

2023 - 24

Annual Report

Contract Cleaning Industry
(Portable Long Service Leave) Authority



Acknowledgement of Country

QLeave acknowledges the Traditional Owners of the lands from across Queensland and pays respect to Elders past, present and emerging as we meet and operate. QLeave is committed to being part of the reconciliation journey so we can work towards addressing the issues that prevent Aboriginal and Torres Strait Islander peoples from having the same opportunities as others.

Human rights commitment

QLeave will respect, protect and promote human rights in our decision-making and actions by building a culture that supports the *Human Rights Act 2019*.

About the annual report

The annual report is an important accountability document that reports the Authority's non-financial and financial performance. This annual report provides a record of achievements against QLeave's Strategic Plan 2023-26, the body that administers the *Contract Cleaning Industry (Portable Long Service Leave) Act 2005* on behalf of the Contract Cleaning Industry (Portable Long Service Leave) Authority.

OUR STRATEGIC GOVERNANCE

OUR VISION – Making a positive difference for our industries – today, tomorrow and in the future.

OUR PURPOSE – To provide equitable and efficient portable long service leave schemes.

OUR VALUES – Our values drive our actions and support us in achieving our strategic priorities and goals. QLeave has adapted the following five Queensland Public Service values:

Customers first

We are fair and consistent and seek to understand and to make decisions for the long term

Empower people

We are all leaders who thrive on learning and sharing knowledge

Unleash potential

We want to improve and deliver beyond the expectations of our stakeholders

Ideas into action

We challenge, try new things and seek different perspectives

Be courageous

We feel safe to be vulnerable, speak up, pursue opportunities and fail.

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LETTER OF COMPLIANCE

27 August 2024

The Honourable Grace Grace MP
Minister for State Development and Infrastructure,
Minister for Industrial Relations and Minister for Racing
PO Box 15009
CITY EAST QLD 4002

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2023-24 and financial statements for the Contract Cleaning Industry (Portable Long Service Leave) Authority (the Authority).

As a result of the machinery-of-government changes, QLeave, the administering body for the Authority, was transferred to the Minister for State Development and Infrastructure, Minister for Industrial Relations and Minister for Racing portfolio on 18 December 2023. The Authority is required to produce its own annual report.

I certify that this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2019; and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found in Appendix 1 to this report.

This report is prepared on the basis of the current administrative arrangements for this agency applying for the whole of the 2023-24 financial year.

Yours sincerely



John Thompson AM
CHAIRPERSON
Contract Cleaning Industry (Portable Long Service Leave) Authority



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ABOUT THE AUTHORITY

QLeave administers the portable long service leave scheme for the Contract Cleaning Industry (Portable Long Service Leave) Authority, for workers and employers in Queensland's contract cleaning industry.

The Authority was established under the *Contract Cleaning Industry (Portable Long Service Leave) Act 2005* (the Act). For details of the annual mandatory reporting requirements for QLeave, refer to the QLeave – Building and Construction Industry (Portable Long Service Leave) Authority Annual Report 2023–24 at www.qleave.qld.gov.au.

The scheme operates through a statutory authority that is governed by a Board with expertise in governance, finance and risk. Four Board members represent workers and employers in the contract cleaning industry.

Under the Act, workers can accrue long service leave entitlements based on their service to the industry rather than just continuous service with a single employer. The portable long service leave scheme does not alter the entitlements of long-term employees but provides access for employees who, in the past, have not been able to accrue long service leave because of the nature of their work.

The scheme commenced on 1 July 2005 and is funded by an actuarially informed levy that employers are required to pay. The current levy is 0.75% of ordinary wages of workers engaged by the employer in contract cleaning.

Details about the numbers of registered workers and employers in the scheme and other metrics are outlined in the 'Service delivery' section of this report.

During 2023–24, we continued to focus on delivering our core business effectively to ensure contract cleaning workers and employers were adequately supported. We listened to feedback from workers and employers and adapted our approach to communication to ensure we provided timely and tailored support to scheme participants.

We continued to enhance our digital offering to scheme participants in 2023–24. In September 2023, 77% of worker statements were issued through our online portal, giving 60,397 out of 78,166 workers greater visibility over their portable long service leave entitlements and the ability to take a proactive approach to managing their QLeave registration.

We also remained focused on ensuring equity for those who operate in the contract cleaning industry. To create a level playing field, we issued civil penalties to several employers who were not meeting their obligations and conducted further investigations to ensure appropriate enforcement action.

We would like to express our appreciation to the Minister, the Honourable Grace Grace MP, Minister for State Development and Infrastructure, Minister for Industrial Relations and Minister for Racing. We also acknowledge the Queensland Government for continuing to ensure legislative provisions support long service leave benefits for the contract cleaning industry now and in the future.

We also appreciate the ongoing efforts and contributions of employees, management and Board members.

As we look towards 2024–25 and implementing our strategic plan, our vision remains to make a positive difference for our industries – today, tomorrow and in the future. The Board and QLeave's management are committed to putting our people first, providing service with purpose, ensuring scheme sustainability and delivering functional and operational excellence.



QUEENSLAND GOVERNMENT'S OBJECTIVES FOR THE COMMUNITY

We continued to contribute to the following Queensland Government's objectives for the community as aligned with our Strategic Plan 2023–26 and detailed throughout this report:

- good jobs: good, secure jobs in our traditional and emerging industries
- better services: deliver even better services right across Queensland
- great lifestyle: protect and enhance our Queensland lifestyle as we grow.

STRATEGIC OBJECTIVES AND PERFORMANCE

Our Strategic Plan 2023–26 sets out our vision and includes four strategic objectives, tactics, and our goals.

We assessed our performance in meeting the objectives for 2023–24 by qualitatively measuring our performance against the achievement of our goals. We monitored our progress quarterly.

The tables below summarise the performance highlights, which demonstrate our achievement against our goals, strategies and strategic objectives. More explanatory information about the performance highlights is contained in the following sections of this report.

For a complete overview of the strategic plan performance highlights, including strategic objective 1, refer to the QLeave – Building and Construction Industry (Portable Long Service Leave) Annual Report 2023–24 at www.qleave.gov.au.

STRATEGIC OBJECTIVE 2: DELIVER SERVICE WITH PURPOSE

Strategies

- Embed empathy, fairness and equity in all our interactions with scheme participants.
- Engage with stakeholders and scheme participants in an open and transparent manner.
- Our engagement and compliance framework will make it easy to comply.

GOALS	PERFORMANCE HIGHLIGHTS
Our services align to the provision of equitable and proficient schemes	<ul style="list-style-type: none"> • Updated our Customer Complaints Management Policy and Procedure to reflect the Queensland Public Service Customer Complaint Management Framework and Guideline and requirements under the <i>Public Sector Act 2022</i>. We also delivered customer complaints management training for our employees to provide a consistent approach and recognise customer complaints as an opportunity to improve service delivery. • Continued to review our regulatory framework against better practice, to promote effective regulatory outcomes. • Developed an internal referral mechanism, to efficiently transfer compliance related matters to Enforcement for triage and investigation.
Evidence that our services meet the changing complex needs of stakeholder and scheme participants	<ul style="list-style-type: none"> • Implemented a pilot program of regional offices in Mackay, Townsville and Cairns to support regional employers and workers. In doing so, we were able to better communicate with industries in these regions, broaden our understanding of the needs of our stakeholders and enhance our engagement opportunities. Two regional staff specifically support the wage-based portable long service leave schemes in these areas. • Coordinated and delivered our annual survey schedule so we could receive feedback from scheme participants to facilitate service improvements and enhance customer experience. • Updated the internal review application form and updated website content to clarify the internal review process.

GOALS	PERFORMANCE HIGHLIGHTS
Increase voluntary compliance	<ul style="list-style-type: none"> Enhanced communication and digital engagement with workers and employers about their entitlements and obligations as part of stakeholder interactions with the client service delivery function. Continued to apply the learnings from the previous pilot plan to improve the accuracy and internal compliance of the employer and worker registrations. Raised awareness of legislative requirements and potential penalties for non-compliance through a range of communications, including publications for employers and website content.

STRATEGIC OBJECTIVE 3: ENSURE THE SCHEMES REMAIN SUSTAINABLE

Strategies

- Be financially responsible and transparent.
- Use information and technology, and risk-based regulatory models, to ensure appropriate regulatory focus and resourcing.
- Transition to leading practice scheme management standard.

GOALS	PERFORMANCE HIGHLIGHTS
QLeave's investment strategies, and scheme costs, are consistent with benchmarking	<ul style="list-style-type: none"> Monitored and reviewed investment performance in consultation with our investment manager, Queensland Investment Corporation, and in alignment with our Investment Policy Statement, to ensure the scheme remained within the approved risk and return profile. Scheme liabilities were determined by an independent actuarial assessment.
Operations are within the Accrued Benefit Reserve Index	<ul style="list-style-type: none"> The investment portfolio provided a solid return of 13.22% per annum, net of fees, equating to a net gain on investments of \$11.8 million for the financial year. The scheme has a surplus funding ratio of 359.2% as at 30 June 2024 (coverage of scheme benefits to investment assets).
Improved services through the use of informed, data-driven analysis	<ul style="list-style-type: none"> Received feedback from scheme participants through our annual survey schedule and used these results to inform communication and engagement planning and priorities. Continued working towards the redevelopment of a National Reciprocal Agreement (NRA) to recognise workers' long service leave when they move across Australian jurisdictions. This work is being led nationally by QLeave.

STRATEGIC OBJECTIVE 4: DELIVER FUNCTIONAL AND OPERATIONAL EXCELLENCE

Strategies

- Invest in, and embed, digital and data solutions to optimise our operations.
- Prioritise opportunities to continuously improve our processes and performance.
- Focus on effective governance structures and systems and allocating resources to deliver streamlined services.

GOAL	PERFORMANCE HIGHLIGHTS
Increased usage of digital front door	<ul style="list-style-type: none"> Updated website content and videos to support workers and employers in engaging digitally. Used customer feedback to enhance stakeholder communication and encourage the use of our online portal for self-service activities. Updated webpage content to clarify the internal review process to customers and updated the online internal review application form.



OPERATIONS AND COMMUNICATIONS

The Operations and Communications function works in partnership across QLeave to maintain QLeave's register of workers and employers, enable business-led optimisation, engage with industry, and deliver strategic internal and external communication that facilitates change.

