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For information in relation to QRIDA's financial statements, please email contact_us@qrida.qld.gov.au or visit qrida.qld.gov.au.

Queensland Rural and Industry Development Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

	Notes	2023 Actual $'000	2023 Original Budget $'000	Budget Variance* $'000	2022 Actual $'000
Income from Continuing Operations					
Grants and other contributions	3	152,915	502,704	(349,789)	628,102
Fees	4	10,447	9,873	574	13,008
Interest	5	119,988	73,647	46,341	103,957
Other revenue		81	-	81	664
Total Revenue		**283,431**	**586,224**	**(302,793)**	**745,731**
Gain on borrowings received at greater than fair value	13.1 & 14.1	1,846	973	873	157
Gain on reversal of impairment loss	12.2	2,766	-	2,766	4,099
Total Income from Continuing Operations		**288,043**	**587,197**	**(299,154)**	**749,987**
Expenses from Continuing Operations					
Employee expenses	6	19,857	21,195	(1,338)	18,594
Supplies and services	7	7,680	6,531	1,149	12,516
Grants and subsidies	8	154,713	545,304	(390,591)	557,012
Depreciation and amortisation		274	289	(15)	326
Loss on loans and loan commitments issued at greater than fair value	12.4 & 12.5	16,197	17,652	(1,455)	16,911
Impairment losses	12.2	4,045	490	3,555	2,441
Finance/borrowing costs	9	4,116	4,961	(845)	4,505
Other Expenses	10	5,291	-	5,291	39,298
Total Expenses from Continuing Operations		**212,173**	**596,422**	**(384,249)**	**651,603**
Operating Result from Continuing Operations		**75,870**	**(9,225)**	**85,095**	**98,384**
Operating Result for the Year		**75,870**	**(9,225)**	**85,095**	**98,384**
Total Comprehensive Income		**75,870**	**(9,225)**	**85,095**	**98,384**

The accompanying notes form part of these statements.

**An explanation of major variances is included at Note 22.*

Queensland Rural and Industry Development Authority
Statement of Financial Position
as at 30 June 2023

	Notes	2023 Actual $'000	2023 Original Budget $'000	Budget Variance * $'000	2022 Actual $'000
Current Assets					
Cash and cash equivalents	11	254,824	126,965	127,859	284,212
Loans and advances	12	151,576	76,706	74,870	55,309
Receivables		4,911	3,273	1,638	2,907
Total Current Assets		**411,311**	**206,944**	**204,367**	**342,428**
Non-Current Assets					
Loans and advances	12	956,845	1,137,552	(180,707)	1,055,463
Property, plant and equipment		6	-	6	58
Intangible assets		1,533	2,027	(494)	1,485
Total Non-Current Assets		**958,384**	**1,139,579**	**(181,195)**	**1,057,006**
Total Assets		**1,369,695**	**1,346,523**	**23,172**	**1,399,434**
Current Liabilities					
Trade and other payables		529	970	(441)	2,718
Loan commitments	12.5	2,441	5,012	(2,571)	3,843
Interest-bearing borrowings	13	9,423	5,099	4,324	16,496
Non-interest-bearing borrowings	14	971	971	-	5,881
Accrued employee benefits		3,446	3,105	341	3,551
Total Current Liabilities		**16,810**	**15,157**	**1,653**	**32,489**
Non-Current Liabilities					
Interest-bearing borrowings	13	164,166	300,938	(136,772)	168,940
Non-interest-bearing borrowings	14	8,797	11,359	(2,562)	5,221
Accrued employee benefits		511	260	251	364
Total Non-current Liabilities		**173,474**	**312,557**	**(139,083)**	**174,525**
Total Liabilities		**190,284**	**327,714**	**(137,430)**	**207,014**
Net Assets		**1,179,411**	**1,018,809**	**160,602**	**1,192,420**
Equity					
Contributed equity		900,488	898,006	2,482	989,367
Accumulated surplus		278,923	120,803	158,120	203,053
Total Equity		**1,179,411**	**1,018,809**	**160,602**	**1,192,420**

The accompanying notes form part of these statements.

** An explanation of major variances is included at Note 22.*

Statement of Changes in Equity

for the year ended 30 June 2023

	Accumulated Surplus	Contributed Equity	Total
	$'000	$'000	$'000
Balance as at 1 July 2021	104,669	1,105,879	1,210,548
Operating result for the year	98,384	-	98,384
Total comprehensive income for the year	98,384	-	98,384
Transactions with owners as owners:			
Distributions to owners	-	(116,512)	(116,512)
Balance as at 30 June 2022	**203,053**	**989,367**	**1,192,420**
Operating result for the year	75,870	-	75,870
Total comprehensive income for the year	**75,870**	**-**	**75,870**
Transactions with owners as owners:			
Distributions to owners **(Note 15)**	-	(88,879)	(88,879)
Balance as at 30 June 2023	**278,923**	**900,488**	**1,179,411**

The accompanying notes form part of these statements.

Queensland Rural and Industry Development Authority
Statement of Cash Flows
for the year ended 30 June 2023

