

# FINANCE

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# FINANCIAL SUMMARY

This summary provides an overview of the financial performance during 2022-23 and position as at 30 June 2023 for the Library Board of Queensland (the Library Board). The Library Board's performance is reported as the Parent Entity (the Library Board only) and the Library Board and Queensland Library Foundation (the Foundation) is reported as the Economic Entity. The Foundation is a Controlled Entity of the Library Board.

## STATEMENT OF COMPREHENSIVE INCOME

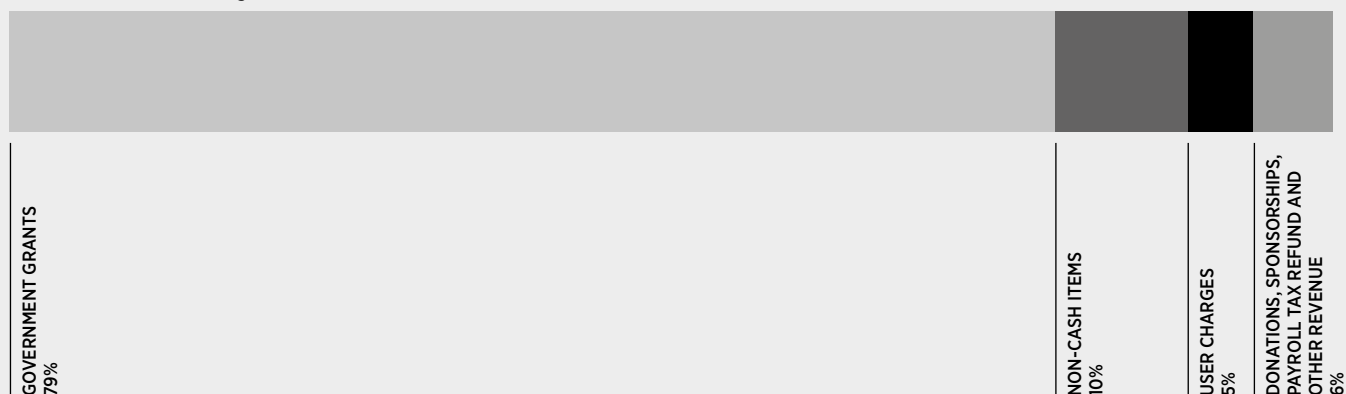
The Statement of Comprehensive Income for the Economic Entity is set out below.

STATEMENT OF COMPREHENSIVE INCOME	2023 \$'000	2022 \$'000
Total income from continuing operations	91,867	82,516
Total expenses from continuing operations	87,096	77,904
Operating result from continuing operations	4,771	4,612
Increase/(decrease) in asset revaluation reserve	(3,178)	4,386
<b>Total comprehensive income</b>	<b>1,593</b>	<b>8,998</b>

## INCOME

Government grants are a significant component of the Library Board's income (\$72.464 million) in 2022-23, with user charges (\$5.169 million), payroll tax refund (\$2.718 million), donations and sponsorships (\$1.267 million), interest on funds invested (\$1.021 million) and insurance recovery revenue (\$0.214 million) comprising the total cash contribution. Other non-cash items recognised as income include the operating lease rental for the building (\$7.588 million), sponsorships, partnerships and legal deposit collection items (\$1.218 million) and investment distributions (\$0.245 million).

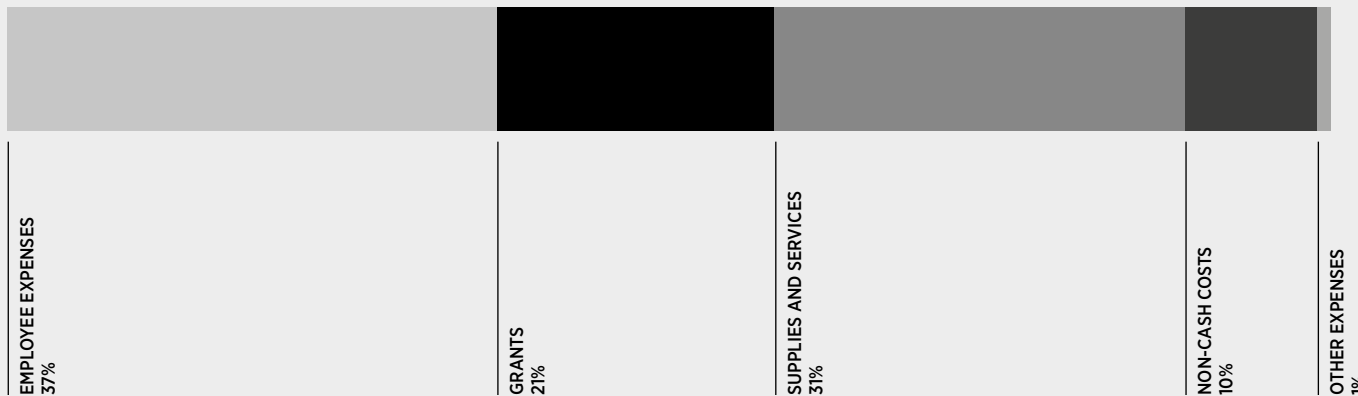
### Economic Entity income 2023



## EXPENSES

Expenses for the Library Board were \$87.096 million in 2022–23. The largest component is employee expenses (37%), with grants (21%), supplies and services (31%), non-cash costs (building lease, in-kind and depreciation) (10%) and other expenses (1%) completing the total.

### Economic Entity expenses 2023



## OPERATING RESULT FROM CONTINUING OPERATIONS

The Statement of Comprehensive Income from continuing operations shows a \$1.593 million surplus for the Economic Entity. Of this, \$1.247 million is the Library Board’s operating surplus.

## STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position sets out the net assets and equity of the Library Board. As at 30 June 2023, the net assets of the Library Board Economic Entity were \$164.061 million which is an increase of \$1.593 million from 2021–22.

## FINANCIAL GOVERNANCE

Financial performance is monitored internally on a monthly basis and reported to the Library Board at its regular meetings. The Library Board’s financial performance is monitored externally by the Queensland Audit Office and in 2022–23 this was through its appointment of BDO who performed the audit of the financial statements.

The Library Board’s Audit and Risk Management Committee (ARMC) assists the Library Board in meeting its legislative responsibilities under the *Financial Accountability Act 2009* (Qld), the *Financial and Performance Management Standard 2019* (Qld) and the *Libraries Act 1988* (Qld).

## EXTERNAL SCRUTINY

The Library Board was not subject to any external audits other than the Queensland Audit Office’s mandated annual audit of financial controls and statements.

**LIBRARY BOARD OF QUEENSLAND  
AND CONTROLLED ENTITY**

**50 FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2023**

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## LIBRARY BOARD OF QUEENSLAND AND CONTROLLED ENTITY

**STATEMENTS OF COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	ECONOMIC ENTITY		PARENT ENTITY	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Income from continuing operations</b>					
<i>Revenue</i>					
User charges	B1-1	5,169	4,024	5,138	4,003
Grants and contributions	B1-2	82,537	77,998	82,650	78,099
Other revenue	B1-3	3,953	490	3,847	469
Investment income	B1-4	245	353	123	176
<b>Total revenue</b>		91,904	82,865	91,758	82,747
Net fair value loss on other financial assets	B1-5	(37)	(349)	(19)	(175)
<b>Total income from continuing operations</b>		91,867	82,516	91,739	82,572
<b>Expenses from continuing operations</b>					
Employee benefits and expenses	B2-1	32,600	29,698	32,600	29,698
Supplies and services	B2-2	26,913	21,589	26,907	21,586
Grants and subsidies	B2-3	26,643	25,787	26,893	26,037
Depreciation and amortisation	C6-7	329	335	329	335
Other expenses	B2-4	611	495	585	465
<b>Total expenses from continuing operations</b>		87,096	77,904	87,314	78,121
<b>Operating result from continuing operations</b>		4,771	4,612	4,425	4,451
<b>Other comprehensive income</b>					
Items that will not be reclassified to operating result:					
Increase/(decrease) in asset revaluation	C10-2	(3,178)	4,386	(3,178)	4,386
<b>Total other comprehensive income</b>		(3,178)	4,386	(3,178)	4,386
<b>Total comprehensive income</b>		<b>1,593</b>	<b>8,998</b>	<b>1,247</b>	<b>8,837</b>

In the financial statements, the term Parent Entity refers to the Library Board of Queensland and the term Economic Entity refers to the Library Board of Queensland together with the Queensland Library Foundation as a controlled entity (refer Note A2-6).

The accompanying notes form part of these financial statements.

## LIBRARY BOARD OF QUEENSLAND AND CONTROLLED ENTITY

**STATEMENTS OF FINANCIAL POSITION**

AS AT 30 JUNE 2023

	NOTE	ECONOMIC ENTITY		PARENT ENTITY	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current assets</b>					
Cash and cash equivalents	C1	16,133	14,465	12,602	11,168
Receivables	C2	715	725	872	665
Inventories		231	151	231	151
Other current assets	C3	639	675	639	675
Other financial assets	C4	8,046	7,771	4,023	3,886
<b>Total current assets</b>		<b>25,764</b>	<b>23,787</b>	<b>18,367</b>	<b>16,545</b>
<b>Non-current assets</b>					
Intangible assets	C5-4	15,841	14,812	15,841	14,812
Property, plant and equipment	C6-6	127,709	128,124	127,709	128,124
<b>Total non-current assets</b>		<b>143,550</b>	<b>142,936</b>	<b>143,550</b>	<b>142,936</b>
<b>Total assets</b>		<b>169,314</b>	<b>166,723</b>	<b>161,917</b>	<b>159,481</b>
<b>Current liabilities</b>					
Payables	C7	1,204	1,057	1,429	1,057
Accrued employee benefits	C8	2,817	2,679	2,817	2,679
Contract liabilities	C9	1,232	519	1,135	456
<b>Total current liabilities</b>		<b>5,253</b>	<b>4,255</b>	<b>5,381</b>	<b>4,192</b>
<b>Total liabilities</b>		<b>5,253</b>	<b>4,255</b>	<b>5,381</b>	<b>4,192</b>
<b>Net assets</b>		<b>164,061</b>	<b>162,468</b>	<b>156,536</b>	<b>155,289</b>
<b>Equity</b>					
Contributed equity		1,465	1,465	1,465	1,465
Accumulated surplus		58,723	53,952	51,198	46,773
Asset revaluation surplus	C10-2	103,873	107,051	103,873	107,051
<b>Total equity</b>		<b>164,061</b>	<b>162,468</b>	<b>156,536</b>	<b>155,289</b>

The accompanying notes form part of these financial statements.