DRIVING IMPROVEMENTS THROUGH FEEDBACK

In 2023-24, we heard from over 800 scheme participants through our annual survey schedule. Our survey schedule aligns with our work cycle to measure satisfaction during a client's key interactions with QLeave, whether phone calls or quarterly returns. We used this feedback to guide our 2023-24 External Communication and Engagement Plan, under which we implemented activities focused on increasing scheme awareness and understanding across Queensland's contract cleaning industry.

Activities we implemented include publishing regular employer information newsletters and using LinkedIn more as a communication channel. We also continued to share information through our industry partners, including the Building Service Contractors Association of Australia (BSCAA).

Feedback from a contract cleaning industry employer from our satisfaction survey in July 2023.

“

Thanks for making it easy to complete returns.”

DIGITAL ENGAGEMENT

Digital engagement remained a priority as we continued promoting our online portal to contract cleaning employers and workers to help them use the portal to meet legislative obligations and keep their registration active. We updated our online resources and YouTube channel, which in 2023-24 attracted more than 1,200 views of our instructional videos.

We sent e-newsletters to all registered contract cleaning employers, which included information to assist employers in meeting their legislative obligations and scheme updates. We introduced additional newsletters for employers in response to feedback indicating that scheme participants wanted to hear from us more frequently.

WEBSITE VISITS

The QLeave website remains the primary communication channel for engaging with scheme participants. In 2023-24, we had over 21,500 visitors to our contract cleaning website.

Mobile device traffic accounted for almost 55% of all website visits, which was an increase of 4% when compared to results in 2022-23. Recognising the growing shift to mobile device usage, particularly among workers, we ensured all updates to our website would improve customer experience on these devices.

STRATEGIC ENGAGEMENT

QLeave's Strategic Engagement team works across Queensland to support scheme participants and stakeholders. The team foster positive stakeholder relationships and deliver education that increases scheme awareness and understanding. In 2023-24, ongoing engagement activities included participating in webinars and visiting locations where contract cleaners were working.

In 2023-24, our Strategic Engagement team expanded and launched a regional pilot program, allowing us to extend our reach and presence outside South East Queensland. Regional strategic engagement officers are based in Cairns, Townsville and Mackay, alongside our existing engagement staff in South East Queensland to maintain stakeholder relationships and increase understanding of the scheme in the contract cleaning industry.

The launch of our regional pilot program has allowed us to start providing tailored, local assistance to scheme participants and stakeholders in these regions, that recognise their unique needs and challenges. In 2023-24, we engaged with over 200 scheme participants across each of our regional offices and South East Queensland.

SERVICE DELIVERY

We engage with workers, employers and other stakeholders to provide information about their obligations and entitlements.

We continue to make data-informed decisions to enhance service delivery and improve organisational performance. During 2023-24, we focused on enhancing service delivery and improving contact centre operations through responding to stakeholder feedback, making system improvements, providing training and development, and enhancing data analysis and reporting.

VALUING STAKEHOLDER FEEDBACK

We continued to review stakeholder feedback and survey results that we received during 2023-24 to continue to improve our client service delivery. Under our customer-centric approach, we focused on enhancing the engagement experience for our workers, employers and other stakeholders, through our tailored advisory assistance by telephone and email received in our contact centre.

OPTIMISED SERVICE DELIVERY

During 2023-24, we received 3,401 inbound calls relating to the contract cleaning industry. To ensure scheme participants received reliable information and efficient support and have a consistent and standardised experience in response to their enquiries, we continued to utilise our quality assurance program. During 2023-24, we distributed 78,166 statements to registered workers in the contract cleaning industry scheme.

Feedback from a contract cleaning industry worker from our post call survey in April 2024.

“

The QLeave representative I spoke to was very helpful and explained all the steps required for me to complete my request. I came away from the interaction with complete confidence in not only QLeave, but also in the steps I should take.”



IMPROVEMENTS IN CONTACT CENTRE OPERATIONS

Leadership development and peer support

Effective leadership and technical peer support is crucial in creating a positive work environment and providing high-quality service delivery. During 2023-24, we focused on developing our leaders and fostering a culture of continuous improvement and support within the contact centre. Through targeted leadership development programs, team leaders acquired essential skills and knowledge that empowered them to effectively lead teams and make informed decisions, thereby fostering a productive work environment and empowerment. Additionally, we implemented effective technical peer support systems, through mentoring and knowledge sharing to facilitate a culture of ongoing learning, contributing to personal and professional development.

Real-time reporting and resource allocation

During 2023-24, we used real-time reporting and resource allocation practices to improve decision-making, increase efficiency and enhance transparency by monitoring call centre metrics and daily workloads related to claims.

We continued to use our Workforce Management System, to appropriately resource the handling of claims, telephone calls and emails from scheme participants. This system streamlined our contact centre operations, allowing employees to address client enquiries promptly and accurately across all communication channels. The system improved scheduling, advanced reporting and trend analysis, and provided insights into performance and workload patterns.

Feedback from a contract cleaning industry worker from our post call survey in April 2024.

“

The agent was so very polite. I wish more people had their customer service qualities.”

OUR STATISTICS

We compare our key metrics for 2022–23 and 2023–24 below, to show the types and volume of services delivered in 2023–24. In some instances, the outcomes were driven by scheme participants.

STATISTICS	2022–23	2023–24
Number of workers registered	79,126	92,341
What this means: The number of all registered workers with a registration date on or before 30 June 2024.		
Conclusion: There was an increase in the number of registered workers in 2023–24 compared to 2022–23. Under the Act, QLeave may undertake a process of cancelling the registration of workers who have not recorded service credits in the register of workers for the previous four consecutive years. In 2023–24, QLeave did not undertake this discretionary process, which may have contributed to the increase in the number of registered workers. This program of work is subject to a review and will be recommenced at a point in the future.		
Number of employers registered	1,001	1,003
What this means: The number of employers with a registration date on or before 30 June 2024.		
Conclusion: There was a small increase in the number of registered employers in 2023–24 compared to 2022–23.		
Number of claims paid to employers	120	106
What this means: The number of claims paid to registered employers during the financial year. Employer reimbursement claims are paid to the employer and are subject to the workers' contract with that employee. Claims are defined as an application for entitlement to long service leave or financial payment instead of long service leave.		
Conclusion: There was a decrease in the number of claims paid to employers in 2023–24 compared to 2022–23.		
Value of claims paid to employers	\$0.36m	\$0.37m
What this means: The total financial value of claims paid to employers during the financial year. Claims are defined as an application for entitlement to long service leave or financial payment instead of long service leave.		
Conclusion: There was a slight increase in the value of claims paid to employers in 2023–24 compared to 2022–23.		
Number of claims paid to workers	565	734
What this means: The total number of claims paid during the financial year to workers registered with QLeave.		
Conclusion: There was an increase in the number of claims paid to workers in 2023–24 compared to 2022–23.		
Value of claims paid to workers	\$2.6m	\$2.5m
What this means: The total financial value of claims paid to registered, eligible workers during the financial year. Claims are defined as an application for entitlement to long service leave or financial payment instead of long service leave.		
Conclusion: There was a slight decrease in the value of claims paid to workers between 2023–24 compared to 2022–23, although the number of claims increased in 2023–24.		
Value of levies revenue	\$4.6m	\$4.9m
What this means: The total financial value of levies collected by the scheme during the financial year. For each worker, the amount of the levy is the percentage, prescribed under a regulation, of the ordinary wages paid to the worker.		
Conclusion: There was an increase in the financial value of the levy collected during 2023–24 compared to 2022–23.		



COMPLIANCE

During 2023-24, compliance investigations helped achieve an increase in levy collections and new registrations for the contract cleaning industry scheme.

The contract cleaning industry compliance program in 2024-25 will continue to encourage voluntary compliance through education and engagement with industry partners, as well as applying a data-driven and risk-based approach to identifying non-compliant entities, who may be internally referred for further investigation and potential enforcement action.

REVIEW AND ASSURANCE

Where a party disagrees with a decision made by us, our Review and Assurance function provides for those decisions to be internally reviewed.

During 2023-24, we focused on strengthening the internal review function to enhance and promote robust and timely decision-making. In November 2023, the former Reconsiderations function was renamed Review and Assurance to provide greater clarity to customers about the internal review role of the team and to ensure uniformity in use of the term 'review' across all portable long service leave schemes. The team's role was also widened to include the provision of feedback to the original decision-makers, with the aim to continuously improve decision-making capability.

Other enhancements to the Review and Assurance function in 2023-24 included:

- strengthening internal procedures with the development of an Internal Review Policy and Procedure, Internal Review Work Instruction and Internal Review Triage Work Instruction, which form part of our control documents.
- updating our website content to assist people with information about their options, how to make an internal review application, applicable timeframes and how to appeal an internal decision.

The Review and Assurance function continued to enhance its processes to ensure that internal review decisions are dealt with appropriately and meet legislative timeframes.

REMEDIATION

During 2023–24, we continued a remediation program of work to address discrete activities and business improvements connected to historical decisions and policies in place. This program has a planned and structured approach, with the delivery of work implemented in stages. This enables each activity to comprise a detailed discovery component, to understand any potential impact on workers and employers within the contract cleaning industry scheme as well as the other schemes administered by QLeave.

Activities delivered in 2023–24 included a range of new or uplifted policies and procedures, including human rights considerations, electronic communications and the issuing of notices, and guidance on specific terminology found within the legislation, such as ‘special circumstances’. Activities also included work to review decisions and give effect to these new or uplifted policies and procedures.

During 2023–24, we remediated approximately 300 worker claims where the correct annual rate of pay may not have been recorded to ensure they received the correct portable long service leave payment.

Activities planned to be delivered in 2024–25 include those with a focus on the management of certain records we hold under the *Public Records Act 2002*.

FINANCIAL PERFORMANCE

The Authority ended the financial year with a positive income position, which can be attributed to higher-than-expected levy income and investment returns.

SUMMARY OF FINANCIAL PERFORMANCE AND POSITION

The Authority returned an addition to fund of \$15.6 million during the 2023–24 financial year and had a balance sheet equity position of \$72.4 million as at 30 June 2024.

Total income of \$16.7 million was \$3.4 million higher than in 2022–23. The increase was driven by the net income from investments of \$11.8 million compared with \$8.7 million in 2022–23. Additionally, portable long service leave levy income was \$4.9 million, which was 5.2% higher than in 2022–23. This was a result of higher-than-expected leviable wages; driven by a 16.7% increase in registered workers and increased compliance activity.