	Notes	2023 Actual $'000	2023 Original Budget $'000	Budget Variance* $'000	2022 Actual $'000
Cash flows from operating activities					
Inflows:					
Grants and other contributions		149,773	502,704	(352,931)	626,979
Fees		12,021	9,873	2,148	11,150
Interest received		44,129	36,540	7,589	35,581
GST input tax credits from ATO		1,439	-	1,439	3,603
GST collected from customers		10,067	-	10,067	13,564
Other		81	-	81	664
Outflows:					
Employee expenses		(19,834)	(21,195)	1,361	(18,613)
Supplies and services		(7,635)	(6,531)	(1,104)	(11,370)
Grants and subsidies		(154,713)	(545,304)	390,591	(557,012)
Finance/borrowing costs		(2,572)	(4,390)	1,818	(2,735)
Other expenses		(5,291)	-	(5,291)	(39,298)
GST paid to suppliers		(1,295)	-	(1,295)	(3,897)
GST remitted to ATO		(12,170)	-	(12,170)	(11,486)
Net cash provided by operating activities	CF-1	**14,000**	**(28,303)**	**42,303**	**47,130**
Cash flows from investing activities					
Inflows:					
Loans and advances redeemed		148,430	131,903	16,527	210,571
Outflows:					
Payments for property, plant and equipment		-	-	-	-
Payments for intangible assets		(272)	(891)	619	(101)
Loans and advances made		(89,787)	(182,100)	92,313	(101,791)
Net cash used in investing activities		**58,370**	**(51,088)**	**109,458**	**108,679**
Cash flows from financing activities					
Inflows:					
Interest-bearing and non-interest-bearing-borrowings	CF-2	10,169	122,100	(111,931)	1,324
Outflows:					
Interest-bearing and non-interest-bearing borrowing redemptions	CF-2	(23,048)	(13,679)	(9,369)	(31,813)
Equity withdrawals		(88,879)	(93,649)	4,770	(116,512)
Net cash used in financing activities		**(101,758)**	**14,772**	**(116,530)**	**(147,000)**
Net increase (decrease) in cash and cash equivalents		(29,388)	(64,619)	35,231	8,808
Cash and cash equivalents at beginning of financial year		**284,212**	**191,584**	**92,628**	**275,404**
Cash and cash equivalents at end of financial year	11	**254,824**	**126,965**	**127,859**	**284,212**

The accompanying notes form part of these statements.

** An explanation of major variances is included at Note 22.*

Notes to the Statement of Cash Flows

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

	2023 $'000	2022 $'000
Operating surplus/(deficit)	75,870	98,384
Non-cash items included in operating result:		
Depreciation and amortisation expense	274	326
Impairment (gains)/losses	1,279	(1,658)
Change in assets and liabilities:		
(Increase)/decrease in accrued interest income	(1,249)	179
(Increase)/decrease in unamortised discount on borrowings received at greater than fair value	(301)	1,748
(Increase)/decrease in GST input tax credits receivable	145	(327)
(Increase)/decrease in other receivables	(2,148)	(2,081)
Increase/(decrease) in accounts payable	(86)	201
Increase/(decrease) in interest payable	1	(134)
Increase/(decrease) in loan commitments	(1,402)	(1,168)
Increase/(decrease) in unamortised discount on loans issued at greater than fair value	(56,321)	(50,432)
Increase/(decrease) in accrued employee benefits	42	(17)
Increase/(decrease) in GST payable	(2,103)	2,110
Net cash provided by operating activities	**14,000**	**47,130**

CF-2 Changes in liabilities arising from financing activities

2023

		Cash Flows		Non-cash Changes		
	Closing Balance 2022 $'000	Cash received $'000	Cash repayments $'000	Accrued interest & other transfer $'000	Amortised cost changes $'000	Closing Balance 2023 $'000
Interest-bearing borrowings	185,436	1,923	(17,167)	2,592	805	173,589
Non-interest-bearing borrowings	11,102	8,246	(5,881)	(2,591)	(1,108)	9,768
Total	**196,538**	**10,169**	**(23,048)**	**1**	**(302)**	**183,357**

2022

		Cash Flows		Non-cash Changes		
	Closing Balance 2021 $'000	Cash received $'000	Cash repayments $'000	Accrued interest & other transfer $'000	Amortised cost changes $'000	Closing Balance 2022 $'000
Interest-bearing borrowings	209,565	-	(26,764)	1,280	1,356	185,436
Non-interest-bearing borrowings	15,825	1,324	(5,049)	(1,391)	392	11,102
Total	**225,390**	**1,324**	**(31,813)**	**(111)**	**1,748**	**196,538**

Section 1 - About QRIDA and this financial report

Note 1: Basis of financial statement preparation

1.1 General information

QRIDA is established as a statutory body under the *Rural and Regional Adjustment Act 1994* (Qld).

The head office and principal place of business of QRIDA is Level 26, 32 Turbot Street, Brisbane Qld 4000.

1.2 Compliance with prescribed requirements

QRIDA 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 or after 1 July 2022.

QRIDA is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in **Note 26**.

1.3 Presentation

Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest $1,000 or, where that amount is $500 or less, to zero, unless disclosure of the full amount is specifically required. Subtotals shown in these financial statements reflect the unrounded amounts in QRIDA's financial records, rounded as above. Therefore, rounded amounts shown in these financial statements may not add to the rounded sub-totals.

Comparatives

Comparative information reflects the audited 2021-22 financial statements.

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 QRIDA 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.

1.4 Authorisation of financial statements for issue

The financial statements are authorised for issue by the Chair of the Board of Directors, Chair of the Audit and Risk Management Committee, Chief Executive Officer and Chief Financial Officer at the date of signing of the Management Certificate.

1.5 Basis of measurement

Historical cost is used as the measurement basis in this financial report except where another measurement basis is stated in the relevant note.

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

Refer to **Note 16** for an explanation of fair value.

Present value

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

Amortised cost using the effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

The amortised cost of a financial asset or financial liability is equal to the present value of estimated future cash flows at the financial instrument's original effective interest rate.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or, when appropriate, a shorter period) to the net carrying amount of that instrument.

Note 2: Objectives of QRIDA

QRIDA's vision is to foster a thriving and financially resilient Queensland through the strategic purpose of fostering productive and sustainable regions and rural communities.

QRIDA's objectives are to:

- nurture partnerships: develop and maintain value-creating relationships that are strategic, trusted and collaborative to support our customers, stakeholders or the community;
- ensure a structure exists which includes a viable business model that stands ready for both planned and emergent requirements;
- support our people through a flexible workforce built on a culture that attracts and grows capable people who are drawn to deliver a valued customer and employee experience;
- deliver a model via business architecture that continuously improves while managing risks and governing with integrity.