## LIBRARY BOARD OF QUEENSLAND AND CONTROLLED ENTITY

**STATEMENTS OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 30 JUNE 2023

	ECONOMIC ENTITY \$'000	PARENT ENTITY \$'000
<b>ACCUMULATED SURPLUS</b>		
<b>Balance 1 July 2021</b>	83,792	76,774
Operating result from continuing operations	4,612	4,451
Transfer between reserves	(34,452)	(34,452)
<b>Balance 30 June 2022</b>	53,952	46,773
Operating result from continuing operations	4,771	4,425
<b>Balance 30 June 2023</b>	<b>58,723</b>	<b>51,198</b>
<b>ASSET REVALUATION SURPLUS (NOTE C10)</b>		
<b>Balance 1 July 2021</b>	68,213	68,213
Increase in asset revaluation surplus	4,386	4,386
Transfer between reserves	34,452	34,452
<b>Balance 30 June 2022</b>	107,051	107,051
Decrease in asset revaluation surplus	(3,178)	(3,178)
<b>Balance 30 June 2023</b>	<b>103,873</b>	<b>103,873</b>
<b>CONTRIBUTED EQUITY</b>		
<b>Balance 1 July 2021</b>	1,465	1,465
<b>Balance 30 June 2022</b>	1,465	1,465
<b>Balance 30 June 2023</b>	<b>1,465</b>	<b>1,465</b>
<b>TOTAL</b>		
<b>Balance 1 July 2021</b>	153,470	146,452
Operating result from continuing operations	4,612	4,451
Increase in asset revaluation surplus	4,386	4,386
<b>Balance 30 June 2022</b>	162,468	155,289
Operating result from continuing operations	4,771	4,425
Decrease in asset revaluation surplus	(3,178)	(3,178)
<b>Balance 30 June 2023</b>	<b>164,061</b>	<b>156,536</b>

The accompanying notes form part of these financial statements.

LIBRARY BOARD OF QUEENSLAND AND CONTROLLED ENTITY  
**STATEMENTS OF CASH FLOWS**  
 FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	ECONOMIC ENTITY		PARENT ENTITY	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>					
<i>Inflows:</i>					
User charges		5,996	4,163	5,892	4,278
Grants and contributions		73,767	69,961	73,880	70,063
GST collected from customers		549	462	517	447
GST input tax credits from ATO		1,920	1,434	1,919	1,433
Interest receipts		1,021	166	914	145
Other		2,932	324	2,932	324
<i>Outflows:</i>					
Employee expenses		(32,556)	(29,609)	(32,556)	(29,609)
Supplies and services		(18,256)	(15,082)	(18,025)	(15,078)
Grants and subsidies		(26,643)	(25,787)	(27,057)	(25,866)
GST paid to suppliers		(1,984)	(1,425)	(1,982)	(1,424)
GST remitted to ATO		(549)	(459)	(524)	(443)
Other		(625)	(315)	(572)	(298)
<b>Net cash provided by operating activities</b>	CF-1	5,572	3,833	5,338	3,972
<b>Cash flows from investing activities</b>					
<i>Outflows:</i>					
Payments for heritage and cultural assets		(557)	(483)	(557)	(485)
Payments for library collections		(153)	(147)	(153)	(147)
Payments for property, plant and equipment		(2,200)	(442)	(2,200)	(442)
Payments for intangibles		(994)	(1,400)	(994)	(1,401)
Payments for other financial assets		-	(7,998)	-	(4,000)
<b>Net cash used in investing activities</b>		(3,904)	(10,470)	(3,904)	(6,475)
<b>Net increase/(decrease) in cash and cash equivalents</b>		1,668	(6,637)	1,434	(2,503)
<b>Cash and cash equivalents – opening balance</b>		14,465	21,102	11,168	13,671
<b>Cash and cash equivalents – closing balance</b>	<b>C1</b>	<b>16,133</b>	<b>14,465</b>	<b>12,602</b>	<b>11,168</b>

Revenues and expenses arising from State Library's Queensland Investment Corporation (QIC) investments are non-cash in nature and therefore excluded from the Statements of Cash Flows including comparatives.

The accompanying notes form part of these financial statements.



# NOTES TO THE STATEMENT OF CASH FLOWS

## CF-1 RECONCILIATION OF OPERATING RESULT TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	ECONOMIC ENTITY		PARENT ENTITY	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Operating result	4,771	4,612	4,425	4,451
<i>Adjustments for non-cash items included in operating result:</i>				
Depreciation and amortisation expense	329	335	329	335
Donation of intangibles	(35)	(32)	(35)	(32)
Donation of heritage and cultural assets	(183)	(137)	(183)	(137)
Loss on disposal of assets	1	27	1	27
Net fair value loss on QIC investments	38	349	19	176
QIC trust distributions	(245)	(353)	(123)	(176)
QIC management fee	24	31	12	16
<i>Changes in assets and liabilities:</i>				
(Increase)/decrease in GST input tax credits receivable	(63)	9	(63)	9
(Increase)/decrease in LSL reimbursement receivable	(95)	17	(94)	17
(Increase)/decrease in trade and other receivables	74	(51)	(90)	166
(Increase)/decrease in inventories	(80)	57	(80)	57
Decrease in prepayments	37	165	37	165
Increase/(decrease) in accounts payable	147	(1,277)	373	(1,277)
Increase in contract liabilities	713	187	678	280
Increase/(decrease) in accrued employee benefits	139	(109)	139	(109)
Increase/(decrease) in GST payable	-	3	(7)	4
<b>Net cash provided by operating activities</b>	<b>5,572</b>	<b>3,833</b>	<b>5,338</b>	<b>3,972</b>

## CF-2 NON-CASH INVESTING

Assets and liabilities received or donated/transferred by the Library Board of Queensland are recognised as revenue (refer Note B1-2) or expenses (refer Note B2-2) as applicable.

Cash flows are included in the Statement of Cash Flows on a net basis with the GST component of the cash flows shown as separate line items. The GST components of cash flows arising from investing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

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## A1 OBJECTIVES AND PRINCIPAL ACTIVITIES OF LIBRARY BOARD OF QUEENSLAND

The Library Board of Queensland's (the Library Board) legislated role is to collect and preserve Queensland's cultural heritage and ensure the intellectual and historical record is preserved for the future. The Library Board operates State Library of Queensland (State Library).

The Library Board is predominantly funded for the outputs it delivers by Parliamentary appropriation.

In 2022-23 it also received revenue from sources including:

- building rentals
- network and internet services
- library professional services
- preservation and reproduction services
- donations
- The Library Shop and Library Café
- research services
- Anzac Square Memorial Galleries
- interest on invested funds
- venue hire

## A2 BASIS OF FINANCIAL STATEMENT PREPARATION

### A2-1 General information

This report covers the Library Board and its Controlled Entity, the Queensland Library Foundation (the Foundation).

The Library Board is a Queensland Government Statutory Body established under the *Libraries Act 1988* (Qld).

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

The head office and principal place of business of the Library Board is:  
Stanley Place  
South Brisbane Qld 4101

For information in relation to the Library Board's financial report please call the Finance Team on (07) 3840 7322, email [finance@slq.qld.gov.au](mailto:finance@slq.qld.gov.au) or visit the State Library of Queensland website [www.slq.qld.gov.au](http://www.slq.qld.gov.au).

### A2-2 Compliance with prescribed requirements

The Library Board has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on and after 1 July 2022.

The Library Board is a not-for-profit entity and these general purpose financial statements are prepared on an accruals basis (except for the Statements of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and interpretations applicable for not-for-profit entities.

No new accounting standards were early adopted and/or applied for the first time in these financial statements (refer Note F3).

### A2-3 Presentation

#### Currency and rounding

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

#### Comparatives

Comparative information reflects the audited 2021–22 financial statements except where restated for a prior period error.

#### Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statements 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 Library Board 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.

### A2-4 Authorisation of financial statements for issue

The financial statements are authorised for issue by the Chairperson of the Library Board and the State Librarian and CEO at the date of signing the Management Certificate.

### A2-5 Basis of measurement

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

- Library collections which are measured at fair value; and
- Investment in managed funds which are measured at fair value.

#### Historical cost

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

#### 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 two 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.

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

### A2-6 The reporting entity

In the financial statements, the term Parent Entity refers to the Library Board and the term Economic Entity refers to the Library Board together with the Foundation as a controlled entity.

In the process of consolidating into a single economic entity, all transactions between the Library Board and the Foundation have been eliminated in full.

## A3 CONTROLLED ENTITIES

### Basis of control

The Library Board controls the Foundation with the Library Board being the sole member of the Foundation and having the power to appoint all members of the Queensland Library Foundation Council.

### Purpose and principal activities

The Foundation's purpose is to act as an agent of and to assist the Library Board in the performance of its functions as set out in section 20 of the *Libraries Act 1988* (Qld) by:

- (1) raising funds through gifts, grants and other forms of financial assistance, property and benefits for State Library, including for buildings, infrastructure, library materials, facilities, programs and projects;
- (2) increasing public support and interest in State Library; and
- (3) building the number of financial supporters of State Library.

