nd May 2010
Director Election Funding and Disclosure	To lead the Funding and Disclosure Unit by ensuring the Commission complies with the responsibilities and obligations relating to the electoral funding and disclosure matters prescribed in the <i>Electoral Act 1992</i> , as well as perform the legislated responsibilities of the Chief Finance Officer for the Commission.	SO/Public Service Act 2008	28th July 2011
Acting Director Business Services	To lead the Business Services Branch in the management and coordination of all election support operations of the Electoral Commission of Queensland.	SO/Public Service Act 2008	Acting from 17th January 2011





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

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**7. Key Executive Management Personnel and Remuneration (cont'd)**

*(b) Remuneration*

Remuneration policy for the agency's key executive management personnel 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*. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts. The contracts provide for the provision of performance-related cash bonuses and other benefits including motor vehicles.

For the 2011-12 year, remuneration of key executive management personnel increased by 2.5% in accordance with government policy for SES and SO officers.

Remuneration packages for key executive management personnel comprise the following components:-

- Short term employee benefits which include:
  - Base - consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
  - Non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include long service leave accrued.
- Post employment benefits include superannuation contributions.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

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

Performance bonuses are not paid under the contracts in place.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

**7. Key Executive Management Personnel and Remuneration (cont'd)**

**1 July 2011 - 30 June 2012**

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Electoral Commissioner - 1 Jul 11 to 30 Jun 12	228	-	5	24	-	257
Executive Director Elections Management - 1 Jul 11 to 30 Jun 12	179	-	4	19	-	202
Director Election Funding and Disclosure - 28 Jul 11 to 30 Jun 12	133	-	3	16	-	152
Acting Director Business Services - 1 Jul 11 to 30 Jun 12	131	-	3	12	-	146

**1 July 2010 - 30 June 2011**

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Electoral Commissioner - 1 Jun 10 to 30 Jun 11	222	3	5	24	-	254
Executive Director Elections Management - 1 Jul 10 to 30 Jun 11	192	-	4	17	-	213
Director Business Services - 1 Jul 10 to 15 Apr 11 (retired)	76	-	2	12	-	90
Acting Director Business Services - 17 Jan 11 to 30 Jun 11	48	-	1	5	-	54





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>8. Supplies and Services</b>		
Computer processing costs	1,013	985
Consultants and contractors	2,802	138
Election expense	25,420	2,881
Freight & Cartage	996	6
Information and awareness campaigns	1,689	44
Joint roll arrangement	2,325	2,196
Legal fees	256	103
Motor vehicle	429	35
Portable & Attractive Equipment	410	55
Printing and postage	1,989	197
Property tenancy and maintenance	1,593	1,235
Subscriptions	6	20
Telephone	516	241
Travel	151	75
Shared services agency charges	279	143
Accommodation fitout repairs	38	242
Other	953	392
<b>Total</b>	<b>40,865</b>	<b>8,988</b>

Total supplies and services incurred for electoral events in 2011-12 were \$15.831 million (State \$10.355 million, Local Government \$5.436 million, By-elections \$0.040 million).

**9. Depreciation and Amortisation**

Depreciation and amortisation were incurred in respect of:

Plant and equipment	258	126
Software internally generated	241	171
<b>Total</b>	<b>499</b>	<b>297</b>

**10. Other Expenses**

Insurance premiums - QGIF #	15	14
External audit fees *	39	36
Losses from disposal of plant and equipment	1	13
Services received at below fair value	77	85
<b>Total</b>	<b>132</b>	<b>148</b>

\* Total audit fees paid to the Queensland Audit Office relating to the 2011-12 financial statements are estimated to be \$38,500 (2011: \$36,000). There are no non-audit services included in this amount.

# Total insurance premiums - QGIF incurred for electoral events in 2011-12 were \$4,000 (State \$2,000, Local Government \$2,000).