Section 2 - Notes about our financial performance

Note 3: Grants and other contributions

	2023 $'000	2022 $'000
QRIDA Operational Funding	13,702	13,284
Grant Funding Administered:		
Disaster Recovery Funding Arrangements	88,192	98,300
North Queensland Flood Schemes	14,625	9,500
Electric Vehicle Charging Infrastructure Scheme	10,000	-
Zero Emission Vehicle Rebate Scheme	7,500	-
Resilient Homes Assistance Scheme	3,500	-
Wheelchair Accessible Taxi Grant Scheme	3,368	5,204
Rural Economic Development Grants	3,142	3,142
Farm Management Grants & Drought Preparedness Grant Schemes	2,976	3,909
Rural Agricultural Development (Sheep and Goats) Grants Scheme	1,890	1,890
Agribusiness Digital Solutions Grants Scheme	1,300	-
Boosting Accessible Tourism Experiences Scheme	920	-
Brisbane River Tourism Berthing Assistance Scheme	700	-
Work in Paradise Incentive Scheme	600	4,000
COVID-19 Business Support Grants Scheme	-	335,000
Tourism & Hospitality Sector Hardship Grants Scheme	-	137,000
Other Schemes	500	15,750
Services received below fair value	-	1,123
Total	**152,915**	**628,102**

Accounting Policy

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for QRIDA to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. 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 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding, except for special purpose capital grants received to construct non-financial assets to be controlled by QRIDA.

Disclosure – QRIDA Operational Funding

QRIDA receives operational funding from the Department of Agriculture and Fisheries (DAF) to cover the operational costs. QRIDA is not obligated to transfer any goods or services to DAF. The funding is recognised in its entirety as grant revenue upon receipt under AASB 1058 *Income of Not-for-Profit Entities*.

Disclosure – Grant Funding Administered

QRIDA has various grant arrangements with Government agencies that relate to delivering financial assistance programs. QRIDA receives grant funding which is to cover grant payments to grant recipients and the costs of administration. Unspent funding less administration fees earned by QRIDA, will be returned to grantors after completion of the arrangements or upon the grantor's request (refer **Note 10**). As these arrangements do not contain sufficiently specific performance obligations, these grants are recognised upon receipt.

Note 3: Grants and other contributions (continued)

The following table represents the administered programs and their grantors:

Programs administered by QRIDA	Grantor
Agribusiness Digital Solutions Grant Scheme	Department of Agriculture and Fisheries
Farm Management Grants Scheme & Drought Preparedness Grants Scheme	
Rural Agricultural Development (Sheep and Goats) Grants Scheme	
Rural Economic Development Grants	
North Queensland Flood Schemes	Australian Government
Disaster Recovery Funding Arrangements	Queensland Reconstruction Authority
Wheelchair Accessible Taxi Grant Scheme	Department of Transport and Main Roads
Electric Vehicle Charging Infrastructure Scheme	
Zero Emission Vehicle Rebate Scheme	
Resilient Homes Assistance Scheme	Department of Energy and Public Works
Brisbane River Tourism Berthing Assistance Scheme	Department of Tourism, Innovation and Sport
Boosting Accessible Tourism Experiences Scheme	
Work in Paradise Incentive Scheme	

Disclosure - Services received below fair value

During 2021-22, QRIDA received services free of charge from other Queensland State Government entities in respect of seconded employees from these entities. The services were provided free of charge in order to assist QRIDA in managing a large volume of applications for the COVID-19 Business Support Grants Scheme and Tourism & Hospitality Sector Hardship Grants Scheme in a short period. An equal amount to services received below fair value revenue is recognised as supplies and services expense. No comparable services have been received during 2022-23.

Note 4: Fees

	2023 $'000	2022 $'000
Other fees		
State Government	10,447	13,008
Total	**10,447**	**13,008**

Accounting policy – Other fees

Other fee revenue is accounted for under AASB 1058 *Income of Not-for-Profit Entities* and recognised upfront when QRIDA first gains control of the asset (i.e. cash or receivable). This fee revenue is charged to cover the costs of administering and managing various loan and grant programs on behalf of the State Government.

Note 5: Interest

	Note	2023 $'000	2022 $'000
Contractual interest on loans		37,572	34,231
Amortisation of discount on loans	12.4	73,920	68,511
Interest earned on cash and investments		8,496	1,215
Total		**119,988**	**103,957**

Accounting Policy

Interest revenue is recognised using the effective interest method.

Contractual interest on loans is the interest earned based on the loan agreements.

Amortisation of discount on loans is the movement in the balance of unamortised discount on loans between the beginning and end of the financial year. The unamortised discount on loans is the difference between the book value and the amortised cost for the loan portfolio.

Interest earned on cash and investments is the revenue earned from cash deposited with Queensland Treasury Corporation (QTC) and banks.

Note 6: Employee expenses

	2023 $'000	2022 $'000
Employee benefits		
Wages and salaries	14,818	13,890
Annual leave expense	1,485	1,416
Employer superannuation contributions	1,950	1,787
Long service leave expense	255	335
Other employee benefits	131	143
Employee related benefits		
Workers' compensation premium	27	26
Payroll tax	921	855
Other employee related expenses	270	142
Total	**19,857**	**18,594**

	2023 No.	2022 No.
Full-time equivalent employees as at 30 June	159*	160

** Full-time equivalent data as at 30 June 2023 based on payroll for fortnight ending 30 June 2023*

Accounting Policies

Wages and Salaries – Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates. QRIDA has classified these as current liabilities. Therefore, the liabilities are recognised at undiscounted amounts.

Sick Leave – Prior history indicates that on average, sick leave taken in 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.

Note 6: Employee expenses (continued)

Annual Leave and Time Off in Lieu (TOIL) – Annual leave and TOIL liabilities are classified and measured as 'other long-term employee benefits' as QRIDA does not expect to wholly settle all such liabilities within the 12 months following reporting date. The liabilities are recognised as a current liability at the present value of the expected future payments to be made to employees using the remuneration rate expected to apply at the time of settlement.

All directly associated on-costs (e.g. employer superannuation contributions, payroll tax and workers' compensation insurance) are also recognised as liabilities, where these on-costs are material.

Long Service Leave – Long service leave liabilities are accounted for as 'other long-term employee benefits' in accordance with AASB 119 *Employee Benefits* and split between current and non-current components. Accounting for 'other long-term employee benefits' requires:

- using an actuarial technique to estimate the cost of the employee benefits earned by employees, where future pay increases are projected; and
- discounting that benefit in order to determine the present value of QRIDA's obligation and current service cost.