The Library Board provides all administrative support services (including salaries for staff) to the Foundation on a cost recovery basis.

The Foundation transfers funds to the Library Board to cover the cost of a range of approved projects. There are no significant restrictions on the Library Board's ability to access the Foundation's assets or settle its liabilities.

The Queensland Audit Office audits the Foundation. Total external audit fees relating to the 2022-23 financial statements are estimated to be \$6,600 (2022: \$6,200). There are no non-audit services included in this amount.

### Audited financial transactions and balances

NAME OF CONTROLLED ENTITY	TOTAL ASSETS \$'000		TOTAL LIABILITIES \$'000		TOTAL REVENUE \$'000		OPERATING RESULT \$'000	
	2023	2022	2023	2022	2023	2022	2023	2022
Queensland Library Foundation	7,656	7,328	115	152	1,730	1,591	365	158

## B1 REVENUE

### B1-1 User charges

#### Accounting policy – user charges

User charges are controlled by the Library Board where they can be deployed for the achievement of the Library Board's objectives.

Type of good or service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
User charges (excluding venue hire and Anzac Square Memorial Galleries)	The Library Board receives revenue in the form of user charges. Most user charges are received as per Service Level Agreements (SLAs) with customers as well as on an ad-hoc basis. If there is no enforceable contract including specific performance obligations, the revenue is out of the scope of AASB 15 <i>Revenue from Contracts with Customers</i> (AASB 15). Where there is an enforceable contract with specific performance obligations, revenue may be recognised under AASB 15.	User charges are recognised upon receipt as per AASB 1058 <i>Income of Not-for-Profit Entities</i> (AASB 1058) unless an enforceable contract with specific performance obligations is in place in which case it may be recognised under AASB 15.
Venue hire	Venue hire agreements are signed with customers who hire Library Board venues (events, exhibitions and some meeting room spaces). Most of these agreements have specific performance obligations in place and are therefore within the scope of AASB 15. Generally, deposits are taken and recognised as contract liabilities, with the final invoices raised once the performance obligations have been met.	Deposits on venue hire are recognised as revenue once performance obligations are satisfied. The full value of venue hire charges (including deposits) are recognised as revenue once performance obligations are satisfied.
Anzac Square Memorial Galleries	The Library Board receives funding through an agreement with the Department of the Premier and Cabinet and Brisbane City Council to operate Anzac Square Memorial Galleries. The Library Board has determined that the revenue is within the scope of AASB 15 due to sufficiently specific obligations included in the operating deed.	Anzac Square Memorial Galleries revenue is recognised as performance obligations are met under AASB 15.

	ECONOMIC ENTITY		PARENT ENTITY	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
The Library Shop	582	432	582	432
Library Café	952	596	952	596
Building rentals	59	136	59	136
Research services	1,519	1,484	1,519	1,484
Network and internet services	256	267	256	267
Anzac Square Memorial Galleries	884	561	884	561
Venue hire	644	335	644	335
Other	273	213	242	192
<b>Total</b>	<b>5,169</b>	<b>4,024</b>	<b>5,138</b>	<b>4,003</b>

## B1-1 User charges CONT'D

## B1-2 Grants and contributions

### Accounting policy – grants and contributions

Where a grant agreement is enforceable and contains sufficiently specific performance obligations for the Library Board to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant is accounted for under AASB 1058, whereby revenue is recognised upon receipt of the grant funding.

### Disclosure – grants and contributions

The following table provides information about the nature and timing of the satisfaction of performance obligations, significant payment terms, and revenue recognition for the Library Board's grants and contributions that are contracts with customers.

Type	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Administered grants	The Library Board receives the majority of its revenue in the form of an administered grant distributed through Arts Queensland. The majority of funding has no specific acquittal terms, or where there is an obligation to provide goods or services, the obligation is not sufficiently specific under the definition of AASB 15.	Administered grants are recognised upon receipt.
Other grants <sup>1</sup>	The Library Board also receives grants from other government agencies (Commonwealth and State) that are contracted with performance obligations that are enforceable and sufficiently specific.	Other grants are recognised over time under AASB 15 as performance obligations are met where performance obligations are enforceable and sufficiently specific, otherwise they are recognised on receipt.
Sponsorships and donations	The Foundation receives the majority of its revenue in the form of sponsorships and donations. The majority of funding has no specific acquittal terms, or where there is an obligation to provide goods or services, the obligation is not sufficiently specific under the definition of AASB 15, therefore revenue is recognised under AASB 1058.	Sponsorships and donations are recognised upon receipt.

<sup>1</sup>Funding was received by State Library in 2022–23 for the Interim Truth and Treaty Body (ITT). \$2.5M was received (2022: nil) with \$1.98M recognised as Grants and contributions revenue (2022: nil) and \$0.52M recognised as a Contract liability (2022: nil) (refer to Note C9). ITTB expenditure is recognised as part of the total expense in the relevant expense categories within these financial statements.

State government grants	70,284	68,620	70,284	68,620
State government grants – ITTB	1,978	–	1,978	–
Commonwealth grants	202	187	202	187
Queensland Library Foundation projects	–	11	1,333	1,234
Donations and industry contributions	1,267	1,143	47	21
Goods received below fair value	1,218	964	1,218	964
Lease rental – received below fair value	7,588	7,073	7,588	7,073
<b>Total</b>	<b>82,537</b>	<b>77,998</b>	<b>82,650</b>	<b>78,099</b>

### Accounting policy – goods and services received below fair value

Contributions of goods and services are recognised only if the goods and services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as a revenue and an expense. For further details, refer to Note B2-2.

ECONOMIC ENTITY		PARENT ENTITY	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

## B1 REVENUE CONT'D

### B1-3 Other revenue

#### Disclosure – miscellaneous revenue

A refund of payroll tax relating to the period 19 August 2020 to 30 June 2022 was received from the Queensland Revenue Office (QRO) in 2022-23 due to a change in the Library Board's payroll tax status.

#### Disclosure – insurance compensation

As a result of the February 2022 flood, the Library Board received insurance compensation from the Queensland Government Insurance Fund (QGIF) in 2022-23 for business interruption claims and replacement of some lost physical assets. Plant and equipment lost in the flood have been written off, however further claims for lost physical assets will continue into the 2023-24 financial year with no revenue yet recognised for insurance claims still to be made.

Interest received	1,021	166	915	145
Payroll tax refund	2,718	-	2,718	-
Insurance compensation – QGIF	214	321	214	321
Miscellaneous revenue	-	3	-	3
<b>Total</b>	<b>3,953</b>	<b>490</b>	<b>3,847</b>	<b>469</b>

### B1-4 Investment income

#### Accounting policy – investment income

Investment income consists of distributions received from QIC and is recognised as revenue once the right to receive payment is established.

QIC distributions	245	353	123	176
<b>Total</b>	<b>245</b>	<b>353</b>	<b>123</b>	<b>176</b>

### B1-5 Net fair value gain/(loss) on other financial assets

#### Accounting policy – gain/(loss) on investments

Gains/(losses) arising from changes in the fair value of QIC investments are included in the operating result for the period in which they arise.

Net fair value loss on other financial assets	(37)	(349)	(19)	(175)
<b>Total</b>	<b>(37)</b>	<b>(349)</b>	<b>(19)</b>	<b>(175)</b>

## B2 EXPENSES

### B2-1 Employee benefits and expenses

#### Accounting policy – wages, salaries and recreation leave

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

As the Library Board expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

#### Accounting policy – sick leave

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees, and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

#### Accounting policy – long service leave

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

#### Accounting policy – superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's defined benefit plan (the former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust) as determined by the employee's conditions of employment.

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

ECONOMIC ENTITY		PARENT ENTITY	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

## B2-1 Employee benefits and expenses CONT'D

### Accounting policy – superannuation CONT'D

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

### Accounting policy – workers' compensation premiums

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

### Employee benefits

Wages and salaries	24,915	21,678	24,915	21,678
Employer superannuation contributions	3,491	3,094	3,491	3,094
Long service leave levy	676	560	676	560
Annual leave expenses	2,533	2,246	2,533	2,246

### Employee-related expenses

Payroll tax	-	1,418	-	1,418
Other employee expenses	985	702	985	702
<b>Total</b>	<b>32,600</b>	<b>29,698</b>	<b>32,600</b>	<b>29,698</b>

Full-Time Equivalent (FTE) employees\*

	<b>2023 no.</b>	<b>2022 no.</b>
	301	282

\*FTE data as at 30 June 2023 (based upon the fortnight ending 30 June 2023).

## B2-2 Supplies and services

### Accounting policy – distinction between grants and procurement

For a transaction to be classified as supplies and services, the value of goods or services received by the Library Board must be of approximately equal value to the value of the consideration exchanged for those goods or services. Where this is not the substance of the arrangement, the transaction is classified as a grant in Note B2-3.

### Accounting policy – goods rendered free of charge or for nominal value

Contribution of goods are recognised only if the goods would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as a revenue and an expense. Refer to Note B1-2 for further details.

### Disclosure – payroll tax

In the 2020–21 financial year, the Library Board was under the payroll tax reporting threshold and was granted payroll tax exemption status from 19 August 2020. As a result, the QRO reassessed the Library Board's payroll tax position and subsequently issued a backdated refund of \$2.7M for the period of 19 August 2020 to 30 June 2022 to the Library Board in the 2022–23 financial year. Refer to Note B1-3 for the impact to Other Revenue.

Key management personnel and remuneration disclosures are detailed in Note F1.

### Disclosure – office accommodation

Payments for non-specialised commercial office accommodation under the Queensland Government Accommodation Office (QGAO) framework arise from non-lease arrangements for State Library office accommodation in Cairns and Cannon Hill with the Department of Energy and Public Works, who has substantive substitution rights over the assets used within this scheme. Payments are expensed as incurred and categorised within the office accommodation line item.