Total expenditure of \$1 million was 90.7% lower in 2023–24 than in 2022–23. The decrease in 2023–24 was primarily due to 117.5% lower portable long service leave scheme benefit expenses than in 2022–23. The actuarial review as of 30 June 2024 resulted in a decrease to the provision for portable long service leave claim entitlements by \$1.6 million. Additionally, long service leave claims totalling \$2.9 million were paid throughout the 2023–24 financial year.

The statement of financial position reflects our sound financial status, with a net asset position of \$72.4 million at the end of the 2023–24 financial year. This indicates that we have a strong coverage of assets to forecast liabilities including future claims. As of 30 June 2024, the scheme was 359.2% funded.



STATEMENT OF COMPREHENSIVE INCOME

Classes of transactions, account balances or disclosures	Change	Key drivers
Portable long service leave levies \$4.9m	↑ \$0.2m 5.2%	The increase was due to a 16.7% increase in the number of registered workers from 2022-23 and continued compliance activity.
Net income from financial assets (investments) at fair value \$11.8m	↑ \$3.1m 35.8%	The increase reflected the performance of investment markets over the course of 2023-24. The investment portfolio returned 13.22% net of fees for 2023-24 (2022-23: 10.64%).
Supplies and services (\$2.7m)	↑ \$0.7m 33.5%	The increase was due to higher QLeave administration costs throughout 2023-24.
Portable long service leave scheme benefits \$1.6m	↓ \$10.9m 117.5%	The decrease reflected the movement in the scheme provision since 2022-23. Contributing factors include a reduction in projected accrued entitlements across both active and inactive workers and changes in financial assumptions.

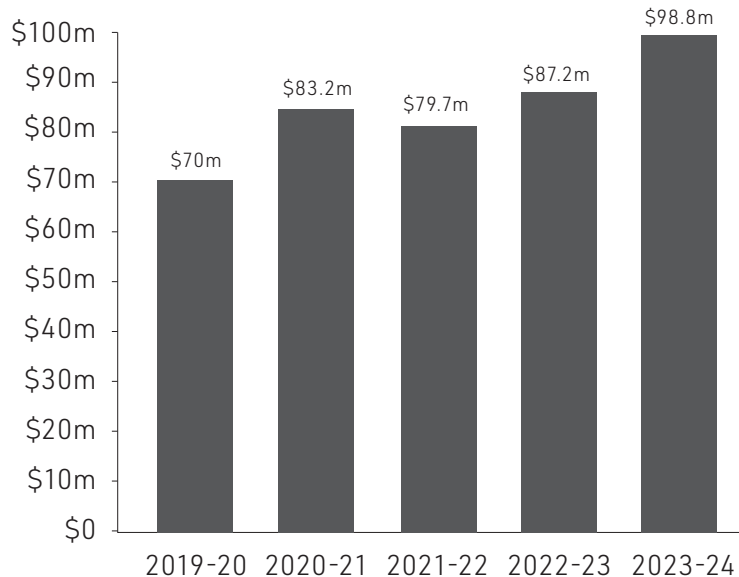
STATEMENT OF FINANCIAL POSITION

Classes of transactions, account balances or disclosures	Change	Key drivers
Total current assets \$100.7m	↑ \$11.8m 13.3%	The increase reflected the growth in fair value of our investments.
Current provision and non-current provision for scheme benefits (\$27.5m)	↓ \$4.5m 14.1%	The decrease was due to the actuarial review as of 30 June 2024.
Net assets \$72.4m	↑ \$15.6m 27.5%	The increase was due to the growth in fair value for investments. Also contributing is the decrease in the provision for scheme benefits, since 2022-23.

INVESTMENT BALANCES 2019–2024

The graph below shows the total balance of investment funds over the last five years. The investment balance for 2023–24 (\$98.8m) shows an increase of \$11.6 million compared to 2022–23.

Investment balances 2019–2024



ACTUARIAL REPORTING

A full actuarial assessment is performed each year to investigate the sufficiency of the Authority's funds and the adequacy of the rate of long service leave levy, to ensure the scheme's financial viability to perpetuity. QLeave's actuary is Mercer Consulting.

Mercer Consulting forecasts whether investment strategies will continue to generate sufficient funds to meet future commitments for portable long service leave payments and maintain the long-term sustainability of the scheme.

The purpose of the finalised actuarial review was to:

- examine the financial position of the scheme in relation to the long service leave entitlements accrued up to 30 June 2024
- determine the theoretical long-term levy rate, assuming that the scheme was neither in surplus nor deficit
- recommend the future levy rate having regard to the financial position of the scheme and the funding objectives and risk preferences of the Board
- provide projections of the scheme's future financial position under a number of scenarios.

The actuarial assessment informs recommendations relating to the levy rate and budgeting.

EXTERNAL AUDIT

The external audit function is undertaken by William Buck (Qld) as a contract auditor for the Queensland Audit Office (QAO). The external audit program and timetable are presented to the Board in April of each year for approval. Annually in August, the findings, recommendations and audited financial statements are presented to the Board for approval, and subsequently to the QAO for certification.



INFORMATION PRIVACY

We are committed to complying with the objects of the *Right to Information Act 2009* (RTI Act) and to protecting the personal information held in accordance with our obligations under the *Information Privacy Act 2009* (IP Act) and information privacy principles. The IP Act regulates how all Queensland Government agencies and contracted service providers collect, store, use and disclose personal information. Our commitment is reflected through several policies, including:

- Privacy Policy
- Right to Information and Information Privacy Procedure
- Administrative Access Policy and Procedure.

In 2023–24, we commenced a review of the above policies. We also participated in Privacy Awareness Week and reminded employees of the importance of protecting personal information when using technology.

RECORDS MANAGEMENT

We remained committed to quality information and records management by continuing to use technology to support sound decision-making, accountability and compliance, and reduce reliance on paper records through automation and digitisation.

Our Information Systems Coordinator has the tasks to monitor records management activities and provide advice.

We are committed to meeting our responsibilities under the relevant legislation, Queensland State Archives policies, standards and guidelines, and best practice methods as outlined in applicable international standards. This is achieved through several policies, including:

- Records Management Policy
- Records Governance Policy
- Digitisation and Disposal Policy
- Digital Recordings and Images Policy
- Information Asset Custodian Policy.

We use an electronic document and records management system called Micro Focus Content Manager to manage and secure administrative records. We also use several business management systems to capture, secure and manage our information.

During 2023–24, we commenced a scoping project aimed at identifying improvements to records management and practices.

In 2023–24, the following initiatives and activities were undertaken:

- continued education of and engagement with employees regarding record-keeping obligations
- completed the annual review of corporate records held in Content Manager
- completed updating policies and procedures for records management
- conducted a self-assessment of records management awareness to benchmark performance and identify business improvements.

COMPLAINTS HANDLING

We are committed to dealing with and resolving customer complaints in a fair and timely manner, in line with our Customer Complaints Management Policy and Procedure, and compatible with human rights.

Details of the customer complaints received and actioned by us during the 2023–24 financial year are outlined within our publications scheme on our website at www.qleave.qld.gov.au/about-us/corporate-publications/publication-scheme.

HUMAN RIGHTS

QLeave is committed to ensuring that human rights considerations form part of all aspects of decision-making and complaint management processes.

Complaints

During the 2023–24 financial year, QLeave received no human rights complaints related to the contract cleaning industry scheme.

Actions taken to further the objects of the *Human Rights Act 2019*

We continued to promote the *Human Rights Act 2019* across the organisation by undertaking the following communication, awareness-raising and employee training activities during 2023–24:

- promoting the Human Rights Act through our communication channels such as our intranet, and promotional awareness posters for Human Rights Week in December 2023 communicating the theme 'Universal means everyone' and recognising 75 years since the United Nations created the Universal Declaration of Human Rights
- including a statement of commitment on our website with the 2023–26 Strategic Plan about respecting, protecting and promoting human rights in our decision-making and actions, by building a culture that supports the Human Rights Act
- ensuring that employees from across the organisation complete human rights training and annual refresher training.

Reviews of policies, procedures and practices

During 2023–24, we undertook the following review activities that have been embedded as part of ongoing business activities:

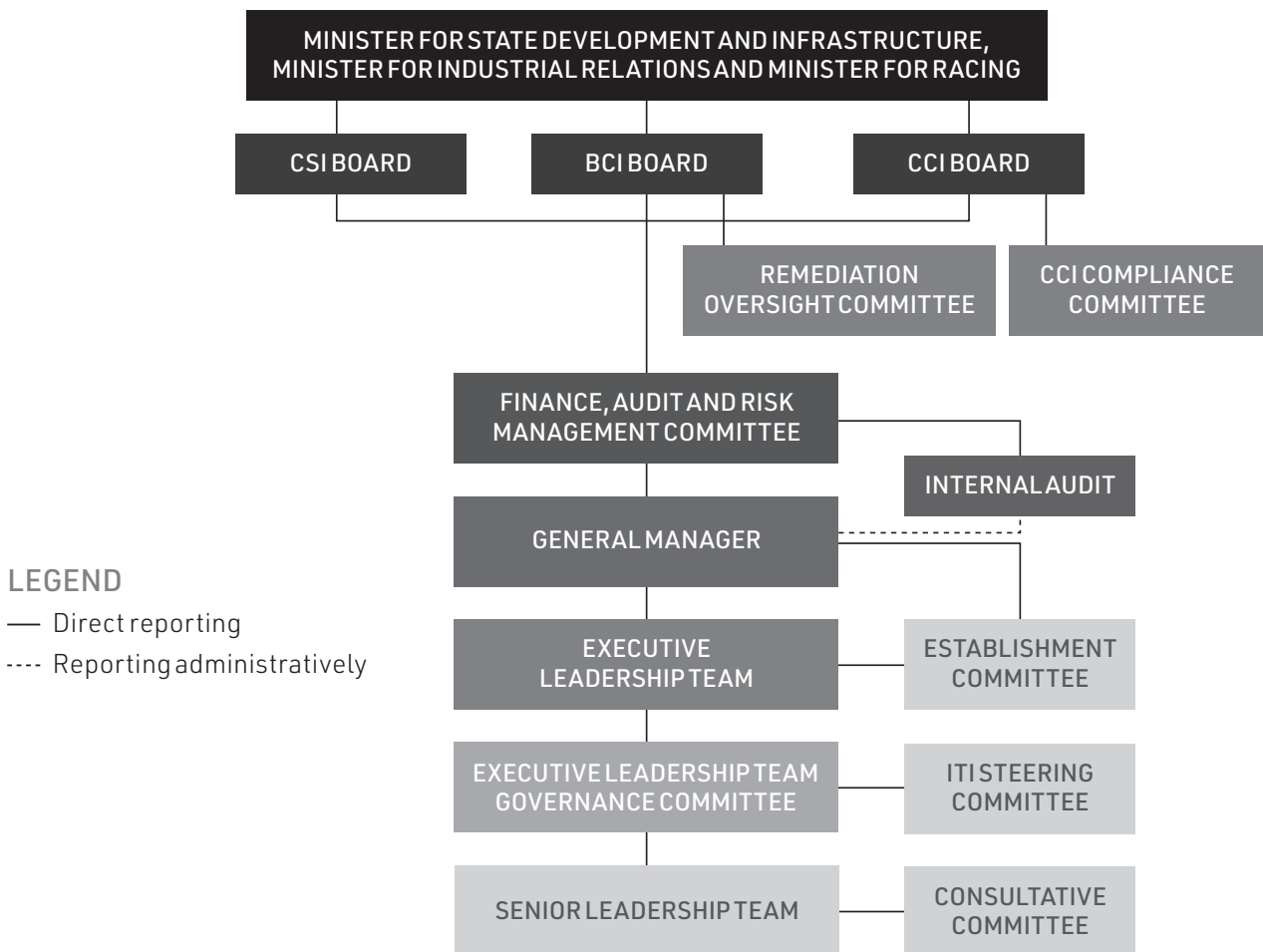
- reviewed our Human Rights – Administrative Decisions Policy and Procedure to ensure employees with delegated authority to action or make administrative decisions under QLeave's delegations manual follow a consistent and transparent decision-making process including understanding when and how to undertake a human rights assessment
- developed human rights assessment documents for employees who were assessing long service leave claims
- continued reviewing and developing QLeave policies and procedures to ensure alignment and compatibility with human rights.