All directly associated on-costs (e.g. employer superannuation contributions, payroll tax and workers' compensation insurance) are also recognised as liabilities, where these on-costs are material. The discount rates used to calculate the present value of long service leave are from 3.37 per cent to 3.81 per cent (2022: 2.01 per cent to 3.17 per cent). The discount rates are attached to Australian Stock Exchange (ASX) government bonds yields at the reporting date, which most closely matched the terms of maturity of the related obligations.

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 State Government Entities Certified Agreement 2019 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 authority at the specified rate following completion of the employee's service each pay period. QRIDA's obligation is limited to those contributions paid.

Workers' Compensation Premiums – QRIDA 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. It is not employee benefits and is recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are detailed in **Note 23.**

Note 7: Supplies and services

	Note	2023 $'000	2022 $'000
Contractors		2,820	7,652
Computer expenses		1,487	1,672
Office accommodation		1,202	1,091
Advertising and promotion		417	354
Professional and legal expenses		502	339
Securities expenses		217	433
Motor vehicle and travel expenses		344	252
Lease expenses		11	20
Other	7.1	680	703
Total		**7,680**	**12,516**

Note 7: Supplies and services (continued)

Accounting Policies

Distinction between Grants and Procurement – For a transaction to be classified as supplies and services, the value of goods or services received by QRIDA 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 the Statement of Comprehensive Income.

Office accommodation – QRIDA is provided access to office accommodation by the Department of Energy and Public Works (DEPW), the Department of Resources (DR) and the Department of Agriculture and Fisheries (DAF) under government-wide frameworks. These arrangements are categorised as procurement of services rather than leases because DEPW, DR and DAF has substantive substitution rights over the assets. Payments are expensed as incurred and categorised within office accommodation line items.

Motor vehicle expenses – Motor vehicle expenses include motor vehicle lease expenses in the period in which they are incurred. QFLEET provides QRIDA with access to motor vehicles under government-wide frameworks. These arrangements are categorised as procurement of services rather than as leases because QFLEET has substantive substitution rights over the vehicles.

Lease expenses – Leases of low value assets which are not required (exempted) from being accounted for in accordance with AASB 16 *Leases*. The lease payments are recognised as expenses on an actual amount basis over the lease term. An asset is considered low value where it is expected to cost less than $10,000 when new.

7.1 Audit Fees

Included in other supplies and services are the Queensland Audit Office (QAO) audit fees. Total audit fees quoted by the QAO relating to the 2022-23 financial statements are $115,825 (2022: $113,000).

Note 8: Grants and subsidies

	2023 $'000	2022 $'000
Disaster Recovery Funding Arrangements	118,256	70,760
North Queensland Flood Schemes	15,264	16,389
Zero Emission Vehicle Rebate Scheme	4,611	-
Resilient Homes Assistance Scheme	3,344	-
Wheelchair Accessible Taxi Grant Scheme	2,762	4,456
Horticultural Netting Program – Trial Expansion	2,731	-
Farm Management Grants & Drought Preparedness Grants Schemes	2,611	223
Horticulture Irrigation Pricing Rebate Scheme	2,507	1,041
Rural Economic Development Grants Scheme	1,522	1,233
Household Waste Payment Scheme	580	381
Work in Paradise Incentive Scheme	166	4,125
Vessel Tracking Rebate Scheme	17	24
COVID-19 Business Support Grants Scheme	(17)	321,579
Tourism & Hospitality Sector Hardship Grants Scheme	-	132,985
Other Schemes	359	3,816
Total	**154,713**	**557,012**

Accounting Policy

A grant is a payment or contribution made to an organisation or person which is not to be repaid or reciprocated where the recipients meet specific criteria. Accordingly, grant payments are expensed when payments are made.

Note 9: Finance/borrowing costs

	Note	2023 $'000	2022 $'000
Contractual interest on borrowings		2,573	2,600
Amortisation of discount on borrowings	9.1	1,543	1,905
Total effective interest on borrowings		**4,116**	**4,505**

Accounting Policy

Finance/Borrowing Costs – Finance costs are recognised as an expense in the period in which they are incurred. Finance costs include amortisation of discounts or premiums relating to borrowings and provisions. No borrowing costs are capitalised into qualifying assets.

9.1 Amortisation of discount on borrowings

	Note	2023 $'000	2022 $'000
Amortisation of discount on interest-bearing borrowings	13.1		
Effective interest		387	1,034
Other unwinding of discount		643	321
Amortisation of discount on non-interest-bearing borrowings	14.1		
Effective interest		513	553
Other unwinding of discount		-	(3)
Total Amortisation of discount on borrowings		**1,543**	**1,905**

Note 10: Other expenses

	2023 $'000	2022 $'000
Unspent funding returned	5,291	39,298
Total	**5,291**	**39,298**

Disclosure – unspent funding returned

Where QRIDA administers programs on behalf of other government agencies, unspent program funding is returned to program owners when programs are completed or upon request from program owners. The expenses are recognised when the value of returned funding is agreed by QRIDA and the counter agency. Of the funding that has been returned, nil (2022: $1.36 million) was for service fees unearned.

Section 3 - Notes about our financial position

Note 11: Cash and cash equivalents

	2023 $'000	2022 $'000
Cash at Bank	1,282	49,347
Queensland Treasury Corporation (QTC) - at call	253,542	234,865
Total	**254,824**	**284,212**

Accounting Policy

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions. It also includes investments with short periods of maturity that are readily convertible to cash on hand at QRIDA's option and that are subject to a low risk of changes in value. Cash and cash equivalents are measured at fair value through profit and loss, which is assumed to be equal to the nominal amounts notified by QRIDA's banks and investment counterparties.

Cash surplus to immediate requirements is invested according to the guidelines in the *Rural and Regional Adjustment Act 1994* (Qld), the *Statutory Bodies Financial Arrangements Act 1982* (Qld) and QRIDA's Investment Policy.

All bank and QTC cash holdings are interest-bearing. Total cash includes cash and interest revenue related to the funding of QRIDA's financial assistance programs. These are quarantined using separate bank accounts and separate accounting ledgers from cash that QRIDA uses to pay for employee expenses and supplies and services, and only reissued as future payments to program applicants, or repaid to the Government Agencies that funded the respective financial assistance programs.