### Disclosure – lease rental provided below fair value

The Library Board has a peppercorn lease with Arts Queensland for occupancy in the State Library building in South Brisbane. Under AASB 16 *Leases*, this concessionary lease is principally to enable the Library Board to further its objectives. In accordance with advice from Queensland Treasury, the Library Board has recognised this right of use asset as both an expense and a revenue item in the Statements of Comprehensive Income.

	ECONOMIC ENTITY		PARENT ENTITY	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>B2 EXPENSES</b> <small>CONT'D</small>				
<b>B2-2 Supplies and services</b> <small>CONT'D</small>				
Advertising and graphic design	226	289	226	289
Bookshop and merchandising expenses	834	518	834	518
Communications	191	223	191	223
Professional services	2,386	1,361	2,386	1,361
Corporate service charges	875	899	875	899
Library subscriptions and memberships	1,506	1,604	1,506	1,604
Travel and vehicle costs	500	208	500	208
Materials, equipment and repairs	1,339	620	1,339	620
Freight and postage	385	330	385	330
Furniture and equipment	980	310	980	310
Goods provided below fair value	965	794	965	794
Lease rental – provided below fair value	7,588	7,073	7,588	7,073
Office accommodation	603	583	603	583
Information technology	525	518	525	518
Library collections	3,190	2,395	3,190	2,395
Printing, stationery and office supplies	283	443	283	443
Property services	2,838	2,596	2,838	2,596
Sundries	1,699	826	1,693	822
<b>Total</b>	<b>26,913</b>	<b>21,589</b>	<b>26,907</b>	<b>21,586</b>

### B2-3 Grants and subsidies

#### Disclosure – grants and subsidies

The majority of State Library's grants and subsidies are paid to Queensland Public Libraries under the Public Library Grant or First 5 Forever programs. Administrative costs associated with the programs are reported under Notes B2-1 Employee benefits and expenses and B2-2 Supplies and services.

Public Library Grants	22,582	22,340	22,582	22,340
First 5 Forever grants	4,061	3,447	4,061	3,447
Queensland Library Foundation subsidy	-	-	250	250
<b>Total</b>	<b>26,643</b>	<b>25,787</b>	<b>26,893</b>	<b>26,037</b>

### B2-4 Other expenses

#### Disclosure – other expenses

The Library Board maintains insurance through the QGIF for property, general liability, professional indemnity and personal accident and illness, Aon Australia for Directors and Officers and WorkCover Queensland for employee compensation.

Total external audit fees for the economic entity relating to the 2022-23 financial year are estimated to be \$64,600 (2022: \$48,200). These fees, paid to the Queensland Audit Office, relate to the audit of the financial statements only.

External audit fees	64	49	57	43
Internal audit fees	70	68	70	68
Insurance premiums	104	93	104	93
Bad and doubtful debts	2	1	2	1
Board fees and expenses	44	44	44	44
ITT board fees and expenses	235	-	235	-
Loss on disposal of assets*	1	152	1	152
Management fees – QIC	24	31	12	16
Other	67	57	60	48
<b>Total</b>	<b>611</b>	<b>495</b>	<b>585</b>	<b>465</b>

\*Loss on disposal of assets includes losses on disposal of any non-current assets lost as a result of the 2022 Brisbane floods.



ECONOMIC ENTITY		PARENT ENTITY	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

## C1 CASH AND CASH EQUIVALENTS

### Accounting policy – cash and cash equivalents

For the purposes of the Statements of Financial Position and the Statements of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with the Queensland Treasury Corporation.

Imprest accounts	3	2	3	2
Cash at bank and on hand	239	718	200	393
Cash deposit accounts	15,891	13,745	12,399	10,773
<b>Total</b>	<b>16,133</b>	<b>14,465</b>	<b>12,602</b>	<b>11,168</b>

## C2 RECEIVABLES

### Accounting policy – receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date, less any allowances for expected credit loss.

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

Receivables may include those arising from contracts with customers. The closing balance of receivables arising from contracts with customers for the Economic Entity at 30 June 2023 is nil (2022: \$0.103M).

Trade debtors	93	206	88	163
	<b>93</b>	<b>206</b>	<b>88</b>	<b>163</b>
GST receivable	282	219	282	219
GST payable	(26)	(26)	(15)	(22)
	<b>256</b>	<b>193</b>	<b>267</b>	<b>197</b>
Long service leave reimbursements	217	123	217	123
Queensland Library Foundation receivables	42	3	247	82
Distributions receivable	107	200	53	100
	<b>366</b>	<b>326</b>	<b>517</b>	<b>305</b>
<b>Total</b>	<b>715</b>	<b>725</b>	<b>872</b>	<b>665</b>

### C2-1 Impairment of receivables

#### Accounting policy – impairment of receivables

When a loss allowance for trade and other debtors is recognised, it reflects lifetime expected credit losses and incorporates reasonable and supportable forward-looking information, including forecast economic changes expected to impact the Library Board's debtors, along with relevant industry and statistical data where applicable.

Where the Library Board has no reasonable expectation of recovering an amount owed by a debtor, the debt is written off by directly reducing the receivable against loss allowance. This occurs when the debt is over 90 days past due and the Library Board has ceased enforcement activity. If the amount of debt written off exceeds the loss allowance, the excess is recognised as a loss.

Where an impairment loss is recognised for receivables, it is disclosed in Note B2-2.

#### Disclosure – credit risk exposure of receivables

All receivables within terms and expected to be fully collectible are considered of good quality based on recent collection history. Credit risk management strategies are detailed in Note D2-4.

The collectability of receivables is assessed periodically with an allowance being made for any expected credit losses.

ECONOMIC ENTITY		PARENT ENTITY	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

### C3 OTHER CURRENT ASSETS

#### Accounting policy – other current assets

Prepayments are costs that have been paid but are not yet fully expended or have not yet expired. As the amount expires, the current asset is reduced and the amount of the reduction is reported as an expense in the Statements of Comprehensive Income. The Library Board expects that all prepayments will be recognised within 12 months.

Prepayments wage related	-	67	-	67
Prepayments subscription services	639	608	639	608
<b>Total</b>	<b>639</b>	<b>675</b>	<b>639</b>	<b>675</b>

### C4 OTHER FINANCIAL ASSETS

#### Accounting policy – other financial assets

The Library Board's investments are classified as financial assets measured at fair value through profit or loss under AASB 9 *Financial Instruments*. The nature of the investment is that of physical and derivative securities, and the investment is held with the intention of short-term profit taking in the form of distributions, not a long-term increase in value of the investment.

QIC Short-Term Investment Fund	8,046	7,771	4,023	3,886
<b>Total</b>	<b>8,046</b>	<b>7,771</b>	<b>4,023</b>	<b>3,886</b>

### C5 INTANGIBLES

#### C5-1 Recognition and measurement

##### Accounting policy

Software with an historical cost or other value equal to or greater than \$100,000 is recognised in the Statements of Financial Position. Software with a lesser value is expensed. Costs associated with the internal development of computer software are capitalised and amortised and any training costs are expensed as incurred.

Any software that qualifies as an intangible asset will continue to be capitalised in accordance with AASB 138 *Intangible Assets* (AASB 138).

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

##### Heritage digital collections

In line with *Queensland Treasury's Non-Current Asset Policy – Accounting for Library Collections* (NCAP 7), the Library Board has recognised collections with a cost or other value greater than \$5,000 stored in electronic format and made accessible to the public (e.g. digitised physical collections, oral histories, digital stories and digital photographs) as intangible assets with indefinite useful lives. For in-house developed digital collection items, direct costs associated with developing, creating and making accessible the items constitutes the cost of the items.

#### C5-2 Amortisation expense

##### Accounting policy

Following a review of conditions and circumstances under which digital collections are stored and maintained, the Library Board considers that there is a sufficiently high standard to retain indefinite life status. Under AASB 138 these assets are not amortised.

The standard amortisation rate for software is 18%. All current software assets are fully amortised down to their residual value, but are still in use.

#### C5-3 Impairment

##### Accounting policy

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

Impairment for digital collections is assessed annually based on factors such as current market values and technological considerations (see also Note C6-5).

All intangible assets are assessed for impairment in accordance with AASB 136 *Impairment of Assets*.

	ECONOMIC ENTITY		PARENT ENTITY	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>C5-4 Intangible assets – balances and reconciliations of carrying amount</b>				
<b>Intangible assets</b>				
Heritage digital collections				
At cost	15,423	14,408	15,423	14,408
Work in progress	19	19	19	19
Computer software				
At cost	2	2	2	2
Work in progress	397	383	397	383
<b>Total</b>	<b>15,841</b>	<b>14,812</b>	<b>15,841</b>	<b>14,812</b>
<b>Intangible reconciliation</b>				
<b>Computer software</b>				
Carrying amount computer software at 1 July 2022	2	2	2	2
Carrying amount work in progress at 1 July 2022	383	285	383	285
Movement in work in progress	14	98	14	98
<b>Computer software carrying amount as at 30 June 2023</b>	<b>399</b>	<b>385</b>	<b>399</b>	<b>385</b>
<b>Heritage digital collections</b>				
Carrying amount at 1 July 2022	14,408	13,070	14,408	13,070
Acquisitions/internally developed items	980	1,306	980	1,306
Donations	35	32	35	32
<b>Heritage digital collections carrying amount as at 30 June 2023</b>	<b>15,423</b>	<b>14,408</b>	<b>15,423</b>	<b>14,408</b>
<b>Heritage digital collections work in progress</b>				
Carrying amount at 1 July 2022	19	22	19	22
Movement in work in progress	-	(3)	-	(3)
<b>Heritage digital collections work in progress carrying amount as at 30 June 2023*</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>
<b>Heritage digital collections total carrying amount as at 30 June 2023</b>	<b>15,442</b>	<b>14,427</b>	<b>15,442</b>	<b>14,427</b>
<b>Total intangibles carrying amount as at 30 June 2023</b>	<b>15,841</b>	<b>14,812</b>	<b>15,841</b>	<b>14,812</b>

\*Heritage digital collections work in progress represents purchases made but not yet catalogued.

