
Financial information

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About the Financial Statements

The financial statements highlight our financial performance and overall position as at 30 June 2021.

The financial statements consist of five parts:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to and forming part of the Financial Statements.

The financial statements are prepared by our finance area, reviewed by our Chief Executive Officer and ARMC and then audited by the QAO.

Statement of Comprehensive Income

The Statement of Comprehensive Income measures an entity's financial performance over a specific period (usually 12 months). The Statement of Comprehensive Income comprises a profit and loss statement which compares revenues received against expenses incurred. Excess revenue over expenses results in an operating surplus, while excess expenses over revenue results in an operating deficit.

For the year ended 30 June 2021, our revenue exceeded expenditure by \$2.001 million, resulting in an operating surplus.

Statement of Financial Position

The Statement of Financial Position provides a snapshot of the financial health of an entity at the end of the reporting period. It presents the value of the assets held, amounts owing (liabilities), and the equity (net worth) of the entity.

As at 30 June 2021, our equity was valued at \$24.131 million, increasing by \$2.341 million or 10.75 per cent and is due to a \$0.340 million equity injection from Government to fund the development of a new case management system and the \$2.001 million operating surplus for 2020–21.

Assets

Assets are items of value controlled by an entity, from which future economic benefits are expected to flow to the entity. Assets are classed as 'current assets' or 'non-current assets'.

Current assets are those assets that can be readily converted into cash within the next 12 months. Our current assets include cash, trade debtors and other receivables, and pre-paid expenditure.

Non-current assets are those assets that are not easily converted into cash and that an entity does not expect to convert into cash within the next 12 months. At 30 June 2021, our non-current assets of \$10.612 million included the book value of leasehold improvements, motor vehicles, computer and other technical equipment, software (intangibles), and work in progress.

Liabilities

Liabilities are the amounts owed by the entity. Similarly to assets, they are classed as 'current liabilities' and 'non-current liabilities'.

Current liabilities are amounts owing that an entity plans to pay within the next 12 months. Our current liabilities include amounts owed to suppliers (usually settled on 30-day terms), amounts owing for leave entitlements to be paid to the Annual Leave Central Scheme, provisions for expenditure incurred based on contractual obligations and expected to be settled within the next 12 months.

Non-current liabilities are those liabilities which an entity is not expected to pay within 12 months or which the entity has no legal requirement to settle within the next 12 months. Our non-current liabilities relate to the provision for costs to restore the leased premises to its original condition and deferred lease liabilities which have arisen due to recognising lease payments in accordance with the new leasing standard implemented on 1 July 2019 (See note 1(h), 9 and 10) over the term of the lease.

Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of the CCC as at 30 June 2021.

Equity

Equity is the net worth of the entity and is represented by total assets less total liabilities in the Statement of Financial Position. An entity's equity balance is made up of initial capital (contributions), accumulated surplus/deficit and reserves.

Statement of Changes in Equity

The Statement of Changes in Equity details movements in the equity of an entity during the reporting period. The equity balance is affected by the operating result (surplus or deficit) for the period, equity injections or withdrawals, and asset revaluations.

Statement of Cash Flows

This statement shows the actual movements of cash during the financial year. During the 2020–21 financial year, we received \$65.943 million in cash and paid out \$60.151 million in cash to manage our operating activities. In addition, \$1.640 million in cash was invested in capital acquisitions and financing received by way of an equity injection of \$0.340 million. Our cash balance at 30 June 2021 was \$15.564 million compared with \$11.385 million at 30 June 2020. The increase in cash of \$4.179 million is mainly due to current year operating surplus and the increase in payables due to the timing of creditor payments when compared with 30 June 2020.

Notes to and forming part of the Financial Statements

The notes to the financial statements provide a more detailed breakup of line items presented in the financial statements. They also disclose other matters such as the CCC's accounting policies, budget reporting disclosures including explanations of major budget variances, outstanding commitments at the end of the reporting period and other financial disclosures including key executive management personnel and remuneration. The financial statements should be read in conjunction with these accompanying notes.

CRIME AND CORRUPTION COMMISSION
Financial Statements
for the year ended 30 June 2021

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General information

These financial statements cover the Crime and Corruption Commission (CCC), an independent statutory body established under the *Crime and Corruption Act 2001*, which reports directly to the Queensland Parliament.

For financial reporting purposes, the CCC is a statutory body in terms of the *Financial Accountability Act 2009*, and is subsequently consolidated into the whole-of-government financial statements.

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

Level 2, North Tower Green Square
515 St Pauls Terrace
Fortitude Valley QLD 4006

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

For information relating to the CCC's financial statements, please call 07 3360 6060, email <mailbox@ccc.qld.gov.au> or visit the CCC's website at <www.ccc.qld.gov.au>.

CRIME AND CORRUPTION COMMISSION
Statement of Comprehensive Income
for the year ended 30 June 2021

OPERATING RESULT	Notes	2021 Actual \$'000	2021 Original Budget \$'000	Budget Variance* \$'000	2020 Actual \$'000
Income from Continuing Operations					
Grants and other contributions	2	64,672	64,645	27	65,077
Interest		145	150	(5)	253
Other revenue		297	104	193	197
Total Revenue		65,114	64,899	215	65,527
Gains on disposal of property, plant and equipment		25	25	-	18
Total Income from Continuing Operations		65,139	64,924	215	65,545
Expenses from Continuing Operations					
Employee expenses	3	44,217	44,359	(142)	45,785
Supplies and services	5	15,190	16,484	(1,294)	15,833
Depreciation and amortisation	8-10	2,410	2,795	(385)	2,224
Finance costs		12	17	(5)	18
Other expenses	6	1,309	1,269	40	1,399
Total Expenses from Continuing Operations		63,138	64,924	(1,786)	65,259
Operating Result from Continuing Operations		2,001	0	2,001	286
Total Comprehensive Income		2,001	0	2,001	286

In July 2021, the CCC received support from the Queensland Treasury in deferring \$2 million of income received in 2020-21 to 2021-22 to progress the development of the Digital Workplace Program (DWP) initiatives. Accounting standard AASB 1058 *Income of Not-for-Profit Entities* does not allow for the transfer of the Grants and other contributions between years as CCC had control of the cash as at 30 June 2021.