GOVERNANCE AND ACCOUNTABILITY

As a result of the machinery-of-government changes, QLeave, the administering body for the Authority, was transferred to the Minister for State Development and Infrastructure, Minister for Industrial Relations and Minister for Racing portfolio on 18 December 2023.

QLeave’s governance arrangements as of 30 June 2024 are shown below.



THE BOARD

The Contract Cleaning Industry (Portable Long Service Leave) Authority Board ('the Board') is appointed by the Governor-in-Council. The Board reports to the Honourable Grace Grace MP, Minister for State Development and Infrastructure, Minister for Industrial Relations and Minister for Racing.

The scheme is administered by QLeave on behalf of the Authority. QLeave is reimbursed for the provision of its services to the Authority through an administration cost sharing arrangement.

The role of the Board includes:

- responsibility for the Authority’s commercial policy and management
- ensuring, as far as possible, the Authority achieves and acts in accordance with its strategic goals and carries out its strategic objectives outlined in the strategic plan
- ensuring the Authority performs its functions in an appropriate, effective and efficient way.

The Board operates under the provisions of the Act and other governing legislation and within the scope of the Board Guidelines.

COMPOSITION OF THE BOARD

The Board is appointed for a term of three years, and directors are eligible for reappointment. The current Board term commenced on 1 July 2023 and will expire on 30 June 2026. There was no change to the composition of the Board. All Directors were reappointed for the new term.

The Board consisted of six directors:

- the chairperson
- the deputy chairperson
- two directors representing employers in the contract cleaning industry
- two directors representing workers in the contract cleaning industry.

The deputy chair must have knowledge of, and experience in, commerce, economics, finance or management.

Board directors are selected for their depth of knowledge, expertise and experience in either finance and investment, law, corporate governance and/or the contract cleaning industry. The Board is proactive in identifying factors affecting the contract cleaning industry, with a view to achieving a balance between the interests of workers, employers, stakeholders and the long-term sustainability of the scheme.

Directors are encouraged to undertake professional development through the Australian Institute of Company Directors and other development avenues. Directors' professional development is focused on enhancing existing skills and ensuring the Board maintains the high standard required by best practice corporate governance frameworks.

The Board for the financial year 2023–24 comprised the following directors:

- **Chairperson:** John Thompson AM
- **Deputy Chairperson:** Sue Ryan
- **Employer Representatives:** Ken Holder and Kim Puxty
- **Worker Representatives:** Damien Davie and Linda Revill.

FOCUS FOR THE BOARD 2023–24

The major activities for the Board for the 2023–24 financial year were to:

- maintain oversight of the Authority's investments
- monitor performance against the strategic plan
- ensure the Internal Audit Plan and associated frameworks appropriately monitor the internal controls so they remain effective and adequate in minimising risk
- ensure management addresses any findings and recommendations of the internal and external audit functions in a timely manner
- monitor the actuarial position to ensure sufficiency of funds and adequacy of the levy rate
- endorse the annual budget before seeking ministerial approval
- endorse the financial statements for QAO certification.

The Board members, together with members of the Building and Construction Industry (Portable Long Service Leave) Authority Board and the Community Services Industry (Portable Long Service Leave) Authority Board attended a workshop with management to review the Boards' risk appetite statement and strategic plan for the organisation. All Boards approved the risk appetite statement and the Strategic Plan 2024–28 in April and May 2024.



REMUNERATION

The Board is classified as a Regulation, Administration and Advice – Level 3 category body under the *Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies*. Directors are remunerated per meeting attended.

BOARD PERFORMANCE ASSESSMENT

The Board directors undertake an annual Board performance evaluation to highlight the achievements throughout the year and identify opportunities for improvement. The evaluation is a structured self-assessment process that allows individual directors to review their performance. The evaluation outcomes are discussed during an in camera session led by the Chair to identify strengths and development opportunities for board operations, and review and measure the Authority's progress towards its goals, training requirements and open channels of communication.

BOARD MEETINGS

The Board met four times during 2023–24.

CCI BOARD COMPLIANCE COMMITTEE

The Board established a Compliance Committee to provide oversight, guidance and assistance to the organisation's compliance function. This may include supporting the development of an industry specific strategic compliance plan and determining appropriate staffing and budget requirements.

The inaugural meeting of the Committee was held on 26 February 2024. The Committee meets every three months and reports to the Board on a regular basis.

The Compliance Committee comprises:

- **Chairperson:** Sue Ryan
- **Employer Representative:** Ken Holder
- **Worker Representative:** Damien Davie.

BOARD SECRETARIAT

The Board Secretariat provides professional support services to the Boards, including:

- arranging and scheduling Board meetings, setting agendas, circulating papers and reports, attending and minuting meetings
- ensuring that documents presented to the Boards are of a high standard to inform decision-making
- accurately recording Board considerations in correspondence and minutes and realising decisions and actions arising from Board and Committee meetings.

BOARD RECORDKEEPING

The minutes and documentation of each board meeting are recorded, and copies are provided to Queensland State Archives under the provision of the *Public Records Act 2002*.

DIRECTORS OF THE BOARD

The following are the profiles of the Directors of the Contract Cleaning Industry Board.

JOHN THOMPSON AM – CHAIR

John Thompson has had significant involvement in a range of employment-related activities for over 40 years that encompassed holding Commissions as a Commissioner of the Queensland Industrial Relations Commission (20 years) and the Australian Industrial Relations Commission (six years) – now the Fair Work Commission.

John also occupied a number of senior positions in the trade union movement that included the roles of General Secretary of the Queensland Council of Unions, Secretary of the Plumbers and Gasfitters Union and Executive Member of the Australian Council of Trade Unions.

John is the current Chair of the Queensland Government's Tripartite Procurement Advisory Panel, a non-executive Director of Stanwell Corporation, a referee for the Development Tribunal Queensland Department of Housing, Local Government, Planning and Public Works and has previously held a number of directorships in organisations such as QSuper, Sunsuper, BUSSQ, WorkCover Queensland, State Training Council Queensland and Queensland Performing Arts Trust.

John is a licensed plumber and drainer and holds a Mediation Practitioners Certificate (United Kingdom).

John was appointed a member (AM) of the Order of Australia in the 2023 King's Birthday Honours.

John was first appointed as Chairperson of the Board in October 2021.

SUE RYAN, BBus (Accounting), GAICD – DEPUTY CHAIR

Sue Ryan has a broad range of experience in senior executive government positions across a number of portfolios in roles that included policy development and service delivery, corporate governance and financial and investment management.

As Chief Financial Officer, Sue had strategic oversight of budgets up to \$1 billion, and her financial experience extended to providing strategic analysis and advice to a state government minister on the financial position, trends and investment decisions. Sue also developed and implemented grants programs, investment reprioritisation initiatives, investment programs and benefits realisation frameworks.

Sue currently serves as Chair and independent member of a number of audit and risk committees.

Sue holds a Bachelor of Business (Accounting) and is a graduate of the Australian Institute of Company Directors (AICD).

Sue was first appointed to the Board as Deputy Chair in 2017 and is Chair of the recently established Compliance Committee.

KIM PUXTY, DipBus, JP, GAICD – EMPLOYER REPRESENTATIVE

Kim Puxty is the Chief Executive Officer of the Building Service Contractors Association of Australia (BSCAA).

Kim has served as a Board member of the BSCAA Queensland Division since 2010 and the BSCAA National Board since 2017. She has also held the position of President for both the BSCAA Queensland Division (from 2015 to 2019) and the BSCAA National Division (from 2019 to 2022).

With over 20 years of experience in the contract cleaning industry, Kim has gained extensive knowledge of issues affecting industry employers, particularly in the administration and operations areas. Her expertise in commercial cleaning administration encompasses human resources, payroll, accounts, quality assurance and managing client profiles. Kim has also managed client accounts for large associations and government entities.

Kim's qualifications include a Diploma of Management and several industry-related certificates. She is a Justice of the Peace and a graduate of the Australian Institute of Company Directors.

Kim was first appointed to the Board in 2011.



KEN HOLDER, BA, MA (Hons), MBA, GAICD, JP (Qual) – EMPLOYER REPRESENTATIVE

Ken Holder serves in an advisory capacity to the Building Service Contractors Association of Australia (BSCAA). He was formerly Chief Executive Officer of two contract cleaning and security services companies (2008 to 2022). Ken now provides tailored management solutions to companies within the industry, focusing on business transformation, commercial development, strategic business growth, corporate governance and compliance, and concentrating on uplifting the people, systems, processes and technology that underpin the business.

Ken has over 35 years' business management and directorship experience in the private sector, covering facility services, building and construction, industrial and manufacturing products, and forestry. He has held executive, marketing and business development roles with publicly listed companies in New Zealand, Australia and Canada.

Ken holds a Bachelor of Arts, Master of Arts (Hons) and MBA. He is a graduate of the Australian Institute of Company Directors and a Justice of the Peace.