State Library has software with an original cost of \$0.555M (2022: \$0.555M) that has been written down to a residual value of \$2,000 (2022: \$2,000) and is still being used in the provision of services.

## C6 PROPERTY, PLANT AND EQUIPMENT

### C6-1 Recognition and measurement

#### Accounting policy – recognition

##### *Basis of capitalisation and recognition thresholds*

Items of property, plant and equipment, with the exception of the collections, with a historical cost or other value equal to or in excess of \$5,000 in the year of acquisition, are reported as property, plant and equipment. Items with a lesser value are expensed in the year of acquisition.

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the Library Board. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

In accordance with the NCAPs, an asset recognition threshold of \$1,000,000 is applied to the reference collection (Library Collections) and a threshold of \$5,000 applied to the heritage and cultural assets which include the Memory Collections.

##### *Collections*

Capital expenditure on the Library Collection is recorded as an addition to the Collection. Purchases of common use collections are expensed on purchase.

##### *Heritage and cultural assets*

Capital expenditure on the Memory Collections is recorded as an addition to heritage and cultural assets. Due to the nature of these items, they are not depreciated in accordance with NCAP 7. Digital collections held within the Memory Collections have been treated as intangible assets since 2012-13. For further information regarding intangibles, please refer to Note C5.

#### Accounting policy – cost of acquisition

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition (such as architects' fees and engineering design fees), plus all other costs incurred in getting the assets ready for use.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at date of acquisition.

### C6-2 Measurement using historical cost

#### Accounting policy

Plant and equipment is measured at historical cost in accordance with the NCAPs. The carrying amounts for such plant and equipment are not materially different from their fair value.

### C6-3 Measurement using fair value

#### Accounting policy – heritage and cultural assets

Heritage and cultural assets are measured at fair value as required by the NCAPs. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable.

The cost of heritage and cultural items acquired during the financial year has been considered by management of the Library Board to materially represent their fair value at the end of the reporting period. For further information regarding fair value measurement, refer to Note D1.

The Memory Collections measured at fair value are comprehensively revalued at least once every five years, either by appraisals undertaken by an independent professional valuer or internal expert, or by the use of appropriate and relevant indices. The Library Board's Audit and Risk Management Committee (ARMC) oversees the revaluation processes implemented by management. The ARMC undertakes annual reviews of the revaluation policies and reports to the Library Board regarding the outcomes of, and recommendations arising from, each annual review.

#### Accounting policy – Library Collections

Library Collections assets are measured at fair value as required by NCAPs. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable.

The cost of Library Collections items acquired during the financial year has been considered by management of the Library Board to materially represent their fair value at the end of the reporting period. For further information regarding fair value measurement, please refer to Note D1.

The Library Collections measured at fair value are revalued annually by management using valuation techniques as required by NCAPs. The Library Board's ARMC oversees the revaluation processes implemented by management. The ARMC undertakes annual reviews of the revaluation policies, and reports to the Library Board regarding the outcomes of, and recommendations arising from, each annual review.

##### *Use of specific appraisal*

Revaluations using independent professional valuers or internal expert appraisals are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

The fair values reported by the Library Board are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

### C6-3 Measurement using fair value CONT'D

#### *Use of indices*

Where assets have not been independently valued or specifically appraised in the reporting period, their previous valuations are materially kept up to date through the application of relevant indices. The Library Board ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. No index has been applied in 2022-23 based on advice received from Pickles Valuation Services.

#### *Accounting for changes in fair value*

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

### C6-4 Depreciation expense

#### **Accounting policy**

Property, plant and equipment is depreciated using the straight line method so as to allocate the net cost or revalued amount of each asset, less any estimated residual value, progressively over the estimated useful life to the entity.

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

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

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

#### **Depreciation rates**

For each class of depreciable assets, the following depreciation rates were used:

Class	Default rate
Plant and equipment (>\$5,000)	
Computers	20%–25%
Servers and switches	20%
Audio equipment	20%–33%
Air conditioning	11%
Furniture	2%
Leasehold improvements	10%
Office equipment	20%–33%

#### **Depreciation of collections**

Depreciation is not applied to the Library Collection based on the characteristics of the collection in accordance with NCAP 7. The useful life of the collection is sufficiently long that the resultant depreciation expense would be immaterial in amount.

### C6-5 Impairment

#### **Accounting policy**

##### *Indicators of impairment and determining recoverable amount*

Property, plant and equipment and intangible assets are assessed for indicators of impairment on an annual basis or, where the assets are measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since last valuation arises, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement* (AASB 13). If an indicator of possible impairment exists, the Library Board determines the asset's recoverable amount.

The recoverable amount of property, plant and equipment and intangible assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

The recoverable amount for most assets is measured at the higher of current replacement cost and fair value costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of the future cash flows expected to be obtained from the asset and fair value less costs to sell.

##### *Recognising impairment losses*

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the asset revaluation surplus of the relevant class to the extent available. Where no asset revaluation surplus is available in respect of the class of asset, the loss is expensed in the Statements of Comprehensive Income as a revaluation decrement.

For assets measured at cost, an impairment loss is recognised immediately in the Statements of Comprehensive Income.

##### *Reversal of impairment losses*

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

For assets measured at fair value, to the extent the original decrease was expensed through the Statements of Comprehensive Income, the reversal is recognised in income, otherwise the reversal is treated as a revaluation increase for the class of asset through asset revaluation surplus.

For assets measured at cost, impairment losses are reversed through income.

	ECONOMIC ENTITY		PARENT ENTITY	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>C6 PROPERTY, PLANT AND EQUIPMENT</b> <small>CONT'D</small>				
<b>C6-6 Property, plant and equipment</b>				
<b>Heritage and cultural assets:</b>				
Memory collections	90,715	89,954	90,715	89,954
Artworks at fair value	31	31	31	31
<b>Total heritage and cultural assets at fair value</b>	<b>90,746</b>	<b>89,985</b>	<b>90,746</b>	<b>89,985</b>
<b>Total library collections at fair value</b>	<b>33,684</b>	<b>36,731</b>	<b>33,684</b>	<b>36,731</b>
<b>Plant and equipment:</b>				
Plant and equipment	7,010	4,859	7,010	4,859
Less: accumulated depreciation	(3,731)	(3,451)	(3,731)	(3,451)
<b>Total plant and equipment carrying amount – at cost</b>	<b>3,279</b>	<b>1,408</b>	<b>3,279</b>	<b>1,408</b>
<b>Total</b>	<b>127,709</b>	<b>128,124</b>	<b>127,709</b>	<b>128,124</b>

The Library Board has property, plant and equipment with an original cost of \$3.189M (2022: \$2.172M) that has been written down to a residual value of \$52,383 (2022: \$28,783) and still being used in the provision of services.

### C6-7 Property, plant and equipment – balances and reconciliations of carrying amount

<b>Heritage and cultural assets</b>				
Carrying amount at 1 July – at cost	-	1,549	-	1,549
Carrying amount at 1 July – at valuation	89,985	80,598	89,985	80,598
Acquisitions	557	485	557	485
Donations received	183	137	183	137
Transfers	21	-	21	-
Net revaluation increments/(decrements)	-	7,216	-	7,216
<b>Carrying amount at end of financial year</b>	<b>90,746</b>	<b>89,985</b>	<b>90,746</b>	<b>89,985</b>
<b>Library collections</b>				
Carrying amount at 1 July – at cost	147	144	147	144
Carrying amount at 1 July – at valuation	36,584	39,270	36,584	39,270
Acquisitions	153	147	153	147
Transfers	(98)	-	(98)	-
Net revaluation increments/(decrements)	(3,102)	(2,830)	(3,102)	(2,830)
<b>Carrying amount at end of financial year</b>	<b>33,684</b>	<b>36,731</b>	<b>33,684</b>	<b>36,731</b>
<b>Plant and equipment</b>				
Carrying amount at 1 July – at cost	1,408	1,328	1,408	1,328
Acquisitions	2,201	442	2,201	442
Disposals	(1)	(27)	(1)	(27)
Depreciation expense	(329)	(335)	(329)	(335)
<b>Carrying amount at end of financial year</b>	<b>3,279</b>	<b>1,408</b>	<b>3,279</b>	<b>1,408</b>
<b>Total</b>				
Carrying amount at 1 July – at cost	1,556	3,021	1,556	3,021
Carrying amount at 1 July – at valuation	126,569	119,868	126,569	119,868
Acquisitions	2,910	1,074	2,910	1,074
Donations received	183	137	183	137
Disposals	(1)	(27)	(1)	(27)
Transfers	(77)	-	(77)	-
Net revaluation increments/(decrements)	(3,102)	4,386	(3,102)	4,386
Depreciation expense	(329)	(335)	(329)	(335)
<b>Carrying amount at end of financial year</b>	<b>127,709</b>	<b>128,124</b>	<b>127,709</b>	<b>128,124</b>

ECONOMIC ENTITY		PARENT ENTITY	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

## C7 PAYABLES

### 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, gross of applicable trade and other discounts. Amounts owing are unsecured.

Accrued expenses are recognised upon receipt of the goods or services during the year but where the related invoices for such goods and services have not been received at 30 June 2023.

### Current

Trade creditors	766	578	766	578
Accrued expenses	438	479	663	479
<b>Total</b>	<b>1,204</b>	<b>1,057</b>	<b>1,429</b>	<b>1,057</b>

## C8 ACCRUED EMPLOYEE BENEFITS

### Accounting policy – accrued employee benefits

No provision for long service leave is recognised in the financial statements as the liability is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Additional accounting policies in relation to employee benefits and expenses are disclosed in Note B2-1.