The accompanying notes form part of these statements.

** An explanation of major variances is included at Note 19.*

CRIME AND CORRUPTION COMMISSION
Statements of Financial Position
as at 30 June 2021

	Notes	2021 Actual \$'000	2020 Actual \$'000
Current Assets			
Cash and cash equivalents	7	15,564	11,385
Receivables		879	791
Other assets		1,426	1,697
Total Current Assets		17,869	13,873
Non-Current Assets			
Intangible assets	8	3,477	2,926
Property, plant and equipment	9	6,422	7,457
Right-of-use assets	10	618	927
Other assets		95	125
Total Non-Current Assets		10,612	11,435
Total Assets		28,481	25,308
Current Liabilities			
Payables	11	2,189	1,107
Lease liabilities	10	316	302
Unearned revenue		-	3
Accrued employee benefits	12	1,293	1,252
Total Current Liabilities		3,798	2,664
Non-Current Liabilities			
Lease liabilities	10	330	646
Provisions	13	222	208
Total Non-Current Liabilities		552	854
Total Liabilities		4,350	3,518
Net Assets		24,131	21,790
Equity			
Contributed equity		16,168	15,828
Accumulated surplus		7,963	5,962
Total Equity		24,131	21,790

The accompanying notes form part of these statements.

CRIME AND CORRUPTION COMMISSION
Statement of Changes in Equity
for the year ended 30 June 2021

	Accumulated Surplus \$'000	Contributed Equity \$'000	TOTAL \$'000
Balance as at 1 July 2019	5,189	13,236	18,425
Operating result from continuing operations	286	-	286
Adjustment to accumulated surplus ¹	487	-	487
<i>Transactions with Owners as Owners:</i>			
• Non appropriated equity injection ²	-	2,592	2,592
Balance as at 30 June 2020	5,962	15,828	21,790

	Accumulated Surplus \$'000	Contributed Equity \$'000	TOTAL \$'000
Balance as at 1 July 2020	5,962	15,828	21,790
Operating result from continuing operations	2,001	-	2,001
<i>Transactions with Owners as Owners:</i>			
• Non appropriated equity injection ²	-	340	340
Balance as at 30 June 2021	7,963	16,168	24,131

¹ The adjustment to accumulated surplus was a result of the introduction of accounting standard AASB 16 *Leases* in 2019-20 where deferred lease liability was derecognised.

² The CCC received a non-appropriated equity injection in 2019-20 and 2020-21 to fund the development of a new Integrated Case Management System (ICMS) and the Digital Workplace Program (DWP).

The accompanying notes form part of these statements.

CRIME AND CORRUPTION COMMISSION
Statements of Cash Flows
for the year ended 30 June 2021

	Notes	2021 Actual \$'000	2020 Actual \$'000
Cash flows from operating activities			
<i>Inflows</i>			
Grants and other contributions	2	63,563	63,924
Interest receipts		146	265
GST input tax credits from ATO		1,799	1,883
GST collected from customers		83	46
Other		352	74
<i>Outflows</i>			
Employee expenses		(43,313)	(47,225)
Supplies and services		(10,721)	(13,277)
Property rental		(4,168)	(4,062)
GST paid to suppliers		(1,703)	(1,953)
GST remitted to ATO		(85)	(41)
Other		(161)	(189)
Net cash provided by/(used in) operating activities	14	5,792	(555)
Cash flows from investing activities			
<i>Inflows</i>			
Sales of property, plant and equipment		480	323
<i>Outflows</i>			
Payments for Intangibles	8	(957)	(1,676)
Payments for property, plant and equipment	9	(1,163)	(1,070)
Net cash provided by/(used in) investing activities		(1,640)	(2,423)
Cash flows from financing activities			
<i>Inflows</i>			
Equity injection		340	2,592
<i>Outflow</i>			
Finance lease payments	10	(313)	(288)
Net cash provided by/(used in) financing activities		27	2,304
Net increase (decrease) in cash and cash equivalents		4,179	(674)
Cash and cash equivalents at beginning of period		11,385	12,059
Cash and cash equivalents at end of period	7	15,564	11,385

The accompanying notes form part of these statements.

CRIME AND CORRUPTION COMMISSION
Notes to and forming part of the Financial Statements 2020-21

Objectives of the Crime and Corruption Commission

Note 1	Summary of Significant Accounting Policies
Note 2	Grants and Other Contributions
Note 3	Employee Expenses
Note 4	The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions
Note 5	Supplies and Services
Note 6	Other Expenses
Note 7	Cash and Cash Equivalents
Note 8	Intangible Assets
Note 9	Property, plant and equipment
Note 10	Right-of-use assets and Lease liabilities
Note 11	Payables
Note 12	Accrued Employee Benefits
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Note 14	Reconciliation of Operating Result to Net Cash Provided by Operating Activities
Note 15	Commitments for Expenditure
Note 16	Contingencies
Note 17	Financial Instruments
Note 18	Trust Transactions and Balances
Note 19	Explanation of Major Variances

Management Certificate for the year ended 30 June 2021

Objectives of the Crime and Corruption Commission (CCC)

The CCC is a not-for-profit entity that focuses on those matters that are of highest threat to the Queensland community with the aim of helping make our communities safer and ensuring that they are supported by fair and ethical public institutions. The CCC's key objectives are to combat major crime and reduce corruption in the Queensland public sector.