Ken was first appointed to the Board in 2014 and is a member of the recently established Compliance Committee.

DAMIEN DAVIE – WORKER REPRESENTATIVE

Damien Davie is the National Property Services Coordinator for the United Workers' Union and has represented the interests of contract cleaning industry workers for over 17 years. His previous role was Strategic Coordinator and Lead Organiser.

Damien's role covers all contract cleaners in Queensland, as well as the industries of contract security and contract catering. Additionally, Damien is a member of the Union's National Strategic Steering Group, which develops policies for wages and conditions, deals with issues affecting contract cleaners and develops national standards for wages.

Damien travels extensively throughout the state to liaise with both contract cleaning workers and employer companies, to promote the best interests of workers in the industry, resolve workplace issues affecting contract cleaning industry workers and negotiate fair and equitable working conditions for contract cleaning industry workers. Damien has also been a member of the Australian Super Advisory Panel since 2017 and is a member of the Australian Institute of Company Directors.

Damien was first appointed to the Board in 2010 and is a member of the recently established Compliance Committee.

LINDA REVILL – WORKER REPRESENTATIVE

Linda Revill has been a National Property Services Coordinator for the United Workers' Union for the last four years and represents the interests of contract cleaning industry workers. Her role covers all contract cleaners across Australia, with a particular focus on Queensland, New South Wales and Victoria.

In her current role, Linda is required to travel throughout these states, where she liaises with contract cleaning workers and employers. Linda's aim is to negotiate fair and equitable working conditions and resolve workplace issues while promoting the interests of workers in the contract cleaning industry.

Linda has worked with the Union for 17 years, where her previous role was Lead Organiser in the Early Childhood Educators and Care sector of the Union, representing early educators fighting for equal pay through the Big Steps Campaign.

Linda was first appointed to the Board on 26 May 2022.

INTERNAL AUDIT

BDO undertakes QLeave's internal audit. The internal audit helps us accomplish our objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of systems of internal control.

BDO reviews our operations to assure the Board that our systems are effective, efficient and economical for the administration of portable long service leave schemes.

The internal audit program has adopted an integrated approach to the issues of governance, risk management and compliance.

During 2023-24, BDO undertook the following internal audit work and reviews:

- investments and treasury governance review
- process effectiveness and service consistency (Client Services)
- internal review function
- validation of completed recommendations from the following internal audit reports:
 - risk management review
 - records management audit
 - accounts payable audit
 - information security management system audit.
- monitoring of the reporting status of internal audit recommendations
- implementation of an internal audit plan for 2022-23
- development of an internal audit plan for 2023-24.

OTHER INTERNAL REVIEWS

During the reporting period, to enhance business improvements, external suppliers also completed internal reviews of our:

- technology architecture
- enterprise remediation
- customer journey mapping
- claims management.

RISK MANAGEMENT

The Board and QLeave management strongly support an effective risk management culture that identifies and mitigates potential threats impacting on meeting objectives to sustain the financial strength of QLeave. This is central to providing financial certainty to scheme participants, now and into the future.

Our Enterprise Risk Management Framework is aligned with the following legislation, standards and best practice guides:

- *Financial Accountability Act 2009*
- Financial and Performance Management Standard 2019
- Australian and New Zealand International Standard Organisation 31000:2018 Risk management – Principles and Guidelines
- Prudential Standard SPS 220 Risk Management
- *A Guide to Risk Management* by Queensland Treasury (2020).

As part of our Enterprise Risk Management Framework, we use the concept of 'material risk' from the Prudential Standard SPS 220. Material risks are those that may have a material impact (i.e. a significant impact) on our operations and the ability to meet our obligations. This strategic approach allows us to capture both strategic and operational material risks on one material risk register – which enables us to focus time, effort and resources on risks that pose the most significant threat to the agency.



We manage risks by involving all business units to identify risks, and record mitigation actions in a central risk register for implementation by the appropriate areas. The register is reviewed by all managers and QLeave directors, and quarterly reports are provided to the Executive Leadership Team Governance Committee, the Finance, Audit and Risk Management Committee and the Boards.

During 2023–24, we focused on:

- embedding our enhanced Enterprise Risk Management Framework, tailored risk assessment tools, a revised Risk Management Policy and Procedure and redesigned the fraud and corruption risk register
- expanding our understanding of the material risks through extended deep dive workshops that resulted in reframing where appropriate, our risk descriptions and updating the causes, consequences, controls and key management actions that may impact our ability to meet objectives
- raising risk management awareness and increasing capability through dedicated training, and engagement through a quarterly Risk Officers Network, and streamlined quarterly risk review processes.

As part of our continuous improvement approach, we completed an annual review of our Enterprise Risk Management Framework, risk assessment tools, and Risk Management Policy and Procedure to ensure they remain fit-for-purpose. As part of this annual review process, the Board members, together with members of the Building and Construction Industry (Portable Long Service Leave) Authority Board and the Community Services Industry (Portable Long Service Leave) Authority Board reviewed and approved a revised Risk Appetite Statement, which documents the levels of risk that we are willing to accept in pursuit of meeting our objectives.

In 2024–25, we will continue to embed and develop our risk maturity through the delivery of a risk maturity plan and will monitor and report material risks using the material risk register and the operational fraud and corruption risk register.

FINANCIAL STATEMENTS

**Contract Cleaning Industry
(Portable Long Service Leave) Authority**
For the Year Ended 30 June 2024



Contract Cleaning Industry (Portable Long Service Leave) Authority
Financial Statements
For the Year Ended 30 June 2024

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Contract Cleaning Industry (Portable Long Service Leave) Authority
Statement of Comprehensive Income
for the year ended 30 June 2024

OPERATING RESULT	Note	2024 \$'000	2023 \$'000
Income from continuing operations			
Portable long service leave (PLSL) levies	B1-1	4,872	4,630
Net income from financial assets at fair value through profit or loss	B1-2	11,766	8,664
Interest		29	17
Total income from continuing operations		<u>16,667</u>	<u>13,311</u>
Expenses from continuing operations			
Supplies and services	B2-1	2,665	1,997
Impairment reversals		(7)	-
Portable long service leave (PLSL) scheme benefits	C5	<u>(1,618)</u>	<u>9,245</u>
Total expenses from continuing operations		<u>1,040</u>	<u>11,242</u>
Operating result from continuing operations		<u>15,627</u>	<u>2,069</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		<u><u>15,627</u></u>	<u><u>2,069</u></u>

The accompanying notes form part of these financial statements.

Contract Cleaning Industry (Portable Long Service Leave) Authority
Statement of Financial Position

as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	C1	383	419
Receivables	C2	1,564	1,220
Financial assets at fair value through profit or loss (FAFVPL)	C3	98,771	87,257
Prepayments		16	7
Total current assets		100,734	88,903
Total assets		100,734	88,903
Current liabilities			
Payables	C4	821	117
Provision for scheme benefits	C5	14,600	17,300
Total current liabilities		15,421	17,417
Non-current liabilities			
Provision for scheme benefits	C5	12,900	14,700
Total non-current liabilities		12,900	14,700
Total liabilities		28,321	32,117
Net assets		72,413	56,786
Equity			
Accumulated surplus		72,413	56,786
Total equity		72,413	56,786

The accompanying notes form part of these financial statements.

Contract Cleaning Industry (Portable Long Service Leave) Authority
Statement of Changes in Equity
for the year ended 30 June 2024

	Accumulated surplus \$'000
Balance as at 1 July 2022	54,717
Total comprehensive income for the year	2,069
Balance at 30 June 2023	<u>56,786</u>
Total comprehensive income for the year	15,627
Balance at 30 June 2024	<u><u>72,413</u></u>

The accompanying notes form part of these financial statements.

Contract Cleaning Industry (Portable Long Service Leave) Authority
Statement of Cash Flows

for the year ended 30 June 2024

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2024	2023
		\$'000	\$'000
<i>Inflows:</i>			
Interest receipts		29	16
Portable long service leave (PLSL) levies		4,903	4,519
GST input tax credits from ATO		225	242
<i>Outflows:</i>			
Supplies and services		(2,081)	(2,247)
Portable long service leave (PLSL) payments		(2,891)	(2,933)
GST paid to suppliers		(236)	(261)
Net cash used in operating activities	CF-1	<u>(51)</u>	<u>(664)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Inflows:</i>			
Proceeds from investments		252	230
Investments redeemed		-	900
<i>Outflows:</i>			
Fund management fees		(237)	(213)
Net cash provided by investing activities		<u>15</u>	<u>917</u>
Net (decrease)/increase in cash and cash equivalents		(36)	253
Cash and cash equivalents - opening balance		419	166
Cash and cash equivalents - closing balance	C1	<u><u>383</u></u>	<u><u>419</u></u>

The accompanying notes form part of these financial statements.

Contract Cleaning Industry (Portable Long Service Leave) Authority

Statement of Cash Flows

for the year ended 30 June 2024

NOTES TO THE STATEMENT OF CASH FLOWS

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

	2024	2023
	\$'000	\$'000
Operating surplus	15,627	2,069
<i>Adjustments to FAFVPL items:</i>		
Net income from FAFVPL	(11,766)	(8,664)
Fund management fees	237	213
<i>Changes in assets and liabilities</i>		
(Decrease)/increase in PLSL scheme benefits provision	(4,500)	6,300
(Increase)/decrease in receivables	(344)	(131)
(Increase)/decrease in prepayments	(9)	11
Increase(decrease) in payables	704	(462)
Net cash used in operating activities	(51)	(664)

Contract Cleaning Industry (Portable Long Service Leave) Authority
Notes to the Financial Statements
for the year ended 30 June 2024

SECTION 1
ABOUT THE AUTHORITY AND THIS FINANCIAL REPORT

A1 BASIS OF FINANCIAL STATEMENT PREPARATION

A1-1 GENERAL INFORMATION

The Contract Cleaning Industry (Portable Long Service Leave) Authority (Authority) was established under the *Contract Cleaning Industry (Portable Long Service Leave) Act 2005*.

The principal place of business of the Authority is Unit 1, 62 Crockford Street, Northgate QLD 4013.

A1-2 COMPLIANCE WITH PRESCRIBED REQUIREMENTS

The Authority has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019* and Section 62(1) of the *Financial Accountability Act*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2023.

The Authority is a not-for-profit statutory body and these general purpose financial statements are prepared on an accrual basis (except for the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to non-for-profit entities.

New Australian Accounting Standards early adopted and/or applied for the first time in these financial statements are outlined in Note E3.