Annual leave	2,535	2,471	2,535	2,471
Long service leave levy payable	193	171	193	171
Wages outstanding	89	37	89	37
<b>Total</b>	<b>2,817</b>	<b>2,679</b>	<b>2,817</b>	<b>2,679</b>

## C9 CONTRACT LIABILITIES

### Accounting policy – contract liabilities

Contract liabilities arise from contracts with customers while other unearned revenue arises from transactions that are not contracts with customers.

Of the amount included in the contract liability balance as at 1 July 2022, \$392,000 has been recognised as revenue in 2022-23.

Contract liabilities at 30 June 2023 relate to instalments received for which the milestone deliverables have not yet been achieved. This amount will be recognised as revenue over the next 12 months.

Venue hire deposits	110	27	110	27
Anzac Square Memorial Galleries	373	217	373	217
Indigenous Languages Project	110	62	110	62
Research fees	20	103	20	103
ITTB	522	-	522	-
Other grants	97	110	-	47
<b>Total</b>	<b>1,232</b>	<b>519</b>	<b>1,135</b>	<b>456</b>

## C10 EQUITY

### C10-1 Contributed equity

#### Accounting policy

Interpretation 1038 *Contributions by Owners Made to Wholly Owned Public Sector Entities* specifies the principles for recognising contributed equity by the Library Board.

**C10 EQUITY** CONT'D**C10-2 Revaluation surplus by asset class****Accounting policy**

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

**Disclosure – revaluation surplus by asset class**

Prior to 2003, the Library Board adopted a fair value approach in accounting for its property, plant and equipment where fair value movements were recognised through the Library Collections assets revaluation reserve. However, in 2003, the policy was changed to a cost approach where the balance of the Library Collections assets revaluation reserve at that point in time was reclassified to accumulated surplus. In 2005, the Library Board re-adopted fair value accounting for its property, plant and equipment and in 2021-22 \$34.45M was transferred from accumulated surplus back to the Library Collections assets revaluation reserve.

	ECONOMIC ENTITY		
	LIBRARY COLLECTIONS \$'000	HERITAGE AND CULTURAL ASSETS \$'000	TOTAL \$'000
<b>Balance 1 July 2021</b>	-	68,213	68,213
Revaluation increment/(decrement)	(2,830)	7,216	4,386
Transfer in from accumulated surplus	34,452	-	34,452
<b>Balance 30 June 2022</b>	<b>31,622</b>	<b>75,429</b>	<b>107,051</b>
<b>Balance 1 July 2022</b>	31,622	75,429	107,051
Revaluation increment/(decrement)	(3,178)	-	(3,178)
<b>Balance 30 June 2023</b>	<b>28,444</b>	<b>75,429</b>	<b>103,873</b>

**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. Observable inputs used by the Library Board include, but are not limited to, published sales data for heritage and cultural assets.

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 Library Board include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Library Board's assets/liabilities and assessments of their physical condition and remaining useful lives. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

**Fair value measurement hierarchy**

Details of assets and liabilities measured under each category of fair value are set out in the table below.

All assets and liabilities of the Library Board 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.



**D1-1 Accounting policies and inputs for fair values** CONT'D

The Library Board assets are categorised as follows:

	LEVEL 1		LEVEL 2		LEVEL 3		AT COST		TOTAL CARRYING AMOUNT	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Heritage and cultural	-	-	-	-	90,746	89,985	-	-	90,746	89,985
Library Collections	-	-	-	-	33,684	36,731	-	-	33,684	36,731
Plant and equipment	-	-	-	-	-	-	3,279	1,408	3,279	1,408
Investments	-	-	8,046	7,771	-	-	-	-	8,046	7,771
<b>Total</b>	<b>-</b>	<b>-</b>	<b>8,046</b>	<b>7,771</b>	<b>124,430</b>	<b>126,716</b>	<b>3,279</b>	<b>1,408</b>	<b>135,755</b>	<b>135,895</b>

The Library Board recognises other financial assets invested with QIC at fair value through profit or loss. The fair value is measured at market value based on closing unit prices of QIC unlisted unit trusts. Fair value gains and losses are recognised in the Statements of Comprehensive Income.

While the units in these unit trusts have redemption prices and are able to be traded, the market would not be considered active for level 1, therefore, they are considered to be level 2. A market comparison valuation approach is used, with the units carried at redemption value as reasonably determined by the funds manager. Classifications of instruments into fair value hierarchy levels are reviewed annually.

There were no transfers of assets between fair value hierarchy levels during the year.

**D1-2 Basis for fair values of assets and liabilities****Heritage and cultural assets**

**Effective date of last specific comprehensive valuation:**  
30/6/2022

**Valuation approach:**  
Market based assessment

**Inputs:**

The collection was valued using unobservable inputs. Auction records, international and Australian dealers' catalogues, book sellers' pricelists, and offerings on the internet. Pickles Valuation Services has subscription services to ABPC (American Book Price Current), Rare Book Hub, AASD (Australian Art Sales Digest), and Findlotsonline as well as a number of auction houses. Descriptions and notes for items was attained from the Library Board's One Search database. Where market prices could not be easily established the value was determined using the price of a similar asset.

**Current year valuation activity:**

The Memory Collections measured at fair value are comprehensively revalued at least once every five years. In the intervening years and where applicable, their previous valuations are materially kept up to date via the application of relevant indices. The application of such indices results in a valid estimation of the assets' fair values at reporting date. See Note C6-3.

**Library Collections**

**Effective date of last specific appraisal:**  
30/6/2023

**Valuation approach:**  
Internal valuation based on purchase data collected as per NCAP 7.

**Inputs:**

Purchase data over at least the past 5 years by category and sub-category along with collection counts.

**Current year valuation activity:**

Library Collections are valued on an annual basis by management in line with the NCAPs. State Library uses acquisition records for at least the previous 5 years in calculating average purchase prices which are then applied to titles within the Library Collections.

ECONOMIC ENTITY		PARENT ENTITY	
2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000

## D2 FINANCIAL RISK DISCLOSURES

### D2-1 Accounting policy

#### Recognition

Financial assets and financial liabilities are recognised in the Statements of Financial Position when the Library Board becomes party to the contractual provisions of the financial instrument.

#### Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at amortised cost
- Receivables – held at amortised cost
- Other financial assets – held at fair value through profit and loss
- Payables – held at amortised cost

The Library Board does not enter into transactions for speculative purposes, nor for hedging.

All other disclosures relating to the measurement and financial risk management of financial instruments held by the Library Board are included further in this note.

### D2-2 Financial instrument categories

The Library Board has the following categories of financial assets and financial liabilities:

CATEGORY	NOTE				
<b>Financial assets</b>					
Cash and cash equivalents	C1	16,133	14,465	12,602	11,168
Receivables	C2	715	725	872	665
Other financial assets	C4	8,046	7,771	4,023	3,886
<b>Total financial assets</b>		<b>24,894</b>	<b>22,961</b>	<b>17,497</b>	<b>15,719</b>
<b>Financial liabilities</b>					
Payables	C7	1,204	1,057	1,429	1,057
<b>Total financial liabilities</b>		<b>1,204</b>	<b>1,057</b>	<b>1,429</b>	<b>1,057</b>

No financial assets and financial liabilities have been offset so these are presented gross in the Statements of Financial Position.

### D2-3 Risks arising from financial instruments

#### Risk exposure

Financial risk management is implemented pursuant to Government and Library Board policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Library Board.

All financial risk is managed by Executive Management under policies approved by the Library Board. The Library Board provides written principles for overall risk management, as well as policies covering specific areas.

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

Risk exposure	Definition	Exposure
Credit risk	Credit risk exposure refers to the situation where the Library Board may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	The Library Board is exposed to credit risk in respect of its receivables (Note C2).
Liquidity risk	Liquidity risk refers to the situation where the Library Board may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	The Library Board is exposed to liquidity risk in respect of its payables (Note C7).
Market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: current risk, interest rate risk and other price risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.	The Library Board does not trade in foreign currency and is not materially exposed to commodity price changes or other market prices. The Library Board is exposed to interest rate risk through its cash deposited in interest-bearing accounts (Note C1) and its investments (Note C4).

ECONOMIC ENTITY		PARENT ENTITY	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000

## D2-3 Risks arising from financial instruments CONT'D

### Risk measurement and management strategies

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

Risk exposure	Measurement method	Risk management strategies
Credit risk	Ageing analysis, earnings at risk	The Library Board aims to reduce the exposure to credit risk through the monitoring of outstanding amounts on a regular basis.
Liquidity risk	Sensitivity analysis	The Library Board manages liquidity risk by ensuring it has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts, so as to match the expected duration of the various employee and supplier liabilities.
Market risk	Interest rate sensitivity analysis	The Library Board does not undertake any hedging in relation to interest risk and manages its risk as per the Library Board's Risk Management Policy.

## D2-4 Credit risk disclosure

### Credit risk management practices

The Library Board considers financial assets that are over 30 days past due to have significantly increased credit risk, and measures the loss allowance of such assets at lifetime expected credit losses instead of 12-month expected credit losses. The exception is trade receivables (Note C2), for which the loss allowance is always measured at lifetime expected credit losses.

The Library Board 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 Library Board is unlikely to receive the outstanding amounts in full. The Library Board's assessment of default does not take into account any collateral or other credit enhancements.

The Library Board's write-off policy is disclosed in Note C2-1.

## D3 CONTINGENCIES

There are no known material contingent assets or liabilities at balance date.

## D4 COMMITMENTS

### Expenditure commitments

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

Not later than one year	8,664	1,814	8,664	1,814
Later than one year and not later than five years	5,560	4,027	5,560	4,027
	<b>14,224</b>	<b>5,841</b>	<b>14,224</b>	<b>5,841</b>

## D5 EVENTS AFTER THE BALANCE DATE

There were no significant events occurring after the balance date.

## D6 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

Australian accounting standards and interpretations with future effective dates are either not applicable to the Library Board's activities or have no material impact on the Library Board.