Note 12: Loans and advances

	2023 $'000	2022 $'000
Gross carrying amount	1,358,444	1,419,882
Less: Allowance for expected credit losses	(89,504)	(92,270)
Unamortised discount on loans issued at greater than fair value	(160,519)	(216,840)
	1,108,421	**1,110,772**
Current	151,576	55,309
Non-Current	956,845	1,055,463
Total	**1,108,421**	**1,110,772**

Accounting Policy

Loans and advances are recognised in the Statement of Financial Position when QRIDA becomes party to the contractual provisions of the financial instrument.

Loans and advances are measured initially at fair value. Where loans and advances are provided with interest-free periods or at concessional interest rates, they are considered to have a fair value which is less than the amount lent. This fair value is calculated in accordance with **Note 16.1**. The difference between the amount lent and the fair value is recognised as a charge for discounted loans in profit or loss, as detailed in **Note 12.4**.

Subsequently, loans and advances are measured at amortised cost using the effective interest method as defined in **Note 1.5**. The discount rate used to calculate the amortised cost is the original effective interest rate applied to the loan and is calculated in accordance with **Note 16.1**.

12.1 Impairment of Loans and Advances

QRIDA applies a three-stage approach to measuring the Expected Credit Losses (ECL) based on changes in credit quality since initial recognition. At each reporting date, QRIDA recognises a loss allowance based on either the 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk on the loan since initial recognition. The changes in the loss allowance balance are recognised in profit or loss as an impairment gain or loss.

Note 12: Loans and advances (continued)

Stage	Measurement Basis
Stage 1 – Performing	12-month ECL: the portion of lifetime ECL associated with the probability of default events occurring within the next 12 months.
Stage 2 – Under-performing	Lifetime ECL (Not impaired): ECL associated with the probability of default events occurring throughout the life of the loan.
Stage 3 – Non-performing	Lifetime ECL (Impaired): ECL associated with the probability of default events occurring throughout the life of the loan.

All loans are first recognised as Stage 1 at initial recognition. If the credit risk of an exposure has increased significantly since initial recognition, the asset will migrate to Stage 2. If no significant increase in credit risk is observed, the asset will remain in Stage 1. Should an asset become impaired it will be transferred to Stage 3.

QRIDA does not have any purchased or originated credit impaired loans during or at the end of the financial year (2022: Nil).

Segmentation

For the purpose of applying an ECL methodology, QRIDA has segmented its loan book into appropriate groupings based on shared credit risk characteristics. QRIDA has identified four portfolios which have shared credit risk characteristics as follows:

1) **Disaster Recovery loans** – loans provided to primary producers, small business and non-profit organisations that are affected by disaster events;
2) **Loans administered under the Primary Industry Productivity Enhancement Scheme (PIPES), Commonwealth Concessional Loan Schemes (CCLS)** as well as **Drought Assistance loans** – loans to primary producers to enhance production in Queensland and support the improvement of Queensland primary producers' drought preparedness and resilience;
3) **Solar and Battery loans** – interest-free loans to Queensland households and small businesses to purchase solar systems and battery storage; and
4) **COVID-19 Jobs Support loans** – loans to businesses and non-profit organisations that were financially impacted by the COVID-19 pandemic. This portfolio commenced origination in March 2020 with the bulk of available scheme funding of $1,000 million advanced by 30 June 2020.

Assessment of Significant Increase in Credit Risk

Significant increase in credit risk (SICR) is assessed by comparing the risk of default occurring over the expected life of the loan at reporting date to the corresponding risk of default at origination.

The criteria for assessing SICR are a combination of quantitative and qualitative stage triggers based on:

- the change in the lifetime risk of default based on QRIDA’s internally-developed Default Risk Rating (DRR) system (for PIPES/CCLS/Drought Assistance and Disaster Recovery portfolios) and the change in credit scores from a credit reference bureau (for COVID-19 Jobs Support portfolio);
- the number of days in arrears of the loan, i.e. the Days Past Due (DPD); and
- other qualitative criteria determined as appropriate to individually identify credit impaired loans.

For the Solar and Battery loan portfolio, QRIDA applies a simplified SICR approach that differs from the description above. 30 DPD is used as a primary indicator of SICR for these exposures.

Definition of Default

QRIDA combines the concepts of default, impairment or non-performing used in credit risk management into the below definition:

A loan is considered to be in default (or credit impaired) at the earlier of:

- the loan is considered insolvent, with loan recovery entirely dependent on either voluntary or forced sale of all assets;
- an event of default as defined in the Facility Agreement occurs; or
- the loan becomes more than 300 DPD*.

* Note that the DPD threshold is more than 90 DPD for the Solar/Battery and COVID-19 Jobs Support loan portfolios.

A collective Stage 3 provision is also assessed for the COVID-19 Jobs Support loans when a loan is assigned a significantly high risk level by the external credit reference bureau.

12.2 Calculation of ECL

ECL is a probability weighted credit loss estimated by evaluating a range of possible outcomes and taking into account the time value of money, past events, current conditions and forecasts of future economic conditions.

ECL is calculated as a product of the following credit risk factors:

Probability of Default (PD): an estimate of the likelihood of default over a given time horizon. 12-month PD and lifetime PD represent the expected point-in-time probability of a default over the next 12 months and remaining lifetime of the financial instrument, respectively, based on conditions existing at the balance sheet date and future economic conditions that affect credit risk.

Loss Given Default (LGD): an estimate of the loss that is likely to be incurred should an exposure default, taking into account the effect of collateral.

Exposure at Default (EAD): the amount outstanding with the borrower at the time of likely default. The amount includes the principal loan balance plus accrued interest.

Effective Interest Rate (EIR): the time value of money is accommodated by using a weighted average EIR for each segment in the ECL model.

Credit losses for loans in Stage 1 and Stage 2 are assessed for impairment collectively, whilst those in Stage 3 are subject to either collective or individual assessment of expected credit losses.

Note 12: Loans and advances (continued)

Incorporation of Forward-Looking Information

Different scenarios of future economic conditions are incorporated into the ECL calculation and risk stage determination in a probability weighted manner. These scenarios are developed by QRIDA and are reviewed at each reporting date.