A1-3 PRESENTATION

Currency and rounding

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

Comparatives

Comparative information reflects the audited 2022-23 financial statements and has been reclassified where necessary to be consistent with disclosures in the current reporting period. Where comparative information has been restated, unless otherwise specified, such restatements are not material and would not require disclosure in accordance with *AASB 108 Accounting Estimates, Changes in Estimates and Errors*.

Current / non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Authority does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

A1-4 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements are authorised for issue by the Chair of the Authority's Board and the General Manager of QLeave at the date of signing the management certificate.

A1-5 BASIS OF MEASUREMENT

Historical cost is used as the measurement basis in this financial report except for the following:

- Provisions expected to be settled 12 or more months after reporting date which are measured at their present value; and
- Investments with the Queensland Investment Corporation (QIC) which are measured at fair value.

Contract Cleaning Industry (Portable Long Service Leave) Authority

Notes to the Financial Statements

for the year ended 30 June 2024

A1 BASIS OF FINANCIAL STATEMENT PREPARATION (continued)

A1-5 BASIS OF MEASUREMENT (continued)

Historical cost

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

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using one of the following three approaches:

- The *market approach* uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The *cost approach* reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.
- The *income approach* converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Where fair value is used, the fair value approach is disclosed.

Present value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

A2 AUTHORITY OBJECTIVES

The objective of the Authority is to administer a paid long service leave scheme for eligible workers within the contract cleaning industry in accordance with the *Contract Cleaning Industry (Portable Long Service Leave) Act 2005*.

The Authority is funded by a levy imposed on worker wages, currently 0.75%, and the income earned on the investment of these funds.

For the 2023-24 financial year, the Authority reported to the Minister for State Development and Infrastructure, Minister for Industrial Relations and Minister for Racing (Hon Grace Grace MP).

The Authority does not employ staff. The General Manager of the Authority is the person appointed as the General Manager of the Building and Construction Industry (Portable Long Service Leave) Authority (BCI or QLeave) and manages the business of the Authority.

QLeave provides the Authority with the staff and administrative support services that it requires to carry out its functions. Costs shown in the statement of comprehensive income under supplies and services represents QLeave's fee for these services.

Contract Cleaning Industry (Portable Long Service Leave) Authority
Notes to the Financial Statements
for the year ended 30 June 2024

SECTION 2
NOTES ABOUT OUR FINANCIAL PERFORMANCE

B1 REVENUE

B1-1 INCOME FROM LEVIES

	2024	2023
	\$'000	\$'000
Portable long service leave (PLSL) levies	<u>4,872</u>	<u>4,630</u>

Accounting policy - Income from levies

Revenue is recognised where it can be reliably measured and the entity has an unconditional right to receive it in the period to which it relates. Levy revenue applicable to the last quarter, April to June, has been estimated and accrued based on levies received year to date and specifically the average of the three quarter return periods, July to March.

Retrospective levies income is recognised when invoiced.

B1-2 NET INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	2024	2023
	\$'000	\$'000
Managed unit trust distributions	5,825	3,285
Gain on financial instruments	5,941	5,379
Total	<u>11,766</u>	<u>8,664</u>

Accounting policy - Interest and distributions from financial assets at FVTPL

Interest and distributions from financial assets at FVTPL are recognised when the right to receive the payment is established.

Accounting policy - Net fair value gain on financial instruments

Changes in the fair value of financial instruments are recognised as gains or losses in the statement of comprehensive income as they occur.

Net fair value movement on financial assets at FVTPL is disclosed in Note D1-3.

B2 EXPENSES

B2-1 SUPPLIES AND SERVICES

	2024	2023
	\$'000	\$'000
QLeave fees ⁽¹⁾⁽²⁾⁽³⁾	2,412	1,769
Board fees ⁽⁴⁾	13	7
Fund management fees ⁽⁵⁾	237	215
Other expenses	3	6
Total	<u>2,665</u>	<u>1,997</u>

Accounting policy - Procurement

For a transaction to be classified as supplies and services, the value of goods and services received by the Authority must be approximately equal value to the value of the consideration exchanged for those goods or services.

QLeave fees

(1) The Authority, under agreement, pays to QLeave a fee for the administrative services that it requires to carry out its functions effectively, including the collection of levies.

Audit fees

(2) Total audit fees quoted by the Queensland Audit Office relating to the external audit of the 2023-24 financial statements are estimated to be \$15,830. (2022-23: \$21,788). The audit fees are included in the QLeave fees.

Insurance premiums - QGIF

(3) The Authority's risks are insured through the Queensland Government Insurance Fund (QGIF) and premiums are paid on a risk assessment basis. The insurance premiums are included in the QLeave fees. Insurance claims are subject to a \$10,000 deductible per claim.

Board fees

(4) Board fees are paid by QLeave and reimbursed by the Authority. Refer to Note E1 for KMP disclosures.

Fund management fees

(5) Fund management fees are charged by Queensland Investment Corporation for the management of the Authority's investments. The fees are calculated as a percentage of the balance under management at a fixed rate of 0.25% per annum.

Contract Cleaning Industry (Portable Long Service Leave) Authority

Notes to the Financial Statements

for the year ended 30 June 2024

**SECTION 3
NOTES ABOUT OUR FINANCIAL POSITION**

C1 CASH AND CASH EQUIVALENTS

	2024	2023
	\$'000	\$'000
Cash at bank	<u>383</u>	<u>419</u>

Accounting policy - Cash and cash equivalents

For the purpose of the statement of financial position and the statement of cash flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions. Interest revenue is recognised when it is earned.

The Authority earned \$29,143 interest revenue on cash held with the Commonwealth Bank at interest rates between 4.10% and 4.85% in 2023-24. (2022-23: \$16,936).

C2 RECEIVABLES

	2024	2023
	\$'000	\$'000
Trade debtors	37	33
Less: Loss allowance	<u>(15)</u>	<u>(22)</u>
	22	11
Accrued revenue *	1,468	1,146
GST input tax credits receivable	<u>74</u>	<u>63</u>
	1,542	1,209
Total	<u>1,564</u>	<u>1,220</u>

Accounting policy - Receivables

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

Trade debtors are recognised at the amounts due at the end of a return quarter. Settlement of these amounts is required within 14 days from the end of the quarter.

The collectability of receivables is assessed periodically with an allowance being made for impairment. All known bad debts were written off as at 30 June. The allowance for impairment is based on loss events in conjunction with current debtor monitoring and analysis.

* Includes the fourth quarter levy revenue accrual

The trade debtors loss allowance reflects the lifetime expected credit loss method and includes known doubtful debts. Refer to Note D2-3.

C3 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	2024	2023
	\$'000	\$'000
QIC - Diversified Australian Equities Fund (DAEF)	15,915	14,869
QIC - International Equities Fund (IEF)	13,571	14,378
QIC - Long Term Diversified Fund (LTDF)	54,488	48,459
QIC - Cash Enhanced Fund (CEF)	<u>14,797</u>	<u>9,551</u>
Total	<u>98,771</u>	<u>87,257</u>

Accounting policy - Financial Assets at FVTPL

The Authority's financial assets are stated at FVTPL and are limited to unlisted unit trusts managed by QIC Limited.

The fair value of these financial assets were estimated using market approach based on unit price of the relevant trust at reporting date.

The unit trust is derived based on observable market data for the underlying investments held by the Fund.

The final rate of return net of fees for the QIC portfolio is 13.22% (2023: 10.64%). Net fair value movement on financial assets at FVTPL is disclosed in Note D1-3.

C4 PAYABLES

	2024	2023
	\$'000	\$'000
Trade creditors	777	96
Accrued charges	<u>44</u>	<u>21</u>
Total	<u>821</u>	<u>117</u>

Accounting policy - Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, net of applicable trade and other discounts. Amounts owing are unsecured and generally settled on 30 day terms.

Contract Cleaning Industry (Portable Long Service Leave) Authority

Notes to the Financial Statements

for the year ended 30 June 2024

C5 PROVISION FOR SCHEME BENEFITS

	2024	2023
	\$'000	\$'000
Current		
Provision for scheme benefits expected to be settled within 12 months	3,100	2,900
Provision for scheme benefits expected to be settled after 12 months	11,500	14,400
Total *	14,600	17,300
Non-current		
Provision for scheme benefits	12,900	14,700
Total	27,500	32,000
Movement in provisions		
Balance as at 1 July	32,000	25,700
(Reversals) / Provisions**	(1,618)	9,245
Provision utilised through payments	(2,882)	(2,945)
Balance as at 30 June	27,500	32,000

Accounting policy - Provisions

Provisions are recorded when the Authority has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. Where the settlement of the obligation is expected after 12 or more months, the obligation is discounted to the present value using an appropriate discount rate.

Accounting policy - PLSL scheme benefits

Payments for long service leave claims are assessed and calculated in accordance with the *Contract Cleaning Industry (Portable Long Service Leave) Act 2005* and the *Contract Cleaning Industry (Portable Long Service Leave) Regulation 2015* and are recognised in the statement of comprehensive income as the costs are incurred.

Scheme eligible members as at 30 June were 92,341 (2022-23: 79,126).

* The total current provision of \$14.6 million (2022-23: \$17.3 million) represents the value for which the Authority does not have an unconditional right to defer settlement for at least 12 months. The Authority only expects to pay \$3.1 million (2022-23: \$2.9 million) over the next 12 months.

** The decrease in the provision at balance date reflects impact of the change in wage assumptions and a reduction in the number of active workers in the Scheme.

The liability has been recorded as both a current liability and a non-current liability in accordance with AASB 101 *Presentation of Financial Statements* and AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* whereby the current liability represents any amount of Scheme benefits liability for which the Authority does not have an unconditional right to defer settlement for at least 12 months after the reporting date.

Key Estimates and Judgements: Provision

The long service leave liability of the scheme was determined via actuarial assessment as required by the *Contract Cleaning Industry (Portable Long Service Leave) Act 2005* at intervals of at least every two years to investigate the sufficiency of the Authority's funds and the adequacy of the rate of long service leave levy.

Mercer Consulting (Australia) Pty Ltd was re-appointed as the Authority's actuary on 8 April 2021. The latest actuarial assessment of the scheme's liabilities dated 30 June 2024 was prepared utilising 31 October 2023 worker data based on a number of theoretical and Board-approved assumptions.