**11. Cash and Cash Equivalents**

Imprest accounts	5	1
Cash at bank	883	1,258
<b>Total</b>	<b>888</b>	<b>1,259</b>





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

	2012 \$'000	2011 \$'000
<b>12. Receivables</b>		
Trade debtors	448	105
	<u>448</u>	<u>105</u>
GST receivable	311	139
Annual leave reimbursements	25	43
Long service leave reimbursements	-	17
Departmental services revenue receivable	11,958	-
Other	72	1
<b>Total</b>	<b><u>12,814</u></b>	<b><u>305</u></b>

<b>13. Inventories</b>		
Inventories held for distribution - at cost	463	441
<b>Total</b>	<b><u>463</u></b>	<b><u>441</u></b>

<b>14. Other Current Assets</b>		
Prepayments	88	72
<b>Total</b>	<b><u>88</u></b>	<b><u>72</u></b>

<b>15. Intangible Assets</b>		
Software internally generated:		
At cost	2,382	2,108
Less: Accumulated amortisation	(988)	(748)
<b>Total</b>	<b><u>1,394</u></b>	<b><u>1,360</u></b>

**Intangibles Reconciliation**

	Software Internally Generated		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Carrying amount at 1 July	1,360	1,149	1,360	1,149
Acquisitions	275	382	275	382
Amortisation	(241)	(171)	(241)	(171)
<b>Carrying amount at 30 June</b>	<b><u>1,394</u></b>	<b><u>1,360</u></b>	<b><u>1,394</u></b>	<b><u>1,360</u></b>

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





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

<b>16. Plant and Equipment</b>	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
Plant and equipment:		
At cost	1,796	1,492
Less: Accumulated depreciation	(939)	(706)
<b>Total</b>	<b>857</b>	<b>786</b>

The Commission has leasehold improvements with an original cost of \$230,000 and a written down value of zero still being used in the provision of services.

The Commission has plant and equipment with an original cost of \$393,000 that has been written down to a residual value of \$20,000 still being used in the provision of services. These assets are anticipated to be replaced within the next financial year.

**Plant and Equipment Reconciliation**

	<b>Plant and Equipment</b>	<b>Total</b>
	<b>2011</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at 1 July 2010	240	240
Acquisitions	686	686
Disposals	(13)	(13)
Depreciation	(127)	(127)
<b>Carrying amount at 30 June 2011</b>	<b>786</b>	<b>786</b>
	<b>2012</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at 1 July 2011	786	786
Acquisitions	330	330
Disposals	(1)	(1)
Depreciation	(258)	(258)
<b>Carrying amount at 30 June 2012</b>	<b>857</b>	<b>857</b>

<b>17. Payables</b>	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade creditors	11,443	511
Refunds to candidates	209	-
Other	591	15
<b>Total</b>	<b>12,243</b>	<b>526</b>

**18. Accrued Employee Benefits**

Wages outstanding	-	100
Annual leave levy payable	92	63
Long service leave levy payable	39	16
<b>Total</b>	<b>131</b>	<b>179</b>





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

	2012 \$'000	2011 \$'000
<b>19. Reconciliation of Operating Surplus to Net Cash from Operating Activities</b>		
Operating surplus/(deficit)	-	347
Depreciation and amortisation expense	499	297
Loss on disposal of plant and equipment	1	13
Change in assets and liabilities:		
(Increase)/decrease in departmental services revenue receivable	(11,958)	37
(Increase)/decrease in trade receivables	(343)	(13)
(Increase)/decrease in GST input tax credits receivable	(172)	(56)
(Increase)/decrease in LSL reimbursement receivables	17	(11)
(Increase)/decrease in annual leave reimbursement receivables	18	20
(Increase)/decrease in other receivables	(71)	-
(Increase)/decrease in inventories	(22)	(185)
(Increase)/decrease in prepayments	(16)	(42)
Increase/(decrease) in accounts payable	11,717	(842)
Increase/(decrease) in accrued employee benefits	(48)	48
<b>Net cash from operating activities</b>	<b>(378)</b>	<b>(386)</b>

**20. Commitments for Expenditure**

**(a) Non-Cancellable Operating Lease**

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

Not later than one year	1,294	1,298
Later than one year and not later than five years	5,440	5,593
Later than five years	-	1,505
<b>Total</b>	<b>6,734</b>	<b>8,396</b>

Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

**21. Contingencies**

**(a) Litigations in progress**

There were no cases filed naming the Commission as defendant at 30 June 2012.

**(b) Financial Guarantees**

The Commission had not committed to any guarantees or undertakings at 30 June 2012.