QRIDA relies on a range of forward-looking information as economic variables obtained from the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES), such as the forecast of the gross value of beef production and sugar production.

For the COVID-19 Jobs Support loan portfolio, forward-looking multipliers have been applied that have been calculated based on the forecasts of Gross Domestic Product (GDP), GDP deflator as well as the unemployment rate.

Solar/Battery Loan Segment

QRIDA determines the ECL as the higher of the weighted average ECL of the PIPES/CCLS/Drought and Disaster Recovery loan segments compared to the industry ECL benchmark percentage.

Significant Judgements and Estimates

In estimating collectively assessed ECL, judgements and assumptions are made in relation to:

- the selection of a modelling methodology for each loan segment; and
- the selection of inputs and variables for those models.

Key judgements and estimates include:

- determining when a SICR has occurred. In measuring ECL, judgement is involved in setting the trigger points to determine whether there has been a SICR since initial recognition of a loan which would result in the loan moving from Stage 1 to Stage 2;
- estimation of forward looking macroeconomic information. The forward looking multiplier has been increased in the measurement of the ECL for the COVID-19 Jobs Support loans to acknowledge the macroeconomic uncertainty of the effects of inflation;
- probability weightings for each economic scenario. The assigned probability weightings for each macroeconomic scenario (base case/upside/downside) are subject to a high degree of uncertainty; and
- model overlays. An overlay is incorporated where it is determined that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the loan segments. The overlay applied in the measurement of the ECL for the COVID-19 Jobs Support loans has been reduced in the current financial year to acknowledge the increased repayment performance data obtained as the portfolio advances through its lifecycle.

Estimation Uncertainty – ECL Allowance for COVID-19 Jobs Support Loans

Current economic uncertainties and the judgements applied contribute to significant estimation uncertainty in relation to the measurement of QRIDA's ECL allowance for this loan segment and has a significant risk of resulting in a material adjustment to the carrying amount of $603.83 million (2022: $654.52 million) within the next financial year.

The assumptions applied which significantly contribute to the estimation uncertainty include:

1. **Estimate of LGD**: This variable has a material impact on the calculation of the ECL. QRIDA has applied an LGD of 95% of the Exposure at Default. If the average LGD of 70% was applied (being the highest average actual LGD for the 4 major Australian banks), this would decrease the ECL allowance from $88.85 million to $70.81 million, all other variables remaining constant. The quality of security taken by the major banks is considered to be of a much higher quality, hence QRIDA's application of a higher LGD rate.
2. **Estimate of proportion of exposures with SICR**: It is inherently difficult to measure the quantum of exposures that have experienced a SICR and which therefore require computation of a lifetime ECL. If the credit scoring for each loan was improved by the equivalent of one notch in the S&P Rating system, this would result in a decrease to the ECL allowance from $88.85 million to $54.56 million, all other variables remaining constant.

The loan terms and conditions prescribe a repayment-free period of one year from draw down, followed by two years of interest-only repayments. The interest repayment cycle commenced for the portfolio on 30 April 2021, and principal repayments commenced in April 2023. Whilst low arrears trends continue to indicate positive repayment data, uncertainty still remains given that 100% of the portfolio was not in the principal repayment phase at 30 June 2023.

Impact of Movements in Gross Carrying Amount on Allowance for Expected Credit Losses

Overall, the total ECL allowance decreased by $2.77 million (2022: $4.10 million) compared to the opening loss allowance. This is primarily due to the reversal of the impairment loss previously recognised on COVID-19 Jobs Support loans that have subsequently been fully repaid during the 2022-23 year.

The reduction in the ECL allowance is not as significant as the prior year due to a higher proportion of the loans being treated as Stage 3 individually identified credit impaired loans.

Note 12: Loans and advances (continued)

Write-off of Debt

If QRIDA determines that an amount owing by a debtor does become uncollectible (after an appropriate range of debt recovery actions), that amount is recognised as a Bad Debt expense and written-off directly against loans and advances. Loans written off during 2022-23 totalled $4.04 million (2022 :$2.44 million).

Under certain programs managed by QRIDA, debts written off may be recovered by QRIDA in the following circumstances:

- Queensland Treasury may reimburse debts written off in relation to disaster loans including and post the 2013 Tropical Cyclone Oswald event;
- for debts written off under the CCLS, the Australian Government may provide a corresponding reduction in the outstanding amount of the Australian loan which is then owed by QRIDA to the Commonwealth; and
- for debts written off under the COVID-19 Jobs Support Loans scheme, the Queensland Government will provide a corresponding reduction in the non-appropriated equity to be returned.

12.3 Credit Risk Exposure of Loans and Advances

Definition	Exposure	Measurement Method	Risk Management Strategies
Credit risk exposure refers to the situation where QRIDA may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	• The maximum exposure to credit risk at Statement of Financial Position date in relation to each class of recognised loans and advances is the gross carrying amount of those assets before allowing for any fair value adjustments or provisions for impairment. • Loans that are secured on real property in Australia are exposed to the risk of the increase of the Loan to Value Ratio (LVR) should the property market be subject to a decline.	• Ageing analysis • Risk of loss in event of default • Risk of default • Concentrations of credit risk in relation to loans	• The method of managing credit risk exposure is by way of credit assessment procedures, annual loan reviews, reporting of arrears to the Board as well as monitoring undertaken by an external credit reference bureau. • The risk of loss from the loans undertaken is primarily reduced by the nature and quality of the security taken. The valuation of securities is assessed annually to ensure sufficient collateral to cover the indebtedness of borrowers. QRIDA's policy is to hold security over real property where available.