The key actuarial assumptions used in determining the value of scheme benefits for the reporting period were:

Financial assumptions	2024	2023
Long-term investment return per annum net of management fees	6.91%	6.95%
Rate of wage increase per annum	3.50%	4.75%
Real rate of return per annum	3.41%	2.20%
Prescribed award wage rate ¹	\$945.00	\$936.05
Discount rate ²	6.91%	6.95%
Demographic trends and assumptions	2024	2023
Number of workers	86,491	68,214
Number of active workers	20,985	22,688
Number of inactive workers	65,506	45,526
Long service usage rate per annum	12%	12%
Average long service leave factor	71.7%	75%

¹Based on the Fair Work Ombudsman Cleaning Services Award [MA000022] Pay Guide published 1 July 2023.

²The provision has been discounted using a rate of 6.91% (2022-23: 6.95%) reflecting the long-term rate of return on the Authority's assets to determine the present value.

The Board has implemented a number of measures to manage risks associated with the Scheme, including the establishment of an appropriate funding policy objective and ongoing monitoring of the Scheme's funding position. The actuary considers this funding objective and the Scheme's specific circumstances when recommending the required employer contribution rates (levies). There were no changes to levy rates for the reporting period.

According to the actuarial report as at 30 June 2024, the Authority is in a very strong funding position as at 30 June 2024, as evidenced by the coverage of Scheme benefits by assets.

Contract Cleaning Industry (Portable Long Service Leave) Authority
Notes to the Financial Statements
for the year ended 30 June 2024

SECTION 4
NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES

D1 FAIR VALUE MEASUREMENT

D1-1 ACCOUNTING POLICIES AND INPUTS FOR FAIR VALUES

What is fair value?

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Authority include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Authority's assets/liabilities, internal records of recent costs (and/or estimate of such costs) for assets' characteristics/functionality, and assessments of physical condition and remaining useful life.

Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Fair value measurement hierarchy

All assets and liabilities of the Authority for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- | | |
|---------|--|
| Level 1 | represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities; |
| Level 2 | represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1 that are observable, either directly or indirectly); and |
| Level 3 | represents fair value measurements that are substantially derived from unobservable inputs. |

D1-2 BASIS FOR FAIR VALUES OF ASSETS AND LIABILITIES

The Authority's holdings in financial assets at fair value through profit and loss is limited to unlisted unit trusts managed by QIC Limited.

The fair value of these holdings was based on the unit price of the relevant trust at reporting date. The unit price is derived based on observable market data for underlying investments held by the trust. Accordingly, the Authority classifies these financial assets as level 2.

Contract Cleaning Industry (Portable Long Service Leave) Authority

Notes to the Financial Statements

for the year ended 30 June 2024

D1 FAIR VALUE MEASUREMENT (continued)

D1-3 LEVEL 2 FAIR VALUE MEASUREMENT - RECONCILIATION

	QIC -DAEF \$'000	QIC- IEF \$'000	QIC- LTDF \$'000	QIC - CEF \$'000	Total \$'000
Opening balance as at 1 July 2022	13,188	11,955	44,251	10,328	79,722
Redemptions	-	-	-	(916)	(916)
Distributions re-invested	790	1,528	776	191	3,285
Net realised gain from financial assets at FVTPL	891	895	3,432	161	5,379
Fund management fees*	-	-	-	(213)	(213)
Closing balance at 30 June 2023	14,869	14,378	48,459	9,551	87,257
Acquisitions	-	-	-	5,000	5,000
Redemptions	(750)	(4,250)	-	-	(5,000)
Distributions re-invested	723	1,463	3,214	425	5,825
Net realised gain from financial assets at FVTPL	1,073	1,980	2,815	73	5,941
Fund management fees*	-	-	-	(252)	(252)
Closing balance at 30 June 2024	15,915	13,571	54,488	14,797	98,771

*Fees are inclusive of GST

D2 FINANCIAL RISK DISCLOSURES

D2-1 FINANCIAL INSTRUMENT CATEGORIES

Financial assets and financial liabilities are recognised in the statement of financial position when the Authority becomes party to the contractual provisions of the financial instrument. The Authority has the following categories of financial assets and financial liabilities:

Category	Note	2024 \$'000	2023 \$'000
Financial assets			
Cash and cash equivalents	C1	383	419
Financial assets at amortised cost:			
Receivables	C2	1,564	1,220
Financial assets at fair value through profit or loss:			
QIC - Diversified Australian Equities Fund		15,915	14,869
QIC - International Equities Fund		13,571	14,378
QIC - Long Term Diversified Fund		54,488	48,459
QIC - Cash Enhanced Fund		14,797	9,551
	C3	<u>98,771</u>	<u>87,257</u>
Total financial assets		<u>100,718</u>	<u>88,896</u>
Financial liabilities			
Financial liabilities at amortised cost:			
Payables	C4	821	117
Total financial liabilities		<u>821</u>	<u>117</u>

No financial assets and financial liabilities have been offset and presented in the statement of financial position.

Contract Cleaning Industry (Portable Long Service Leave) Authority

Notes to the Financial Statements

for the year ended 30 June 2024

D1 FAIR VALUE MEASUREMENT (continued)

D2-2 RISKS ARISING FROM FINANCIAL INSTRUMENTS

(a) Risk exposure

Financial risk management is implemented pursuant to the Authority's investment policy statement. This policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Authority.

The Authority's activities expose it to a variety of financial risks as set out in the following table:

Risk exposure	Definition	Exposure
Credit risk	The risk that the Authority may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	The Authority is exposed to credit risk in respect of its receivables (Note C2). The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security and there is no other credit enhancements relating to the Authority's receivables.
Liquidity risk	The risk that the Authority may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	The Authority is exposed to liquidity risk in respect of its payables (Note C4) and payments for long service leave claims (Note C5).
Market risk	<p>The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, interest rate risk and currency risk.</p> <p><i>Price Risk</i> is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.</p> <p><i>Interest rate risk</i> is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market interest rates.</p> <p>The Authority is not exposed to <i>currency risk</i>.</p>	<p>The Authority is exposed to price risk through investments with QIC (Note C3). The Authority is exposed to adverse movements in the level of volatility of the financial markets in respect to these investments.</p> <p>The Authority is exposed to interest rate risk through cash and cash equivalents (Note C1) which is subject to variable interest rates.</p>

(b) Risk measurement and management strategies

The Authority measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method	Risk management strategies
Credit risk	Aging analysis	<p>The Authority manages credit risk through the use of a <i>debtor management strategy</i> and related policies and procedures. Various actions, including enforcement activity and subsequent legal recovery may occur as the debts begin to age.</p> <p>Credit risk exposure, including the identification of any significant concentrations of risk, is monitored on a regular basis.</p>
Liquidity risk	Sensitivity analysis	<p>The Authority manages liquidity risk through its diversified investment portfolio that provides for the redemption of investments to meet both short-term and long-term cash flow requirements.</p> <p>The Authority regularly reviews its liquidity management strategy to ensure that it has sufficient funds available to meet expected future obligations, whilst aiming to invest any excess cash above that required to meet liquidity needs to achieve a higher investment return.</p>
Market risk	<p>Price sensitivity analysis</p> <p>Interest rate sensitivity analysis</p>	<p>To manage the risk of a decline in portfolio value due to adverse movements in market price the Authority diversified its strategic asset allocation in 2018-19 to include the QIC International Equities Fund and the QIC Diversified Australian Equities Fund.</p> <p>The Authority's <i>Investment Policy Statement (IPS)</i> is reviewed regularly to ensure investment objectives are aligned with the Authority's strategic plan and that an appropriate asset allocation exists to give expected returns for given levels of risk over time. The Authority oversees these risks through receiving monthly and quarterly investment performance reports from QIC, detailing performance benchmarks and stated objectives.</p> <p>The Authority does not undertake any hedging in relation to interest risk.</p>

Contract Cleaning Industry (Portable Long Service Leave) Authority

Notes to the Financial Statements

for the year ended 30 June 2024

D2 FINANCIAL RISK DISCLOSURES (continued)

D2-3 CREDIT RISK DISCLOSURES

Credit risk management practices

The Authority typically considers a financial asset to be in default when it becomes 90 days past due. However, a financial asset can be in default before that point if information indicates that the Authority is unlikely to receive the outstanding amounts in full. The Authority has included a loss allowance on trade receivables (Note C2).

Credit risk exposure

The following table represents the Authority's maximum exposure to credit risk based on statutory amounts net of any allowances:

Category	Note	2024 \$'000	2023 \$'000
Financial assets			
Receivables	C2	<u>1,564</u>	<u>1,220</u>

D2-4 LIQUIDITY RISK - CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES

The following table sets out the liquidity risk of financial liabilities held by the Authority.

	2024	Contractual maturity			2023	Contractual maturity		
	Total \$'000	<1 year \$'000	1-5 years \$'000	>5 years \$'000	Total \$'000	<1 year \$'000	1-5 years \$'000	>5 years \$'000
Financial liabilities								
Payables	<u>821</u>	821	-	-	<u>117</u>	117	-	-

D2-5 MARKET RISK

The following market sensitivity analysis reflects the outcome to profit and loss if investment unit price would change by +/- 10% applied to the carrying amount as at 30 June 2024 (2022-23: +/- 10%). These fluctuations are considered appropriate given the current world economic and market climate. With all other variables held constant, the Authority would have a surplus/(deficit) and equity increase/(decrease) of \$10 million (2022-23: \$9 million) if there was a +/- 10% fluctuation in investment markets.

This is attributable to the Authority's exposure to investment returns on funds held with QIC.

+ / - 10%	Carrying amount \$'000	2024 Market rate risk			
		- Sensitivity		+ Sensitivity	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial Instruments					
QIC - Diversified Australian Equities Fund	15,915	(1,592)	(1,592)	1,592	1,592
QIC - International Equities Fund	13,571	(1,357)	(1,357)	1,357	1,357
QIC - Long Term Diversified Fund	54,488	(5,449)	(5,449)	5,449	5,449
QIC - Cash Enhanced Fund	14,797	(1,480)	(1,480)	1,480	1,480
Potential Impact	98,771	(9,878)	(9,878)	9,878	9,878

+ / - 10%	Carrying amount \$'000	2023 Market rate risk			
		- Sensitivity		+ Sensitivity	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial Instruments					
QIC - Diversified Australian Equities Fund	14,869	(1,487)	(1,487)	1,487	1,487
QIC - International Equities Fund	14,378	(1,438)	(1,438)	1,438	1,438
QIC - Long Term Diversified Fund	48,459	(4,846)	(4,846)	4,846	4,846
QIC - Cash Enhanced Fund	9,551	(955)	(955)	955	955
Potential Impact	87,257	(8,726)	(8,726)	8,726	8,726

D3 CONTINGENCIES

As at 30 June 2024, there were no contingent assets or liabilities.