Note 1: Summary of Significant Accounting Policies

Significant accounting policies are in the notes to which they relate, except as follows:

(a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared on an accrual basis, except for the Statement of Cash Flows which is prepared on a cash basis. They are prepared in accordance with:

- Section 39 of the *Financial and Performance Management Standard 2019*
- Applicable Australian Accounting Standards and Interpretations
- Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2020

Except where stated, the historical cost convention is used. This means that assets are recorded at their initial cost and liabilities are valued at the amount initially received in exchange for obligation.

There are no new accounting policies applied or changes in accounting policy in the year of 2020-21.

(b) The Reporting Entity

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

(c) Other Presentation Matters

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 has not been restated.

Current/Non-Current Classification

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

Assets are classified as "current" where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as "current" when they are due to be settled within 12 months after the reporting date, or the CCC 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.

(d) Authorisation of Financial Statements for Issue

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

Note 1: Summary of Significant Accounting Policies (cont'd)

(e) Taxation

The CCC 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).

(f) Receivables

Receivables are measured at amortised cost which approximates their fair value and represent amounts owed to the CCC at the end of the reporting period. Any receivable impairment allowance reflects expected credit losses and incorporates reasonable and supportable forward-looking information, including forecast recoverability. Where there is no reasonable expectation of recovering an amount owed the debt is written-off by directly reducing the receivable against the loss allowance.

Sundry debtors are recognised at the amounts due at the time of service delivery, that is, the agreed sale/contract price. Settlement of these amounts is required within 30 days from invoice date.

(g) Accounting Estimates and Judgments

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

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- Intangible assets (Note 8)
- Property, plant and equipment (Note 9)
- Right-of-use asset and lease liabilities (Note 10)
- Provisions (Note 13)
- Commitments for Expenditure (Note 15)
- Contingencies (Note 16)

(h) Future Impact of Accounting Standards Not Yet Effective

At the date of authorisation of the financial statements, there are no new or amended accounting standards with future effective dates that are applicable and have a material impact on the CCC.

(i) Impact of Corona Virus (COVID-19) Pandemic

In response to COVID-19 impacts on businesses in the community, the CCC is paying its suppliers on zero day payment terms. The CCC also accelerated the remote working capability project to enable all staff to work remotely including the purchase of new information technology hardware and software. No other impacts are deemed to be material to the financial statements, therefore no additional disclosure on COVID-19 is required.

(j) Post Balance Date Event

Since 30 June 2021, the CCC has assessed the progress of the Integrated Case Management System as a result of contractual issues with the software supplier. The outcome of this assessment may result in a potential liability under the contractual agreement between the CCC and the third-party supplier. At reporting date, it is not possible to estimate the financial impact from this. The CCC management believe it would be misleading to estimate the final amounts at this point in time.

Note 2: Grants and Other Contributions

Accounting Policy:

Government Grants – Government grants are non-reciprocal in nature and are recognised as revenue in the year in which the CCC obtains control over them or the right to receive them.

Other Contributions – Services Received Below Fair Value – The CCC recognises contributions of services only if the services would have been purchased had they not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

	2021 \$'000	2020 \$'000
Grants		
Queensland Government grant ¹	63,563	63,924
Other Contributions – Services Received Below Fair Value		
Archival storage services from Department of Communities, Housing and Digital Economy	128	127
Employee costs for police secondments from Queensland Police Service (QPS) ²	981	1,026
	<u>1,109</u>	<u>1,153</u>
Total	<u>64,672</u>	<u>65,077</u>

¹ The CCC is funded by parliamentary appropriations for the provision of its outputs. These appropriations are received by the Department of Justice and Attorney-General (DJAG) and forwarded to the CCC on a quarterly basis in the form of a grant.

² As at 30 June 2021, 8 police FTEs were seconded to the CCC from the QPS and paid for by the QPS (2020: 9 police FTEs seconded).

Note 3: Employee Expenses

Accounting Policy:

Wages, Salaries and Sick Leave – Salaries and wages due but unpaid at reporting date are recognised as a liability in the Statement of Financial Position. As the CCC expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. Also refer to Note 12.

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.

Annual Leave – The CCC became a member of the Queensland Government’s Annual Leave Central Scheme (ALCS) starting 1 July 2018. Under this scheme, a levy is made on the CCC to cover the cost of employees’ annual leave (including leave loading and on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave are claimed from the scheme quarterly in arrears. Also refer to Note 12.

Long Service Leave – Under the Queensland Government’s Long Service Leave Central Scheme, a levy is applied on the CCC to cover the cost of employees’ long service leave. 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. Also refer to Note 12.

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

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

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

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

CRIME AND CORRUPTION COMMISSION
Notes to and forming part of the Financial Statements 2020-21

Note 3: Employee Expenses (cont'd)

	2021 \$'000	2020 \$'000
Employee Benefits		
Wages and salaries ¹	34,134	35,363
Annual leave levy/expense	2,387	2,421
Long service leave levy/expense	855	889
Employer superannuation contributions	4,456	4,554
Other employee benefits	121	153
Employee Related Expenses		
Workers' compensation premium	301	299
Payroll tax	1,480	1,568
Other employee related expenses	483	538
Total	44,217	45,785

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

	2021	2020
Number of employees ²	335	338

¹ Wages and salaries includes \$103,746 of \$1,250 one-off and on-costs, for 86 full-time equivalent QPS employees paid in July 2020 (20-21). Wages and salaries includes \$313,563 of \$1,250 one-off, pro-rata payments for 251 full-time equivalent employees paid in March 2020 (19-20).

