

B. Legislative context

Frameworks

Transport entities prepare their financial statements in accordance with the following legislative frameworks and reporting deadlines.

Figure B1
Legislative frameworks for the transport sector

Entity type	Entity	Legislative framework	Legislated deadline
Departments	<ul style="list-style-type: none"> Department of Transport and Main Roads 	<ul style="list-style-type: none"> <i>Financial Accountability Act 2009</i> Finance and Performance Management Standard 2009 	31 August 2020
Statutory bodies	<ul style="list-style-type: none"> Cross River Rail Delivery Authority Queensland Rail 	<ul style="list-style-type: none"> <i>Financial Accountability Act 2009</i> Finance and Performance Management Standard 2009 <i>Statutory Bodies Financial Arrangements Act 1982</i> 	31 August 2020
Wholly owned subsidiary of a statutory body	<ul style="list-style-type: none"> Queensland Rail Limited 	<ul style="list-style-type: none"> <i>Corporations Act 2001</i> Corporations Regulations 2001 	31 October 2020
Government owned corporations	<ul style="list-style-type: none"> Gladstone Ports Corporation Limited North Queensland Bulk Ports Limited Port of Townsville Limited Far North Queensland Ports Corporation Limited 	<ul style="list-style-type: none"> <i>Government Owned Corporations Act 1993</i> <i>Corporations Act 2001</i> Corporations Regulations 2001 	31 August 2020

Source: Queensland Audit Office.

Accountability requirements

The *Financial Accountability Act 2009*, which applies to the Department of Transport and Main Roads, Cross River Rail Delivery Authority, and Queensland Rail, requires them to:

- achieve reasonable value for money by ensuring the operations of the department or statutory body are carried out efficiently, effectively, and economically
- establish and maintain appropriate systems of internal control and risk management
- establish and keep funds and accounts that comply with the relevant legislation, including Australian accounting standards.

The *Government Owned Corporations Act 1993*, which applies to the four port entities, establishes key principles for government owned corporations covering:

- clarity of objectives
- management autonomy and authority
- strict accountability for performance
- competitive neutrality (which means the corporations should not have a competitive advantage or disadvantage solely due to their government ownership).

Queensland state government financial statements

Each year, Queensland state public sector entities must table their audited financial statements in parliament.

These financial statements are used by a broad range of parties including parliamentarians, taxpayers, employees, and users of government services. For these statements to be useful, the information reported must be relevant and accurate.

The Auditor-General's audit opinion on these entities' financial statements assures users that the statements are accurate and in accordance with relevant legislative requirements.

We express an *unmodified opinion* when the financial statements are prepared in accordance with the relevant legislative requirements and Australian accounting standards. We *modify* our audit opinion when financial statements do not comply with the relevant legislative requirements and Australian accounting standards and are not accurate and reliable.