D4 EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no events occurring after balance date which would materially affect the financial statements or disclosures.

D5 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

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

Contract Cleaning Industry (Portable Long Service Leave) Authority
Notes to the Financial Statements
for the year ended 30 June 2024

SECTION 5
OTHER INFORMATION

E1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

Details of key management personnel

The following details for non-Ministerial KMP reflect those positions that had authority and responsibility for planning, directing and controlling the activities of the Authority during 2023-24 and 2022-23. Further information about these positions can be found in the body of the Annual report under the section relating to The Board.

Position	Position Responsibility
Board Director	Commercial policy and management of the Authority
General Manager	Management of the Authority under direction of the Board

The following persons held the position of Director during the year ended 30 June 2024.

Mr John Thompson	Chair
Ms Susanne Ryan	Deputy Chair
Mr Damien Davie	Worker Representative (UWU - United Workers Union)
Mr Kenneth Holder	Employer Representative (BSCAA)
Ms Kim Puxty	Employer Representative (BSCAA)
Ms Linda Revill	Worker Representative (UWU - United Workers Union)

KMP remuneration policies

Board members remuneration is guided by the provisions of the *'Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities'* issued by the Department of the Premier and Cabinet and paid in accordance with the remuneration assessment approved by Cabinet.

Remuneration expenses

The following disclosures focus on the expenses incurred by the Authority attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the statement of comprehensive income.

Short term employee expenses represent board attendance fees, paid following each meeting attended.

Position	Short term employee expenses	
	Monetary expenses	
	2024 \$	2023 \$
Mr John Thompson	3,315	1,560
Ms Susanne Ryan	2,190	1,200
Mr Damien Davie	1,350	1,200
Mr Kenneth Holder	2,400	1,200
Ms Kim Puxty	1,800	1,200
Ms Linda Revill	1,800	900
Total Remuneration	12,855	7,260

All directors excluding Ms L Revill and Mr D Davie were paid for board attendance. Board attendance fees for Ms L Revill and Mr D Davie were paid to the United Workers Union (UWU).

Performance payments

No KMP remuneration packages provide for performance or bonus payments.

Contract Cleaning Industry (Portable Long Service Leave) Authority

Notes to the Financial Statements

for the year ended 30 June 2024

E2 RELATED PARTY TRANSACTIONS

Transactions with people/entities related to KMP

Apart from the details disclosed in these financial statements, no Director has entered into a material contract with the Authority.

The terms and conditions of any transaction with Directors and their related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Director related entities on an arm's length basis.

From time to time, particular Directors of the Authority may be required to comply with the *Contract Cleaning Industry (Portable Long Service Leave) Act 2005* in respect of payment of levies for their own business undertakings in cleaning work. The levying of these charges is on the same terms and conditions as those entered into by other liable parties.

E3 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2023-24.

Accounting standards applied for the first time

No Australian Accounting Standards or Interpretations that apply to the Authority for the first time in 2023-24 have any material impact on the financial statements.

E4 TAXATION

The activities of the Authority are 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 Authority. GST credits receivable from, and GST payable to the ATO, are recognised (refer to Note C2).

The collection of levies is not subject to GST.

E5 CLIMATE RISK DISCLOSURE

The Authority has not identified any material climate related risks relevant to the financial report at the reporting date, however constantly monitors the emergence of such risks under the Queensland Government's Queensland 2035 Clean Economy Pathway, and other Queensland Government climate-related policies or directives.

Current Year Impacts

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

**CONTRACT CLEANING INDUSTRY
(PORTABLE LONG SERVICE LEAVE) AUTHORITY
Management Certificate
for the year ended 30 June 2024**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the Financial and Performance Management Standard 2019 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 financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Contract Cleaning Industry (Portable Long Service Leave) Authority for the financial year ended 30 June 2024 and of the financial position of the Authority at the end of that year.

We acknowledge responsibility under section 7 and section 11 of the Financial and Performance Management Standard 2019 for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting year.



B Bassett
General Manager

27 August 2024



J Thompson AM
Chair

27 August 2024

INDEPENDENT AUDITOR'S REPORT

To the Board of the Contract Cleaning Industry (Portable Long Service Leave) Authority

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

I have audited the accompanying financial report of Contract Cleaning Industry (Portable Long Service Leave) Authority (the authority).

The financial report comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of material accounting policy information, and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the authority's financial position as at 30 June 2024, and its financial performance for the year then ended; and
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the Auditor-General Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Responsibilities of the board for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the authority or to otherwise cease operations.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the authority's transactions and account balances to enable the preparation of a true and fair financial report.



Martin Luwina
as delegate of the Auditor-General

27 August 2024
Queensland Audit Office
Brisbane

APPENDIX 1: COMPLIANCE CHECKLIST

QLeave administers the Contract Cleaning Industry Portable Long Service Leave scheme on behalf of the Authority. QLeave is the trading name for the Building and Construction Industry (Portable Long Service Leave) Authority. For specific details of statutory requirements please access the QLeave Annual Report 2023-2024 at <https://www.qleave.qld.gov.au/about-us/corporate-publications/annual-report> (select 'Building and Construction Industry').

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	i
	Table of contents	ARRs – section 9.1	ii
	Glossary		44
	Public availability	ARRs – section 9.2	46
Accessibility	Interpreter service statement	<i>Queensland Government Language Services Policy</i>	46
		ARRs – section 9.3	
	Copyright notice	<i>Copyright Act 1968</i>	Inside front cover
		ARRs – section 9.4	
	Information Licensing	<i>QGEA – Information Licensing</i>	Inside front cover
		ARRs – section 9.5	
General information	Introductory Information	ARRs – section 10	1
Non-financial performance	Government's objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	2
	Agency objectives and performance indicators	ARRs – section 11.2	2 to 3
	Agency service areas and service standards	ARRs – section 11.3	Not applicable*
Financial performance	Summary of financial performance	ARRs – section 12.1	9 to 11
Governance – management and structure	Organisational structure	ARRs – section 13.1	14, 28#
	Executive management	ARRs – section 13.2	28# to 31#
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	46
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i>	34#
		ARRs – section 13.4	
	Human Rights	<i>Human Rights Act 2019</i>	13
		ARRs – section 13.5	
	Queensland public service values	ARRs – section 13.6	Inside front cover

Summary of requirement		Basis for requirement	Annual report reference
Governance – risk management and accountability	Risk management	ARRs – section 14.1	19 to 20
	Audit committee	ARRs – section 14.2	22# to 23#
	Internal audit	ARRs – section 14.3	19
	External scrutiny	ARRs – section 14.4	11
	Information systems and recordkeeping	ARRs – section 14.5	12, 18#
	Information Security attestation	ARRs – section 14.6	18#
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	33# to 35#
	Early retirement, redundancy and retrenchment	<i>Directive No.04/18 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	33#
Open Data	Statement advising publication of information	ARRs – section 16	46
	Consultancies	ARRs – section 31.1	https://data.qld.gov.au
	Overseas travel	ARRs – section 31.2	46
	Queensland Language Services Policy	ARRs – section 31.3	https://data.qld.gov.au
Financial statements	Certification of financial statements	FAA – section 62	Financial Statements section
		FPMS – sections 38, 39 and 46	
	ARRs – section 17.1	18	
Independent Auditor's Report	FAA – section 62	Financial Statements section	
	FPMS – section 46		
	ARRs – section 17.2		19 to 20

Note: * The Authority is not an agency included in the Service Delivery Statements.

Acronyms used in the above table:

ARRs Annual report requirements for Queensland Government agencies

FAA Financial Accountability Act 2009

FPMS Financial and Performance Management Standard 2019

QGEA Queensland Government Enterprise Architecture.



APPENDIX 2: GLOSSARY

AICD	Australian Institute of Company Directors
AS/NZS ISO	Australian and New Zealand International Standard Organisation
ATO	Australian Taxation Office
BA	Bachelor of Arts
BBus	Bachelor of Business
BCI	Building and Construction Industry (Portable Long Service Leave) Authority
BSCAA	Building Service Contractors Association of Australia
CCI	Contract Cleaning Industry (Portable Long Service Leave) Authority
CRM	Customer Relationship Management
CSI	Community Services Industry (Portable Long Service Leave) Authority
DipBus	Diploma of Business
FBT	Fringe Benefits Tax
GAICD	Graduate of the Australian Institute of Company Directors Course
GST	Goods and Services Tax
Hons	Honours
ICT	Information Communication and Technology
i.e.	that is
IP Act	<i>Information Privacy Act 2009</i>
JP	Justice of the Peace
KMP	Key Management Personnel
m	million
MA	Master of Arts
MBA	Master of Business Administration
MP	Member of Parliament
NRA	National Reciprocal Agreement
PLSL	Portable Long Service Leave
QAO	Queensland Audit Office
QGIF	Queensland Government Insurance Fund
QIC	Queensland Investment Corporation
Qld	Queensland
Qual	Qualification
RTI Act	<i>Right to Information Act 2009</i>

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INTERSTATE SCHEMES

AUSTRALIAN CAPITAL TERRITORY

ACT Leave

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Unit 1, 28 Thynne Street
Bruce ACT 2617
Telephone: 02 6247 3900
Email: cleaning@actleave.act.gov.au
www.actleave.act.gov.au

NEW SOUTH WALES

Long Service Corporation

32 Mann Street
Gosford NSW 2250
Telephone: 13 14 41
Email: info@longservice.nsw.gov.au
www.longservice.nsw.gov.au

VICTORIA

Portable Long Service Leave Authority

Telephone: 1800 517 158
Email: enquiries@plsa.vic.gov.au
www.vic.gov.au/portable-long-service

OPEN DATA

For 2023–24, QLeave had no expenditure to report on overseas travel. Information on the Queensland Language Services Policy and consultancies expenditure can be accessed at www.qld.gov.au/data.

PUBLIC AVAILABILITY

This annual report can be viewed online at www.qleave.qld.gov.au

Copies of this report are available from:

QLeave

PO Box 348
ARCHERFIELD BC QLD 4108
1300 QLEAVE
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GOVERNMENT BODY

See additional information published on our website at www.qleave.qld.gov.au/about-us/corporate-publications.



INTERPRETER SERVICE STATEMENT

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you need assistance in understanding the annual report, please contact us on 07 3018 0333 and we will arrange a language interpreter to effectively communicate the report to you.



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