² As at 30 June 2021 it includes 73 (2020: 75) police FTE positions seconded from the QPS and paid for by the CCC.

Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions

(a) The Commission

The Commission is the governing body and comprises a full time Commissioner who is the Chairperson, one (1) part-time Commissioner who is the Deputy Chairperson, and three (3) part-time Ordinary Commissioners. The Commission is responsible for providing strategic leadership and direction for the performance of the CCC's functions. The Chairperson has specific responsibilities relating to the proper performance of the CCC's functions.

(b) Chief Executive Officer (CEO)

The CEO is responsible for the efficient, effective and economic administration of the CCC. The CCC's financial functions are also delegated to the CEO. The CEO reports to the Commission.

(c) Key Management Personnel

The CCC's responsible Minister is identified as part of the CCC's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Attorney-General and Minister for Justice. Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Member's Remuneration Handbook. The CCC does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of 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 details for non-ministerial KMP reflect those CCC positions that had authority and responsibility for planning, directing and controlling activities of the CCC during 2020-21 and 2019-20. Further information about these positions can be found in the body of the Annual Report under the section relating to Governance and people.

(d) Remuneration Expenses

Chairperson Remuneration

The remuneration paid to the Chairperson is determined by the Governor-in-Council and is equivalent to the superannuable salary of a Supreme Court judge, other than the Chief Justice or the President of the Court of Appeal, as provided for under the *Judicial Remuneration Act 2007*.

The Chairperson's conditions of employment includes a jurisprudential allowance, an expense of office allowance, vehicle allowance, leave equivalent to the public service and a pension in accordance with the provisions of the *Crime and Corruption Act 2001*. The Chairperson is not eligible for a performance bonus.

Chief Executive Officer (CEO) and Senior Executive Remuneration

The remuneration paid to the CEO is determined by the Governor-in-Council; however, remuneration policy for both the CCC's CEO and senior executive personnel is based on rates set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*, and approved by the Minister.

For the 2020-21 year, in accordance with government policy, the remuneration for the CEO and senior executive personnel did not increase.

Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont'd)

(d) Remuneration Expenses (cont'd)

Chief Executive Officer (CEO) and Senior Executive Remuneration (cont'd)

Remuneration expenses for key management personnel 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 the senior executive position
 - non-monetary benefits — consisting of car parking benefits
- 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 provided for within individual contracts of employment for senior executive personnel only. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for the termination
- The CEO and senior executive personnel contracts do not provide for performance bonuses.

The remuneration and other terms of employment for the senior executive personnel are specified in employment contracts.

Part-time Ordinary Commissioners' Remuneration

The remuneration paid to part-time Commissioners is determined by the Governor-in-Council and based on rates specified in the guidelines for Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities: Remuneration Procedures. The remuneration amounts shown include superannuation.

Name of Commissioner	Position	Date of term commencement	2021 \$'000	2020 \$'000
Deborah Holliday	Ordinary Commissioner	Acting 11 November 2016 to 10 February 2017 10 March 2017 to current	48	47
Anne Tiernan	Ordinary Commissioner	Acting 11 November 2016 to 10 February 2017 10 March 2017 to 24 July 2020	5	46
Sydney Williams	Deputy Chairperson	1 November 2014 to current	47	46
Marshall Irwin	Ordinary Commissioner	1 March 2016 to 30 April 2021	38	73*
Helen Darch	Ordinary Commissioner	14 May 2021 to current	6	-
Bruce Barbour	Ordinary Commissioner	14 May 2021 to current	6	-
Total			150	212

*Remuneration expenses include costs in relation to acting arrangements established during the year.

CRIME AND CORRUPTION COMMISSION

Notes to and forming part of the Financial Statements 2020-21

Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont'd)

(d) Remuneration Expenses (cont'd)

1 July 2020 – 30 June 2021

Position	Contract classification and appointment authority	Monetary Expenses \$'000	Long-Term Employee Expenses \$'000	Post-Employment Expenses \$'000	Total Expenses \$'000
Chairperson – 1 September 2015 to current	<i>Crime and Corruption Act 2001</i>	495	12	-	507
Chief Executive Officer – 24 August 2018 to current	CEO, <i>Crime and Corruption Act 2001</i>	302	7	38	347
Senior Executive Officer, Corruption – 3 October 2017 to current	SES4, <i>Crime and Corruption Act 2001</i>	239	6	28	273
Senior Executive Officer, Crime – 3 July 2017 to current*	SES4, <i>Crime and Corruption Act 2001</i>	248	6	28	282
General Manager, Corporate Services – 1 April 2019 to current	SES3, <i>Crime and Corruption Act 2001</i>	207	5	23	235
General Manager, Operations Support – 5 May 2020 to current	Chief Superintendent, <i>Crime and Corruption Act 2001</i>	189	4	31	224
General Manager, Strategy Innovation and Insights – 1 April 2019 to 4 September 2020	SES3, <i>Crime and Corruption Act 2001</i>	42	1	3	46
Total Remuneration		1,722	41	151	1,914

* Remuneration expenses include costs in relation to acting arrangements established during the year.