## ECONOMIC ENTITY

2023 ACTUAL \$'000	2023 ORIGINAL BUDGET \$'000	BUDGET VARIANCE \$'000
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## E1 BUDGETARY REPORTING DISCLOSURES - ECONOMIC ENTITY

This section contains explanations of major variances between the Library Board's actual 2022-23 financial results and the original budget presented to Parliament.

### E1-1 Budget to actual comparison - Statement of Comprehensive Income

#### Income from continuing operations

##### Revenue

User charges	5,169	4,780	389
Grants and contributions	82,537	78,978	3,559
Other	3,953	-	3,953
Investment income	245	893	(648)
<b>Total revenue</b>	<b>91,904</b>	<b>84,651</b>	<b>7,253</b>
Net fair value loss on other financial assets	(37)	-	(37)
<b>Total income from continuing operations</b>	<b>91,867</b>	<b>84,651</b>	<b>7,216</b>

#### Expenses from continuing operations

Employee benefits and expenses	32,600	34,647	(2,047)
Supplies and services	26,913	23,541	3,372
Grants and subsidies	26,643	25,698	945
Depreciation and amortisation	329	545	(216)
Other expenses	611	220	391
<b>Total expenses from continuing operations</b>	<b>87,096</b>	<b>84,651</b>	<b>2,445</b>
<b>Operating result from continuing operations</b>	<b>4,771</b>	<b>-</b>	<b>4,771</b>

#### Other comprehensive income

Items that will not be reclassified to operating result:

Decrease in asset revaluation	(3,178)	-	(3,178)
<b>Total other comprehensive income</b>	<b>(3,178)</b>	<b>-</b>	<b>(3,178)</b>
<b>Total comprehensive income</b>	<b>1,593</b>	<b>-</b>	<b>1,593</b>

### E1-2 Explanation of major variances - Statement of Comprehensive Income

Grants and contributions: The actual figure is higher than the budgeted figure primarily due to ITTB grant funding received during 2022-23 (\$2M) and an increase in the lease rental - received below fair value relating to the Library Board's peppercorn lease of the State Library building and an increase in the commercial values indices (\$0.5M).

Other: Other income received relates to the unbudgeted receipt of a payroll tax refund (\$2.7M) and an increase in interest received (\$0.8M) during 2022-23.

Investment income: The variance relates to lower than expected returns on the Library Board's short term investments.

Employee benefits and expenses: The actual figure is lower than the budgeted figure primarily due to lower than budgeted payroll tax expenses relating to a change in the Library Board's payroll tax status (\$1.4M) and vacancies throughout 2022-23.

Supplies and services: The variance mainly relates to professional services (including contractors) for ongoing services contracts for ICT system and cyber security enhancements implemented during 2022-23, ICT equipment scheduled replacements, replacement of assets lost in the Brisbane floods and an increase in Library Collections expenditure.

Decrease in asset revaluation: The asset revaluation relates primarily to a revaluation decrement for Library Collections (\$3.1M).

## ECONOMIC ENTITY

	2023 ACTUAL \$'000	2023 ORIGINAL BUDGET \$'000	BUDGET VARIANCE \$'000
<b>E1-3 Budget to actual comparison – Statement of Financial Position</b>			
<b>Current assets</b>			
Cash and cash equivalents	16,133	19,527	(3,394)
Receivables	715	783	(68)
Inventories	231	208	23
Other current assets	639	841	(202)
Other financial assets	8,046	-	8,046
<b>Total current assets</b>	<b>25,764</b>	<b>21,359</b>	<b>4,405</b>
<b>Non-current assets</b>			
Intangible assets	15,841	14,565	1,276
Property, plant and equipment	127,709	124,872	2,837
<b>Total non-current assets</b>	<b>143,550</b>	<b>139,437</b>	<b>4,113</b>
<b>Total assets</b>	<b>169,314</b>	<b>160,796</b>	<b>8,518</b>
<b>Current liabilities</b>			
Payables	1,204	2,612	(1,408)
Accrued employee benefits	2,817	2,785	32
Contract liabilities	1,232	332	900
<b>Total current liabilities</b>	<b>5,253</b>	<b>5,729</b>	<b>(476)</b>
<b>Total liabilities</b>	<b>5,253</b>	<b>5,729</b>	<b>(476)</b>
<b>Net assets</b>	<b>164,061</b>	<b>155,067</b>	<b>8,994</b>

**E1-4 Explanation of major variances – Statement of Financial Position**

Cash and cash equivalents: The closing cash and cash equivalents balance is lower than budgeted primarily due to the budget for the Economic Entity's QIC investments recognised in other financial assets and the receipt of an unbudgeted payroll tax refund during 2022-23.

Other financial assets: Other financial assets relate to the Economic Entity's QIC investments that were included in the budget for cash and cash equivalents.

Payables: The closing balance of payables is lower than budgeted due to a lower number and value of invoices remaining for payment at balance date than budgeted.

## ECONOMIC ENTITY

	2023 ACTUAL \$'000	2023 ORIGINAL BUDGET \$'000	BUDGET VARIANCE \$'000
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**E1 BUDGETARY REPORTING DISCLOSURES - ECONOMIC ENTITY** CONT'D**E1-5 Budget to actual comparison - Statement of Cash Flows****Cash flows from operating activities***Inflows:*

User charges	5,996	5,183	813
Grants and contributions	73,767	71,800	1,967
GST collected from customers	549	-	549
GST input tax credits from ATO	1,920	-	1,920
Interest receipts	1,021	893	128
Other	2,932	311	2,621

*Outflows:*

Employee expenses	(32,556)	(34,647)	2,091
Supplies and services	(18,256)	(16,363)	(1,893)
Grants and subsidies	(26,643)	(25,698)	(945)
GST paid to suppliers	(1,984)	-	(1,984)
GST remitted to ATO	(549)	-	(549)
Other	(625)	(934)	309

**Net cash provided by operating activities**

	5,572	545	5,027
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**Cash flows from investing activities***Inflows:*

Sales of non-financial assets	-	715	(715)
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*Outflows:*

Payments for heritage and cultural assets	(557)	-	(557)
Payments for Library Collections	(153)	-	(153)
Payments for property, plant and equipment	(2,200)	-	(2,200)
Payments for intangibles	(994)	-	(994)
Payments for non-financial assets	-	(2,047)	2,047

**Net cash used in investing activities**

	(3,904)	(1,332)	(2,572)
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**Net increase/(decrease) in cash held**

	1,668	(787)	2,455
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**Cash and cash equivalents - opening balance**

	14,465	20,314	(5,849)
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**Cash and cash equivalents - closing balance**

	<b>16,133</b>	<b>19,527</b>	<b>(3,394)</b>
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**E1-6 Explanation of major variances - Statement of Cash Flows**

Grants and contributions: The actual figure is higher than the budgeted figure primarily due to ITTB grant funding received during 2022-23 (\$2.5M).

Other: The variance is due to the receipt of an unbudgeted payroll tax refund of \$2.7M during 2022-23.

Employee expenses: The actual figure is lower than the budgeted figure primarily due to vacancies throughout 2022-23.

Sales of non-financial assets: The budgeted figure represented cash flows relating to the Library Board's investments. Investment movements were realised during 2022-23 however the movements were non-cash.

Payments for non-financial assets: The budget included an estimate for additional investment of funds that was not transacted by the Economic Entity during 2022-23.

## F1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

### F1-1 Details of Key Management Personnel

The Library Board's responsible Minister is identified as part of the Library Board's KMP, consistent with additional guidance included in AASB 124 *Related Party Disclosures*. That Minister is the Minister for Treaty, Minister for Aboriginal and Torres Strait Islander Partnerships, Minister for Communities and Minister for the Arts (formerly the Minister for Communities and Housing, Minister for Digital Economy and Minister for the Arts) (the Minister).

The following details for non-Ministerial KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of State Library during 2021-22 and 2022-23 as part of the Executive Management Team. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Position Responsibility
State Librarian and CEO	The State Librarian and CEO is responsible for the proper and sound management of State Library, under the authority of the Library Board of Queensland.
Executive Director, Corporate Governance and Operations	The Executive Director, Corporate Governance and Operations is responsible for providing a range of organisational services that underpin and support State Library's activities.
Executive Director, Content and Client Services	The Executive Director, Content and Client Services is responsible for providing clients of State Library with physical and virtual access to its diverse collections and services.
Executive Director, Public Libraries and Engagement	The Executive Director, Public Libraries and Engagement is responsible for providing support for Local Government and communities to deliver library services in over 320 library and Indigenous Knowledge Centre (IKC) service points in Queensland.

### F1-2 Remuneration Policies

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

The Library Board's executives and senior managers employed by the Library Board are paid at rates set by Government for Senior Executives and Senior Officers. These executives and officers are engaged as employees under the *Libraries Act 1988* (Qld) or as executives under the *Public Sector Act 2022* on renewable contracts or as tenured senior officers.

Remuneration policy for the Library Board's KMP is set by the Queensland Public Sector Commission as provided for under the *Public Sector Act 2022*. Individual remuneration and other terms of employment (including motor vehicle entitlements if applicable) are specified in employment contracts.

Remuneration expenses for KMP comprise the following components:

Short-term employee expenses which include:

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

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

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

*Termination benefits* are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

No KMP remuneration packages provide for performance or bonus payments.

**F1 KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES** CONT'D**F1-3 KMP Remuneration expense**

The following disclosures focus on the expenses incurred by the Library Board that is attributable to key management positions during the respective reporting periods. Therefore, the amounts disclosed reflect expenses recognised in the Statements of Comprehensive Income.