**22. Financial Instruments**

**(a) Categorisation of Financial Instruments**

The Commission has the following categories of financial assets and financial liabilities:

Category	Note	2012 \$'000	2011 \$'000
<b>Financial Assets</b>			
Cash and cash equivalents	11	888	1,259
Receivables	12	12,814	305
<b>Total</b>		<b>13,702</b>	<b>1,564</b>
<b>Financial Liabilities</b>			
Financial liabilities measured at amortised cost:			
Payables	17	12,243	526
<b>Total</b>		<b>12,243</b>	<b>526</b>

**(b) Financial Risk Management**

The Electoral Commission of Queensland's activities expose it to a variety of financial risks - interest rate risk, credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to Government and the Electoral Commission of Queensland's policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Commission.

All financial risk is managed by the Accounting and Reporting Division under policies approved by the Commission. The Commission provides written principles for overall risk management, as well as policies covering specific areas.

The Electoral Commission of Queensland measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement method
Credit risk	Ageing analysis, earnings at risk
Liquidity risk	Sensitivity analysis





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

**22. Financial Instruments (cont'd)**

**(c) Credit Risk Exposure**

Credit risk exposure refers to the situation where the Commission may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

**Financial Assets**

The carrying amount of receivables represents the maximum exposure to credit risk. As such, receivables is not included in the above disclosure.

No collateral is held as security and no credit enhancements relate to financial assets held by the Commission.

The Commission manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the Commission invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

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

The method for calculating any allowance for impairment is based on past experience, current and expected changes in economic conditions and changes in client credit ratings. The main factors affecting the current calculation for provisions are disclosed below as loss events. These economic and geographic changes form part of the Commission's documented risk analysis assessment in conjunction with historic experience and associated industry data.

Aging of past due but not impaired as well as impaired financial assets are disclosed in the following tables:

**2012 Financial Assets Past Due But Not Impaired**

	Overdue				Total \$'000
	Less than 30 Days \$'000	30-60 Days \$'000	61-90 Days \$'000	More than 90 Days \$'000	
Receivables	72	-	-	10	82
<b>Total</b>	<b>72</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>82</b>





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

**22. Financial Instruments (cont'd)**

**(c) Credit Risk Exposure (cont'd)**

**2011 Financial Assets Past Due But Not Impaired**

	Overdue				Total \$'000
	Less than 30 Days	30-60 Days	61-90 Days	More than 90 Days	
	\$'000	\$'000	\$'000	\$'000	
Receivables	-	1	-	-	1
<b>Total</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>

**2012 Individually Impaired Financial Assets**

	Overdue				Total \$'000
	Less than 30 Days	30-60 Days	61-90 Days	More than 90 Days	
	\$'000	\$'000	\$'000	\$'000	
Receivables (gross)	-	-	-	-	-
Allowance for Impairment	-	-	-	-	-
<b>Carrying Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**2011 Individually Impaired Financial Assets**

	Overdue				Total \$'000
	Less than 30 Days	30-60 Days	61-90 Days	More than 90 Days	
	\$'000	\$'000	\$'000	\$'000	
Receivables (gross)	-	-	-	-	-
Allowance for Impairment	-	-	-	-	-
<b>Carrying Amount</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Financial Liabilities**

The Commission has no financial liabilities that have credit risk exposure in this reporting period.

**(d) Liquidity Risk**

Liquidity risk refers to the situation where the Commission may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Commission is exposed to liquidity risk in respect of its payables.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

**22. Financial Instruments (cont'd)**

**(d) Liquidity Risk (cont'd)**

The Commission manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the Commission has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

The following table sets out the liquidity risk of financial liabilities held by the Commission. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date.

	Note	2012 Payable in			Total
		< 1 year \$'000	1-5 years \$'000	> 5 years \$'000	\$'000
<b>Financial Liabilities</b>					
Payables	17	12,243	-	-	12,243
<b>Total</b>		<b>12,243</b>	<b>-</b>	<b>-</b>	<b>12,243</b>

	Note	2011 Payable in			Total
		< 1 year \$'000	1-5 years \$'000	> 5 years \$'000	\$'000
<b>Financial Liabilities</b>					
Payables	17	526	-	-	526
<b>Total</b>		<b>526</b>	<b>-</b>	<b>-</b>	<b>526</b>

**(e) Interest Rate Sensitivity Analysis**

The Commission is not subject to interest rate sensitivity as its bank accounts are non-interest bearing. In addition, the Commission has no borrowings.