CRIME AND CORRUPTION COMMISSION
Notes to and forming part of the Financial Statements 2020-21

Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont'd)

(d) Remuneration Expenses (cont'd)

1 July 2019 – 30 June 2020

Position	Contract classification and appointment authority	Monetary Expenses \$'000	Long-Term Employee Expenses \$'000	Post-Employment Expenses \$'000	Total Expenses \$'000
Chairperson – 1 September 2015 to current	<i>Crime and Corruption Act 2001</i>	526	12	-	538
Chief Executive Officer – 24 August 2018 to current	CEO, <i>Crime and Corruption Act 2001</i>	304	7	35	346
Senior Executive Officer, Corruption – 3 October 2017 to current*	SES4, <i>Crime and Corruption Act 2001</i>	252	6	28	286
Senior Executive Officer, Crime – 3 July 2017 to current	SES4, <i>Crime and Corruption Act 2001</i>	239	6	27	272
General Manager, Corporate Services – 1 April 2019 to current	SES3, <i>Crime and Corruption Act 2001</i>	207	5	22	234
General Manager, Operations Support ¹ – 22 January 2018 to 16 March 2020	Chief Superintendent, <i>Crime and Corruption Act 2001</i>	141	3	23	167
Acting General Manager, Operations Support – 16 March 2020 to 4 May 2020	Chief Superintendent, <i>Crime and Corruption Act 2001</i>	26	1	4	31
General Manager, Operations Support – 5 May 2020 to current	Chief Superintendent, <i>Crime and Corruption Act 2001</i>	28	1	5	34
General Manager, Strategy Innovation and Insights – 1 April 2019 to current	SES3, <i>Crime and Corruption Act 2001</i>	207	5	23	235
Total Remuneration		1,930	46	167	2,143

¹ The General Manager, Operations Support received a non-monetary motor vehicle benefit of \$5,133 during the period.

* Remuneration expenses include costs in relation to acting arrangements established during the year.

Note 4: The Commission, Senior Executive Personnel, Remuneration Expenses and Related Party Transactions (cont'd)

(e) Related Party Transactions

Transactions with people/entities related to KMP

The CCC obtained related party declarations for each member of the Commission and key executive management personnel for the period 1 July 2020 to 30 June 2021. No related party transactions have been identified as per AASB 124 *Related Party Disclosures* from the declarations completed and searches performed.

Transactions with other Queensland Government-controlled entities

The CCC's primary ongoing sources of funding are from the Department of Justice and Attorney-General and are provided in cash by way of either revenue (Note 2) or equity injections (see Statement of Changes in Equity). The CCC has material transactions with other Queensland Government-controlled entities consistent with normal day-to-day business operations provided under standard terms and conditions, including the payment of worker's compensation and insurance premiums:

- Queensland Treasury Corporation – term deposit investments (Note 7)
- Queensland Police Service – employee secondments (Note 2 and 3)
- WorkCover Queensland – obligations for employee compensation insurance (Note 3)
- Department of Energy and Public works – motor vehicles lease (Note 5)
- Department of Communities, Housing and Digital Economy – property rentals and building maintenance, and archival storage services (Note 5 & Note 2)
- Corporate Administration Agency - financial and payroll systems and processing services under the 'Shared Services Provider' model (Note 5)
- Queensland Government Insurance Fund – general liability insurance including public and products liability (Note 6)
- Queensland Audit Office – financial statement audit services (Note 6)

CRIME AND CORRUPTION COMMISSION
Notes to and forming part of the Financial Statements 2020-21

Note 5: Supplies and Services

	2021	2020
	\$'000	\$'000
Property rentals ¹	4,168	4,062
Information technology (IT) hardware and software maintenance ²	1,767	1,947
Software purchases ²	368	498
Consultants and contractors ²	2,587	3,584
Corporate service providers	350	310
Electricity	236	266
Furniture and equipment (non-asset)	517	675
Telecommunications and access costs	2,207	1,370
Legal costs	417	384
Building and equipment maintenance	442	450
Motor vehicle running costs	462	462
Operational expenses	481	299
Security	435	459
Travel	275	440
Other	478	627
Total	15,190	15,833

¹ Property rentals include lease expenses for Green Square accommodation, which is exempted from AASB 16 *Lease* as it is a non-specialised commercial office accommodation under the Queensland Government Accommodation Office (QGAO) framework. Department of Communities, Housing and Digital Economy has substantive substitution rights over the assets used.

² In response to COVID-19 impacts the Commission accelerated the DWP remote working capability project to enable all staff to work remotely during 2019-20 (See Note 1).

Note 6: Other Expenses

	2021	2020
	\$'000	\$'000
External audit fees ¹	65	65
Insurance Premiums ²	30	32
Services received below fair value (see Note 2)	1,109	1,153
Losses – On disposal of property, plant and equipment	39	118
Losses – General	30	-
Sundry expenses	36	31
Total	1,309	1,399

¹ Estimate of fees payable to Queensland Audit Office relating to the 2020–21 financial statements is \$64,500 (2020 fee: \$64,500).

² The CCC's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. Insurance claims are subject to a \$10,000 deductible per claim.

Note 7: Cash and Cash Equivalents

Accounting Policy:

Cash and Cash Equivalents – Cash and cash equivalents include all cash and cheques receipted but not banked at 30 June. Term deposits are held with major banking institutions and/or Queensland Treasury Corporation and represent liquid investments with short periods to maturity that are readily convertible to cash on hand at the CCC's option and that are subject to a low risk of changes in value.