Note 12: Loans and advances (continued)

Credit Risk Exposure by Risk Grading

The table below shows the credit quality and the maximum exposure to credit risk based on QRIDA's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances and the discount on loans issued at greater than fair value:

	Stage 1 2023 $'000	Stage 1 2022 $'000	Stage 2 2023 $'000	Stage 2 2022 $'000	Stage 3 2023 $'000	Stage 3 2022 $'000	Total 2023 $'000	Total 2022 $'000
PIPES/CCLS/Drought & Disaster Recovery								
Low Risk of Default	46,735	46,673	-	-	-	-	46,735	46,673
Medium Risk of Default	523,833	500,382	547	1,925	163	23	524,543	502,330
High Risk of Default	-	-	5,767	5,371	1,727	1,915	7,495	7,286
Very High Risk of Default	-	-	-	-	707	600	707	600
Solar/Battery	14,544	17,726	107	86	59	108	14,709	17,920
Total	**585,113**	**564,781**	**6,421**	**7,382**	**2,656**	**2,646**	**594,189**	**574,809**

The table below shows the credit quality and the maximum exposure to credit risk based on an assessment of risk by an independent provider of credit assessment at the reporting date. The amounts presented are gross of impairment allowances and the discount on loans issued at greater than fair value:

	Stage 1 2023 $'000	Stage 1 2022 $'000	Stage 2 2023 $'000	Stage 2 2022 $'000	Stage 3 2023 $'000	Stage 3 2022 $'000	Total 2023 $'000	Total 2022 $'000
COVID-19 Jobs Support								
Minimal/Very Low Risk	114,346	130,808	18,247	24,968	-	-	132,593	155,776
Low Risk	206,217	227,505	35,587	50,892	-	-	241,804	278,397
Average Risk	209,818	224,632	62,420	69,561	153	317	272,391	294,510
Moderate Risk	35,081	38,122	23,877	24,499	8,500	9,996	67,458	72,617
High/Very High/Severe Risk	-	-	457	-	26,724	33,188	27,181	33,188
Individually identified credit impaired	-	-	-	-	22,828	10,587	22,828	10,587
Total	**565,461**	**621,066**	**140,589**	**169,919**	**58,205**	**54,088**	**764,255**	**845,075**

	Stage 1 2023 $'000	Stage 1 2022 $'000	Stage 2 2023 $'000	Stage 2 2022 $'000	Stage 3 2023 $'000	Stage 3 2022 $'000	Total 2023 $'000	Total 2022 $'000
Total – All segments	**1,150,573**	**1,185,847**	**147,010**	**177,301**	**60,861**	**56,734**	**1,358,444**	**1,419,882**

Note 12: Loans and advances (continued)

Concentration of Exposure

The following table represents the maximum exposure to credit risk based on geographical area and industry for the Disaster Recovery and PIPES/CCLS/Drought loan segments:

	Maximum credit risk exposure			
	% of total loans		$'000	
	2023	2022	2023	2022
Geographical area				
Queensland				
Cape York and the Gulf	0.19%	0.26%	1,080	1,429
Central North	5.80%	6.27%	33,629	34,943
Charleville - Longreach	3.74%	3.82%	21,645	21,252
Eastern Darling Downs	11.01%	11.47%	63,795	63,877
Northern Coastal - Mackay to Cairns	21.08%	20.29%	122,170	112,970
Southern Coastal - Curtis to Moreton	30.07%	30.93%	174,260	172,239
West and South West	5.22%	4.67%	30,246	25,989
Western Downs and Central Highlands	22.85%	22.26%	132,404	123,955
Northern Territory	0.04%	0.04%	250	236
Total*	**100.00%**	**100.00%**	**579,480**	**556,889**
Industry				
Aquaculture & Fishing	1.61%	1.68%	9,322	9,378
Beef Cattle	50.35%	51.58%	291,751	287,224
Dairy Cattle	2.30%	2.31%	13,329	12,883
Grain & Livestock	9.63%	9.30%	55,824	51,786
Other Crops	6.28%	7.10%	36,376	39,513
Other Livestock	3.57%	2.41%	20,685	13,430
Sheep Farming	3.08%	2.69%	17,856	14,953
Small Crops & Fruit	4.90%	4.89%	28,411	27,257
Sugar Cane Growing	16.61%	16.63%	96,246	92,589
Small Business	1.67%	1.41%	9,681	7,875
Total*	**100.00%**	**100.00%**	**579,480**	**556,889**
Solar/Battery Loans			14,709	17,920
Grand Total			**594,189**	**574,809**

* Excludes Solar/Battery loans and COVID-19 Jobs Support loans

Note 12: Loans and advances (continued)

The following table represents the maximum exposure to credit risk based on geographical area and industry for the COVID-19 Jobs Support loans segment:

	Maximum credit risk exposure			
	% of total loans		$'000	
	2023	2022	2023	2022
Geographical area				
Queensland				
Cape York and the Gulf	0.29%	0.30%	2,250	2,508
Central North	0.70%	0.68%	5,341	5,776
Charleville - Longreach	0.12%	0.17%	902	1,395
Eastern Darling Downs	3.27%	3.30%	24,962	27,910
Northern Coastal - Mackay to Cairns	13.09%	13.18%	100,039	111,391
Southern Coastal - Curtis to Moreton	81.23%	80.95%	620,802	684,092
West and South West	0.26%	0.31%	1,989	2,626
Western Downs and Central Highlands	1.04%	1.11%	7,969	9,376
Total	**100.00%**	**100.00%**	**764,255**	**845,073**
Industry				
Accommodation and Food Services	12.01%	12.16%	91,768	102,747
Administrative and Support Services	4.41%	4.37%	33,715	36,920
Agriculture, Forestry and Fishing	1.56%	1.44%	11,916	12,154
Arts and Recreation Services	2.32%	2.29%	17,737	19,330
Construction	16.90%	16.75%	129,153	141,582
Education and Training	2.19%	2.24%	16,703	18,894
Electricity, Gas, Water and Waste Services	0.52%	0.50%	3,981	4,255
Financial and Insurance Services	2.15%	2.19%	16,444	18,470
Health Care and Social Assistance	8.07%	7.99%	61,700	67,558
Information Media and Telecommunications	0.99%	1.01%	7,586	8,555
Manufacturing	9.02%	9.09%	68,936	76,788
Mining	0.57%	0.52%	4,320	4,397
Other Services	6.27%	6.23%	47,897	52,606
Professional, Scientific and Technical Services	12.27%	12.19%	93,745	103,020
Public Administration and Safety	0.43%	0.40%	3,273	3,418
Rental, Hiring and Real Estate Services	4.71%	4.91%	36,012	41,497
Retail Trade	8.73%	8.78%	66,730	74,224
Transport, Postal and Warehousing	2.45%	2.62%	18,688	22,164
Wholesale Trade	4.44%	4.32%	33,951	36,494
Total	**100.00%**	**100.00%**	**764,255**	**845,073**

Collateral and Other Credit Enhancements

For the Disaster Recovery and PIPES/CCLS/Drought Assistance loan segments, the amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Collateral used to secure loan accounts are divided into two categories:

a) Category 'A' Security: Real property and other low risk assets/securities which tend to maintain their value and are readily saleable; and
b) Category 'B' Security: Higher risk securities where the value may rapidly deteriorate. Examples include livestock, crops and stock in trade of a business.