**(f) Fair Value**

The fair value of trade receivables and payables approximates the value of the original transaction, less any allowance for impairment.





**ELECTORAL COMMISSION OF QUEENSLAND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2011-12**

**23. Schedule of Administered Items**

	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Administered Revenues</b>		
Revenue from local councils	12,968	-
Fines and forfeitures	23	3
<b>Total Revenue</b>	<b>12,991</b>	<b>3</b>
<b>Administered Expenses</b>		
Transfers to government	12,991	3
<b>Total Expense</b>	<b>12,991</b>	<b>3</b>
<b>Administered Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	778	1
Receivables	12,193	-
<b>Total Current Assets</b>	<b>12,971</b>	<b>1</b>
<b>Administered Liabilities</b>		
<b>Current Liabilities</b>		
Transfers to government payable	12,971	1
<b>Total Current Liabilities</b>	<b>12,971</b>	<b>1</b>

Changes in bottom line administered items reflect the increased administered funds financial activity within an election year. The amounts generated as a result of administered activities are returned to Government resulting in a nil net effect to the Commission at the close of the financial year.

Receivable and payable amounts include \$12.118 million to be recovered from Councils for the conduct of the Local Government elections which are to be returned to Government. Expenses relating to the conduct of local government elections have been included within election related expenses disclosed within notes 6 and 8.





**ELECTORAL COMMISSION OF QUEENSLAND**

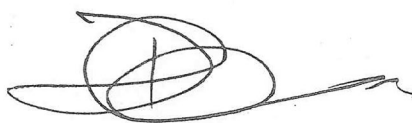
**CERTIFICATE OF THE ELECTORAL COMMISSION OF QUEENSLAND**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 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 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 2012 and of the financial position of the Commission at the end of that year.



**Yvette Zischke CPA**  
**Director Election Funding and**  
**Disclosure**



**D Kerslake**  
**Electoral Commissioner**

Date 28-8-12.

Date 28.8.2012



## INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of Electoral Commission of Queensland

### Report on the Financial Report

I have audited the accompanying financial report of the Electoral Commission of Queensland, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certificates given by the Electoral Commissioner and Director Elections Funding and Disclosure.

#### *The Accountable Officer's Responsibility 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 prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Accountable Officer's responsibility also includes 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.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Accountable Officer, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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



### *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

### *Opinion*

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
  - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Electoral Commission of Queensland for the financial year 1 July 2011 to 30 June 2012 and of the financial position as at the end of that year.

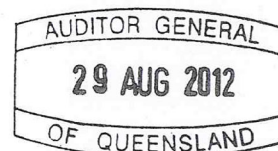
### **Other Matters - Electronic Presentation of the Audited Financial Report**

This auditor's report relates to the financial report of the Electoral Commission of Queensland for the year ended 30 June 2012. Where the financial report is included on the Electoral Commission of Queensland's website the Accountable Officer is responsible for the integrity of the Electoral Commission of Queensland's website and I have not been engaged to report on the integrity of the Electoral Commission of Queensland's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.



A M GREAVES FCA FCPA  
Auditor-General of Queensland



Queensland Audit Office  
Brisbane



# FEEDBACK FORM

The Electoral Commission of Queensland's Annual Report 2011-12 provides an account of its financial and non-financial performance during the year.

To improve the Commission's annual reporting, readers are invited to provide feedback on the attached survey.

## Responses can be:

faxed to: (07) 3229 7391  
scanned and emailed to: [ecq@ecq.qld.gov.au](mailto:ecq@ecq.qld.gov.au)  
posted to: Electoral Commission of Queensland  
GPO Box 1393  
BRISBANE QLD 4001

## Content

### Presentation and Design

☐ Excellent ☐ Good ☐ Satisfactory ☐ Poor

### Ease of Navigation

☐ Excellent ☐ Good ☐ Satisfactory ☐ Poor

### Ease of Readability

☐ Excellent ☐ Good ☐ Satisfactory ☐ Poor

### Value of Information

☐ Excellent ☐ Good ☐ Satisfactory ☐ Poor

### Level of Detail Provided

☐ Excellent ☐ Good ☐ Satisfactory ☐ Poor

## Suggestions for Improvement


## Category of Reader

<input type="checkbox"/> Industry Organisation	<input type="checkbox"/> Community Organisation
<input type="checkbox"/> General Public	<input type="checkbox"/> Political Organisation
<input type="checkbox"/> Member of Parliament	<input type="checkbox"/> Government Department