	2021 \$'000	2020 \$'000
Imprest accounts	8	7
Cash at bank	221	1,661
Term deposits	15,335	9,717
Total	15,564	11,385

Note 8: Intangible Assets

Accounting Policy:

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

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

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

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

Amortisation Expense – All intangible assets of the CCC have finite useful lives and are amortised on a straight-line basis over their estimated useful life. Straight line amortisation is used reflecting the expected consumption of economic benefits on a progressive basis over the intangible's useful life. The residual value of all the CCC's intangible assets is zero. Each class of intangible asset has the following useful lives:

Intangible Assets:

Software purchased	12 years
Software internally generated	5 years

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

CRIME AND CORRUPTION COMMISSION
Notes to and forming part of the Financial Statements 2020-21

Note 8: Intangible Assets (cont'd)

	2021	2020
	\$'000	\$'000
Software purchased		
At cost	693	888
Less: Accumulated amortisation	(642)	(815)
	51	73
Software internally generated ¹		
At cost	1,370	-
Less: Accumulated amortisation	(219)	-
	1,151	
Work in Progress ²		
At cost	2,275	2,853
Total	3,477	2,926

¹ The CCC's software internally generated comprises of various computer applications under the Digital Workplace Program (DWP) as well as the data warehousing infrastructure.

² A new Integrated Case Management System (ICMS) is currently being developed.

Intangibles Reconciliation

	Software Purchased		Software Internally Generated		Software Work in Progress		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	73	107	-	-	2,853	1,175	2,926	1,282
Acquisitions	-	-	412	-	545	1,678	957	1,678
Disposals	-	-	-	-	(126)	-	(126)	-
Transfers between classes	17	-	958	-	(997)	-	(22)	-
Amortisation ¹	(39)	(34)	(219)	-	-	-	(258)	(34)
Carrying amount at 30 June	51	73	1,151	-	2,275	2,853	3,477	2,926

¹ Amortisation of intangibles is included in the line item "Depreciation and amortisation" in the Statement of Comprehensive income.

Note 9: Property, Plant and Equipment

Accounting Policy:

Recognition – All property, plant and equipment are initially recognised and subsequently measured at cost. Cost comprises purchase price plus additional expenditure incurred to maintain the asset in the condition necessary to be used as intended.

Items of property, plant and equipment (PPE) are recognised in the Statement of Financial Position where their initial acquisition costs equal or exceed \$5,000. Items with a lesser value are expensed in the year of acquisition.

Measurement – The CCC uses the historical cost model to measure assets after they are recognised, which means that assets are carried at their acquisition cost less accumulated depreciation and any accumulated impairment losses. The carrying amounts for plant and equipment measured at cost approximate their fair value at reporting date.

Depreciation Expense – Property, plant and equipment is depreciated on a straight-line basis to allocate the net cost of each asset, less any estimated residual value, progressively over its estimated useful life to the CCC. 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 CCC.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity, that is, when the asset is available for use and is operating in the manner intended by management. These assets are then reclassified to the relevant asset class.

Each class of depreciable and intangible assets is depreciated or amortised based on the following useful lives.

Plant and Equipment:

Motor Vehicles	2–5 years
Computer Equipment	3–8 years
General and Technical Equipment	3–15 years
Leasehold Improvements	6–18 years

The useful lives of plant and equipment assets were reviewed during the reporting period and adjusted where necessary.

Impairment – Impairment of non-current physical and intangible assets is the decline in the service potential of an asset over and above the use reflected through depreciation.

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the CCC determines the assets recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. An impairment loss is recognised immediately in the Statement of Comprehensive Income.

As part of the stocktake process, impairment was assessed over all CCC assets. The result of this review was that no asset was impaired.

Note 9: Property, Plant and Equipment (cont'd)

	2021	2020
	\$'000	\$'000
Motor vehicles:		
At cost	1,827	1,753
Less: Accumulated depreciation	(501)	(464)
	1,326	1,289
Computer equipment:		
At cost	3,741	3,671
Less: Accumulated depreciation	(2,476)	(2,049)
	1,265	1,622
General and technical equipment:		
At cost	2,252	2,191
Less: Accumulated depreciation	(1,465)	(1,191)
	787	1,000
Leasehold improvements:		
At cost	15,179	15,149
Less: Accumulated depreciation	(12,206)	(11,603)
	2,973	3,546
Work in Progress		
At cost	71	-
Total	6,422	7,457

CRIME AND CORRUPTION COMMISSION**Notes to and forming part of the Financial Statements 2020-21****Note 9: Property, plant and equipment (cont'd)****Property, Plant and Equipment Reconciliation**

	Motor vehicles		Computer equipment		General and technical equipment		Leasehold improvements		Work in progress		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Carrying amount at 1 July	1,289	1,273	1,622	1,897	1,000	1,036	3,546	4,135	-	272	7,457	8,613
Acquisitions	771	683	259	155	46	178	16	84	71	-	1,163	1,100
Disposals ¹	(391)	(342)	-	-	-	(8)	-	(31)	-	-	(391)	(381)
Transfers between classes	-	-	-	151	22	121	-	-	-	(272)	22	-
Restoration cost adjustment	-	-	-	-	-	-	13	6	-	-	13	6
Depreciation ²	(343)	(325)	(616)	(581)	(281)	(327)	(602)	(648)	-	-	(1,842)	(1,881)
Carrying amount at 30 June	1,326	1,289	1,265	1,622	787	1,000	2,973	3,546	71	-	6,422	7,457

¹ Any gain or loss on disposal is recognised at the date of disposal and is the difference between the consideration received and the carrying/book value of the asset at the time.

² Depreciation is included in the line item "Depreciation and amortisation" in the Statement of Comprehensive Income.