POSITION	SHORT-TERM EMPLOYEE EXPENSES		LONG-TERM EMPLOYEE EXPENSES	POST- EMPLOYMENT EXPENSES	TERMINATION BENEFITS	TOTAL EXPENSES
	MONETARY EXPENSES	NON-MONETARY BENEFITS				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>1 July 2022 – 30 June 2023</b>						
State Librarian and CEO	296	4	7	38	-	345
Executive Director, Corporate Governance and Operations <sup>1</sup>	155	2	4	18	-	179
Executive Director, Content and Client Services <sup>2</sup>	188	5	4	20	-	217
A/Executive Director, Content and Client Services <sup>3</sup>	63	-	2	7	-	72
Executive Director, Public Libraries and Engagement	195	5	5	21	-	226
<b>Total remuneration</b>	<b>897</b>	<b>16</b>	<b>22</b>	<b>104</b>	<b>-</b>	<b>1,039</b>
<b>1 July 2021 – 30 June 2022</b>						
State Librarian and CEO	300	5	7	37	-	349
Executive Director, Corporate Governance and Operations	181	3	4	19	-	207
Executive Director, Content and Client Services	183	5	5	20	-	213
Executive Director, Public Libraries and Engagement	197	5	5	20	-	227
<b>Total remuneration</b>	<b>861</b>	<b>18</b>	<b>21</b>	<b>96</b>	<b>-</b>	<b>996</b>

<sup>1</sup>The Executive Director, Corporate Governance and Operations was on leave for the period 1 September 2022 to 16 January 2023 (inclusive).

<sup>2</sup>The Executive Director, Content and Client Services acted as Executive Director, Corporate Governance and Operations for the period 5 September 2022 to 31 December 2022 (inclusive).

<sup>3</sup>Acting Executive Director, Content and Client Services for the period 5 September 2022 to 10 January 2023 (inclusive).

**F1-4 Library Board Remuneration**

Library Board Fees, including both sitting fees and special assignment fees totalled \$43,530 (2022: \$44,359). Other fees such as fringe benefits tax, superannuation, insurance, travel, catering and printing totalled \$58,086 (2022: \$40,154). The total cost of Library Board operations was therefore \$101,616 (2022: \$84,513).

Fees paid to members of the Library Board are in accordance with the guidelines provided for the *Remuneration Procedures For Part-Time Chairs and Members of Queensland Government Bodies*. These amounts exclude expenses associated with the hosting of and transport to meetings.



**F1-4 Library Board Remuneration** CONT'D

Remuneration of board members was as follows:

NAME	MEMBER FROM	MEMBER TO	2023 \$'000	2022 \$'000
Mrs Debbie Best (Chairperson) <sup>1</sup>	March 2022	February 2026	7	1
Professor Andrew Griffiths (Chairperson)	March 2014	February 2023	8	12
Emeritus Professor Tom Cochrane AM (Deputy Chairperson)	March 2017	February 2026	5	5
Ms Cheryl Buchanan	August 2021	August 2024	4	3
Cr Matt Burnett	June 2023	February 2026	-	-
Ms Kim Hughes	March 2023	February 2026	2	-
Professor Marek Kowalkiewicz	March 2017	February 2023	3	5
Ms Julia Leu	August 2016	February 2023	3	4
Mrs Tamara O'Shea <sup>2</sup>	August 2021	November 2021	-	-
Ms Nicola Padgett	March 2020	February 2026	6	6
Mr Dean Parkin <sup>3</sup>	March 2022	March 2025	-	1
Associate Professor Sandra Phillips	March 2017	November 2021	-	1
Mr Bob Shead	March 2017	August 2021	-	1
Dr Jodie Siganto	March 2020	February 2026	5	5
Ms Courtney Talbot	March 2023	February 2026	1	-
<b>Total</b>			<b>44</b>	<b>44</b>

<sup>1</sup>Mrs Debbie Best was appointed Chairperson from 1 March 2023.

<sup>2</sup>Mrs Tamara O'Shea was also a board member from May 2018 to May 2021.

<sup>3</sup>Mr Dean Parkin did not accept board fees for 2022-23 and was granted a leave of absence from 21 April to 30 November 2023.

**F2 RELATED PARTY TRANSACTIONS****Transactions with people/entities related to KMP**

All annual grants paid to Queensland Local Governments are recommended by the Library Board and approved by the Minister based on an independently developed methodology also approved by the Minister. All grants paid under other programs were determined by independent panels and the Library Board was not involved in determining the allocation of these grants to individual councils<sup>1</sup>.

Ms Cheryl Buchanan, Library Board member, was appointed as a member and Co-Chair of the Interim Truth and Treaty Body Board on 16 August 2022. Transactions between the Library Board and Ms Buchanan in her capacity as a member and Co-Chair of the Interim Truth and Treaty Body Board during 2022-23 included sitting fees and meeting and travel reimbursements.

The Library Board did not engage in any transactions, contracts or employment related activities with any people or entities related to any other KMP.

<sup>1</sup>Under the *Libraries Act 1988* (Qld), the Library Board of Queensland (the Board) can only make a grant or give a subsidy to a local government with the approval of the Minister. The Minister has delegated the approval to the Director-General.

**Transactions with other Queensland Government-controlled entities**

The Library Board's primary ongoing source of funding from Government for its services is administered grants (Note B1-2) which is provided in cash from Arts Queensland via the Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts (formerly Department of Communities Housing and Digital Economy).

The Library Board also receives grant funding for specific projects, provided in cash from Arts Queensland or other State or Commonwealth government agencies.

During the 2022-23 financial year the Library Board received grant funding for the ITTB, provided in cash, from the Department of Treaty, Aboriginal and Torres Strait Islander Partnerships, Communities and the Arts (formerly Department of Seniors, Disability Services and Aboriginal and Torres Strait Islander Partnerships).

The Library Board's South Bank buildings are leased from Arts Queensland under concessionary lease arrangements. The Library Board measures right-of-use from concessionary leases at cost on initial recognition, and measures all right-of-use assets at cost subsequent to initial recognition. Other buildings and motor vehicles are leased via the Department of Energy and Public Works under commercial arrangements (Note B2-2).

The Library Board receives administrative and facilities support on a fee for service basis from the Corporate Administration Agency and Arts Queensland (Note B2-2).

## F2 RELATED PARTY TRANSACTIONS CONT'D

### Transactions with other Queensland Government-controlled entities CONT'D

The Public Library and First 5 Forever grants provided by the Library Board (Note B2-3) are annual grants to the Queensland Local Governments for the provision of Library Services to the people of Queensland.

The Foundation is a Company Limited by Guarantee which is wholly owned and controlled by the Library Board, the parent entity. As a wholly owned controlled entity, the Library Board is the main contributor of financial resources to the Foundation through grant funding. During 2022-23, grants provided by

the parent entity to the Foundation totalled \$250,000. The Foundation also transfers funds to the Library Board to cover approved project costs incurred by the Library Board on its behalf. All inter-entity transactions between the Library Board and the Foundation are eliminated in full upon consolidation. For further details, refer to Note A3.

The Library Board has investments with QTC and QIC. Notes B1-4 outline the key terms and conditions of these investments.

## F3 FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN POLICY

### Accounting standards applied for the first time

No new accounting standards or interpretations that apply to the Library Board for the first time in 2022-23 had any material impact on the financial statements.

### Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2022-23.

## F4 TAXATION

The Library Board is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes accounted for by the Library Board.

GST credits receivable from, and GST payable to the ATO, are recognised at Note C2. The Library Board is a Deductible Gift Recipient for taxation purposes.

## F5 CLIMATE RISK DISCLOSURE

The Library Board considers climate-related risks when assessing material accounting judgements and estimates used in preparing its financial report. Key estimates and judgements identified include the potential for changes in asset useful lives, changes in the fair value of assets, impairment of assets, the recognition of provisions or the possibility of contingent liabilities.

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting the Library Board.

The Library Board continues to monitor the emergence of material climate-related risks that may impact the financial statements of the Library Board, including those arising under the *Queensland Government Climate Action Plan 2020-2030* and other Government publications or directives.

## F6 IMPACT FROM NATURAL DISASTERS

The Library Board's South Bank site was affected by the natural disaster experienced in Queensland during February 2022.

The Brisbane River flooding caused closure of the South Bank site to the public on 27 February 2022 and it remained closed until 8 April 2022. The car parks remained inaccessible until 1 July 2022.

The primary impact on the Library Board's financial performance was in 2021-22 including loss of Portable and Attractive equipment, Furniture and Exhibitions material, and some loss of Plant and Equipment in addition to reduced user charges relating to The Library Shop, Library Café and venue hire. These losses are reflected in Note B2-4.

Insurance revenue was received in 2022-23 for business interruption (\$0.216M). This revenue is reflected in Note B1-3.

Further claims related to losses of plant and equipment are expected to be lodged and settled in the 2023-24 financial year.

# CERTIFICATE OF THE LIBRARY BOARD OF QUEENSLAND

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 the establishment and keeping the accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Library Board and the consolidated entity for the financial year ended 30 June 2023, and of the financial position of the entity at the end of that year; and

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 period.



**Debbie Best**  
Chairperson  
Library Board of Queensland  
30 August 2023



**Vicki McDonald AM FALIA**  
State Librarian and CEO  
State Library of Queensland  
30 August 2023

# INDEPENDENT AUDITOR'S REPORT



To the Board of the Library Board of Queensland

## REPORT ON THE AUDIT OF THE FINANCIAL REPORT

### Opinion

I have audited the accompanying financial report of the Library Board of Queensland (the parent) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2023, and their financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2023, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the management certificate.

### Basis for opinion

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

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

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

### Responsibilities of the entity 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 parent's and group'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 parent or group or to otherwise cease operations.

## Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of forming an opinion on the effectiveness of the entity's internal controls, but allows me to form an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the group.
- Conclude on the appropriateness of the parent's and group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent's or group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the parent or group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to form an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2023:

- I received all the information and explanations I required.
- 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 entity's transactions and account balances to enable the preparation of a true and fair financial report.



Jacqueline Thornley  
as delegate of the Auditor-General

31 August 2023

Queensland Audit Office  
Brisbane