Thank you for completing this survey

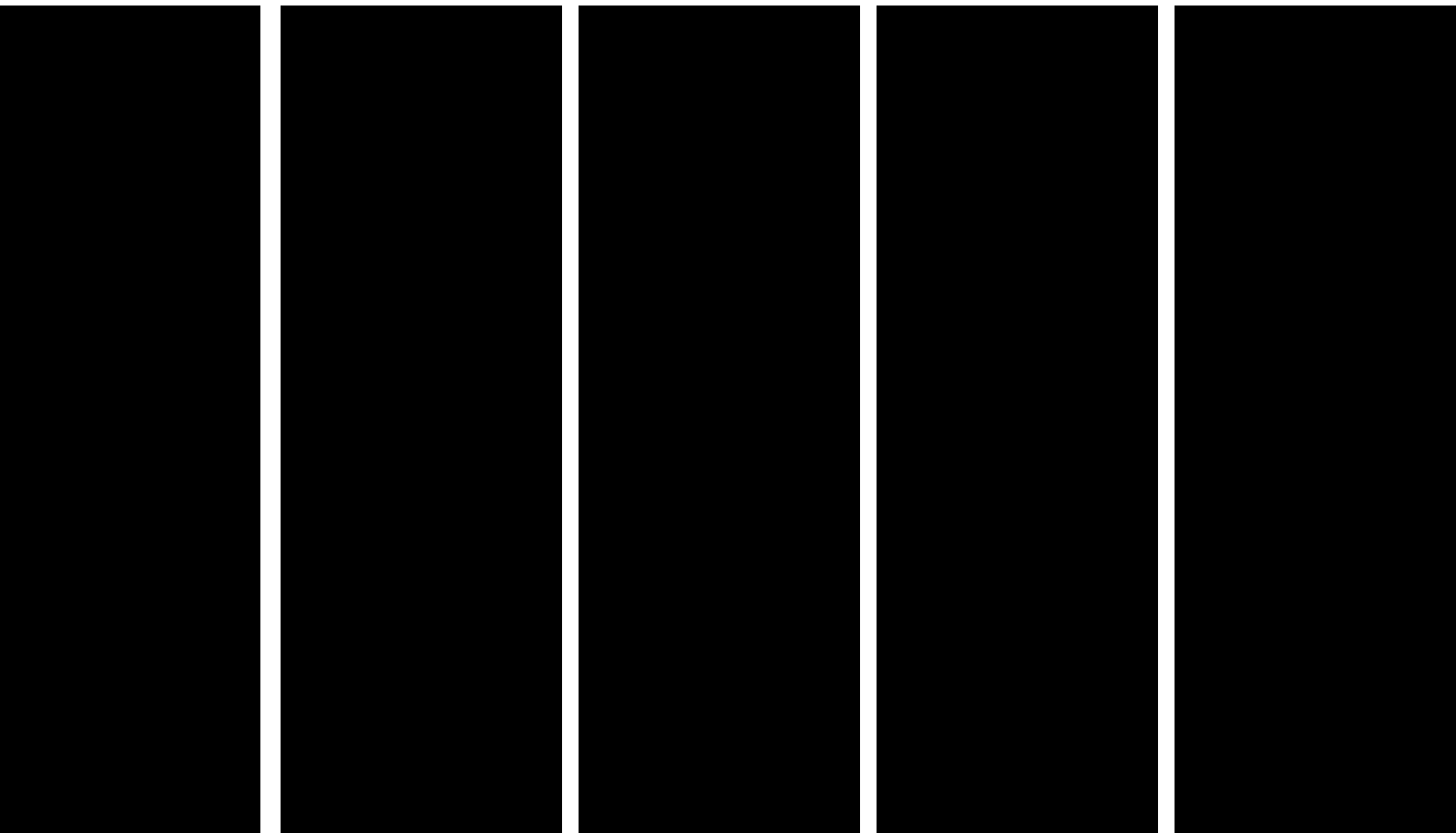












**Electoral Commission of Queensland**

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