CRIME AND CORRUPTION COMMISSION

Notes to and forming part of the Financial Statements 2020-21

Note 10: Right-of-use Assets and lease liabilities

Accounting Policy:

A new accounting standard AASB 16 *Leases* came into effect in 2019-20, resulting in significant changes to the CCC's accounting for leases for which it is lessee.

The CCC has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets, where it is expected to cost less than \$10,000 when new.

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

Right-of-use assets

	2021 \$'000	2020 \$'000
Opening balance 1 July	927	1,236
Less: Accumulated depreciation	(309)	(309)
Total	618	927

Lease Liability

	2021 \$'000	2020 \$'000
Current		
Finance lease liability ¹	316	302
Total	316	302
Non-Current		
Finance lease liability ¹	330	646
Total	330	646

¹ The CCC entered into a three year office accommodation lease on 1 April 2017 to 30 Jun 2020. On 9 December 2019, a lease agreement for the same property was signed through to 30 June 2023. As at 1 July 2019, the CCC recognised \$1.236m lease liability and Right-of-Use (RoU) asset under AASB 16.

Maturity analysis

The following table shows the undiscounted value for CCC lease liabilities

Payable in								
	< 1 year		1–5 years		> 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liability	323	313	332	655	-	-	655	968

Note 11: Payables

Accounting Policy:

Payables – The CCC recognises creditors upon receipt of the goods or services and are measured at the agreed purchase price or contract price including any trade and other discounts when goods and services ordered are received. Amounts owing are unsecured and are generally settled on 30-day terms. While these are generally settled on 30-day terms, due to COVID-19 the CCC is currently paying its suppliers on zero-day payments terms (see Note 1(i)).

	2021 \$'000	2020 \$'000
Contractual Payables		
Creditors	1,990	886
Queensland Police Service ¹	(2)	(85)
	1,988	801
Statutory Payables		
Payroll Tax	163	187
Superannuation	-	84
Fringe Benefits Tax	38	35
	201	306
Total	2,189	1,107

¹ Reimbursement of staff salaries and related on-costs for police seconded to the CCC. The CCC received a credit note in June 2020 for a QPS funded police position and a credit issued in June 2021 for police overtime.

Note 12: Accrued Employee Benefits

	2021 \$'000	2020 \$'000
Wages outstanding*	408	419
Annual leave levy payable*	724	669
Long service leave levy payable*	161	164
Total	1,293	1,252

* Refer Note 3 for employee expenses accounting policy

Note 13: Provisions

Accounting Policy:

Recognition and Measurement – Provisions are recorded when the CCC has a present obligation, either legal or constructive, as a result of a past event, and the amount of the provision can be reliably measured. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period.

The provision for restoration costs relate to clauses in lease agreements for office accommodation which require the CCC to restore a leased premises to original condition. As the settlement of the obligation is expected after 12 or more months, the provision has been discounted to reflect the present value of these obligations using a rate that reflects current market assessments and risks specific to the liability. The finance costs relate to unwinding of the discount on the provision.

	2021 \$'000	2020 \$'000
Restoration costs	222	208
Total	222	208

	2021 \$'000	2020 \$'000
Movements in provisions		
Restoration Costs		
Balance at 1 July	208	256
Additional provision made	13	6
Provision utilised through payments / derecognition	-	(56)
Finance Costs	1	2
Balance at 30 June	222	208

CRIME AND CORRUPTION COMMISSION
Notes to and forming part of the Financial Statements 2020-21
Note 14: Reconciliation of Operating Result to Net Cash Provided by Operating Activities

	2021 \$'000	2020 \$'000
Operating result from continuing operations	2,001	286
Depreciation and amortisation expense	2,410	2,224
Losses on disposal of property, plant and equipment	39	118
Gains on disposal of property, plant and equipment	(25)	(18)
Other Revenue	-	(88)
Finance costs	12	18
Change in asset and liabilities:		
(Increase)/decrease in other receivables	55	(23)
(Increase)/decrease in GST input tax receivable	96	(70)
(Increase)/decrease in long service leave reimbursement receivable	17	95
(Increase)/decrease in annual leave reimbursement receivable	(253)	199
(Increase)/decrease in interest receivable	1	12
(Increase)/decrease in prepayments	301	(595)
Increase/(decrease) in accounts payable	1,082	(2,289)
Increase/(decrease) in accrued employee benefits	41	(361)
Increase/(decrease) in GST payable	4	(5)
Increase/(decrease) in unearned revenue	(3)	(10)
Increase/(decrease) in provisions	14	(48)
Net Cash Provided by operating activities	5,792	(555)

Note 15: Commitments for Expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the statement of financial position. Commitments at reporting date are disclosed at their nominal value inclusive of anticipated GST and are payable as follows:

	Property Rentals ¹		Vehicle Leases		Capital Expenditure		Other Expenditure		Total Commitments	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Not later than one year	3,453	4,166	63	97	896	796	2,159	1,417	6,571	6,476
Later than one year and not later than five years	14,886	31,113	53	53	-	44	1,024	969	15,963	32,179
Later than five years	-	-	-	-	-	-	-	-	-	-
Total	18,339	35,279	116	150	896	840	3,183	2,386	22,534	38,655

¹ Property rentals for office accommodation are non-cancellable and have a renewal option that is exercisable at market prices. Lease payments are generally fixed, and no lease arrangements create restrictions on other financing transactions.

Note 16: Contingencies

Accounting Policy:

Recognition – Contingent assets and liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Litigation in progress

As at 30 June 2021, 29 cases (2020: 20 cases) were ongoing before various courts, naming the CCC as either an applicant or respondent:

	2021	2020
	Number of Cases	Number of Cases
Court of Appeal/High Court	3	2
Supreme Court	7	1
Magistrates Court	1	-
Queensland Civil and Administrative Tribunal (QCAT)	18	17
Total	29	20

It is not possible to make a reliable estimate of the final costs, if any, that could be recovered or payable from these cases at this time

Note 17: Financial Instruments

Accounting Policy:

Recognition –

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

Classification and Measurement – Financial instruments are classified and measured as follows:

Financial Assets:

- Cash and cash equivalents – held at fair value through profit and loss
- Contractual Receivables – held at amortised cost

Financial Liabilities:

- Contractual Payables – held at amortised cost
- Lease Liabilities – held at amortised cost

Note 17: Financial Instruments (cont'd)

(a) Categorisation of Financial Instruments

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

	Note	2021 \$'000	2020 \$'000
Financial assets			
Cash and cash equivalents	7	15,564	11,385
Contractual receivables		610	430
Total		16,174	11,815
Financial liabilities			
Contractual payables	11	1,988	801
Lease liabilities	10	646	948
Total		2,634	1,749

(b) Financial Risk Management

The CCC's activities expose it to a variety of financial risks — interest rate risk, credit risk, liquidity risk and market risk. The CCC provides written principles for overall risk management as well as policies covering specific areas. These policies focus on the financial performance of the CCC. All financial risk is managed by the Corporate Services Division under policies approved by the Commission.

Credit Risk Exposure

Credit risk exposure refers to the situation where the CCC may incur financial loss as a result of another party to a financial instrument failing to discharge its obligation. The CCC monitors exposure to credit risk on an ongoing basis.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment. The CCC manages credit risk by ensuring that it invests in secure assets and monitors all funds owed on a regular basis. The following table represents the CCC's maximum exposure to credit risk based on contractual amounts net of any allowances:

Category:	Maximum Exposure to Credit Risk	Note	2021 \$'000	2020 \$'000
Financial Assets				
Contractual receivables			610	430
Total			610	430

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired.

The CCC did not have any financial assets that were past due but not impaired in the current or previous period.

Note 17: Financial Instruments (cont'd)

(b) Financial Risk Management (cont'd)

Liquidity Risk

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

The CCC manages liquidity risk by ensuring the CCC has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that sufficient levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities. The following table sets out the liquidity risk of financial liabilities held by the CCC.

		Payable in							
		Note	< 1 year		1–5 years		> 5 years		Total
			2021	2020	2021	2020	2021	2020	
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities									
Contractual Payables	11		1,988	801	-	-	-	-	1,988 801
Lease liabilities	10		316	302	330	646	-	-	646 948
Total			2,304	1,103	330	646	-	-	2,634 1,749

Market Risk

Market risk refers to 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: currency risk, interest rate risk and other price risk.

The CCC does not trade in foreign currency. It manages price risk and interest rate risk through its liquidity management strategy and by ensuring that expenditure is within funding levels.

Exposure to interest rate risk is limited to cash assets bearing variable interest rates. The CCC minimises risk by investing in secure short-term investments, mainly fixed term deposits, in accordance with Part 6 of the *Statutory Bodies Financial Arrangements Act 1982*.

(c) Fair Value

The fair value of receivables and payables is the transaction cost or the face value. The CCC considers that the carrying amount of receivables and payables represent fair value at the balance date because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

Note 18: Trust Transactions and Balances

Operational Activities

The CCC undertakes certain trustee transactions on behalf of individuals as a result of operational activities. As the CCC acts only in a custodial role in respect of these transactions and balances, they are not recognised in the financial statements but are disclosed separately under this note.

At 30 June 2021, the CCC held \$423,290 (2020: \$103,344) in a trust bank account as a result of operational activities.

Note 19: Explanation of Major Variances

Explanation of Major Variances – Statement of Comprehensive Income

<i>Other revenue:</i>	The increase of \$193,000 is due to the sale of IT equipment.
<i>Supplies and services:</i>	The decrease of \$1,294,000 is mainly due to timing adjustments in relation to the new commissioning of the ICMS and DWP partially offset by higher levels of expenditure in repairs and maintenance and other supplies and services.
<i>Depreciation and amortisation:</i>	The decrease of \$385,000 is due to timing differences in the purchase and/or commissioning of intangible assets and property, plant and equipment
<i>Total Comprehensive Income</i>	This is increase of \$2 million is due to timing adjustment to project activities required to complete the transformation of the ICMS and DWP due to factors beyond the control of the CCC including COVID-19, these project activities have been deferred to 2021-22.

CRIME AND CORRUPTION COMMISSION
Management Certificate for the year ended 30 June 2020

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements in relation to the establishment and keeping of accounts and for establishing and maintaining the statutory body's resource management systems have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Crime and Corruption Commission for the financial year ended 30 June 2021 and of the financial position of the Commission at the end of that year; and

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



Alan MacSporran QC
Chairperson
Crime and Corruption Commission

Date: 16 August 2021



Jen O'Farrell
Chief Executive Officer
Crime and Corruption Commission

Date: 16 August 2021



Paul Bracegirdle
Chief Finance Officer
Crime and Corruption Commission

Date: 16 August 2021

INDEPENDENT AUDITOR'S REPORT

To the Chairperson of the Crime and Corruption Commission

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Crime and Corruption Commission.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2021, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

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

I am independent of the entity 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 Commission 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 Commission determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Commission is also responsible for assessing the entity'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 entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity'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 entity'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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Commission 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 2021:

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

Prescribed requirements scope

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



John Welsh
as delegate of the Auditor-General

18 August 2021

Queensland Audit Office
Brisbane