Category 'A' security only is considered in the calculation of the LGD.

For the COVID-19 Jobs Support loan segment, only those loans over $100,000 are required to be secured by a General Security Agreement.

Note 12: Loans and advances (continued)

The below tables provide an indication of the values of collateral held for Stage 3 assets. Dependent on the level of collateral, some Stage 3 exposures may not have individual ECLs when the value of the collateral is greater than the LGD. The net exposure of those Stage 3 loans may offset the net exposure of Stage 3 loans which do not have sufficient collateral. The Stage 3 ECL can be higher than net exposure shown below when the future value of collateral is expected to decline.

		Stage 3 Loans and Advances as at 30 June 2023 $'000			
	Segments	**Maximum Exposure to Credit Risk**	**Total Collateral ***	**Net Exposure**	**Associated ECL**
Loans with Sufficient Collateral	Disaster Recovery	199	1,162	-	-
	PIPES, CCLS & Drought	2,020	7,076	-	-
Loans with Insufficient Collateral	Disaster Recovery	373	-	373	348
	PIPES, CCLS & Drought	5	-	5	5
	Solar/Battery	59	-	59	59
	COVID-19 Jobs Support **	58,205	2,910	55,295	51,157
	Total	**60,861**	**11,148**	**55,731**	**51,569**

		Stage 3 Loans and Advances as at 30 June 2022 $'000			
	Segments	**Maximum Exposure to Credit Risk**	**Total Collateral ***	**Net Exposure**	**Associated ECL**
Loans with Sufficient Collateral	Disaster Recovery	162	3,650	-	-
	PIPES & CCLS	1,896	5,519	-	-
Loans with Insufficient Collateral	Disaster Recovery	423	-	423	383
	PIPES & CCLS	57	-	57	54
	Solar/Battery	108	-	108	108
	COVID-19 Jobs Support **	54,088	2,704	51,383	45,212
	Total	**57,685**	**16,598**	**49,235**	**42,422**

* QRIDA's net security value
** The value of the collateral for each loan is not easily determined. Therefore 5% of gross exposure (which has been applied in the ECL model) has been used.

Note 12: Loans and advances (continued)

12.4 Movement in Discount on Loans Issued at Greater Than Fair Value

	Note	2023 $'000	2022 $'000
Balance at 1 July		(216,840)	(267,273)
Loss on loans issued at greater than fair value:		**(17,599)**	**(18,078)**
PIPES, CCLS & Drought Assistance		(16,093)	(17,347)
Disaster Recovery		(1,506)	(731)
Solar/Battery		-	-
COVID-19 Jobs Support		-	-
Amortisation of discount on loans:	5	**73,920**	**68,511**
PIPES, CCLS & Drought Assistance		43,902	33,308
Disaster Recovery		944	1,044
Solar/Battery		1,556	1,810
COVID-19 Jobs Support		27,518	32,349
Balance at 30 June		**(160,519)**	**(216,840)**

12.5 Movement of Loan Commitments

At reporting date, QRIDA has undrawn financial loan commitments of $11.55 million (2022: $23.53 million). Loan commitments are loans that have been approved and are awaiting client drawdown. The discount on loan commitment at greater than fair value is $2.44 million (2022: $3.84 million) as if the loans were drawn at reporting date. The discount is disclosed as a current liability in the Statement of Financial Position.

Accounting Policy

The value of the loan commitments (i.e. the discount) is the difference between the fair value and nominal value of estimated loan commitments being advanced in the future. The fair value is the present value of estimated future cash receipts, as if the loans are advanced on reporting date, discounted using the prevailing market rate(s) of interest for a similar instrument with a similar credit risk.

The reduction in the loan commitment liability of $1.4 million (2022: decrease of $1.17 million) is mainly due to reduction of $11.98 million in undrawn loans.

Note 13: Interest-bearing borrowings

	2023 $'000	2022 $'000
Current		
Queensland Treasury Corporation*	4,746	2,787
Queensland Government**	4,534	13,408
Northern Territory Government	20	24
Australian Government	123	277
	9,423	**16,496**
Non-Current		
Queensland Treasury Corporation*	149,060	151,713
Queensland Government**	14,183	15,320
Northern Territory Government	230	212
Australian Government	693	1,695
	164,166	**168,940**
Total	**173,589**	**185,436**

Note 13: Interest-bearing borrowings (continued)

* The loan facility was approved under the Queensland Government's State Borrowing Program (SBP). The approved limit for 2022-2023 was $130.00 million. As at 30 June 2023, the amount undrawn under the facility was $128.08 million (2022: $95.00 million). Approval has been received under the 2023-2024 SBP to a limit of $110.00 million.

** Under the Natural Disaster Relief and Recovery Arrangements (NDRRA) and Disaster Recovery Funding Arrangement (DRFA) Program, QRIDA borrows funds from the Queensland Government. Part of the funds borrowed is interest-bearing and is shown in this **Note 13.** The other part is interest-free and is shown in **Note 14.**

Accounting Policy

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

Additional Disclosures

QRIDA borrows funds from the Australian and Northern Territory Governments to be on-lent to successful applicants under the Australian Government's Concessional Loans Schemes. All borrowings are in Australian dollars denominated amounts. The timing and quantum of interest payable to the Australian and Northern Territory Governments is directly linked to the timing and quantum of bank and loan interest received by QRIDA.

Where QRIDA is unable to recover concessional loans made to businesses on behalf of the Australian or Northern Territory Governments, QRIDA's obligation to repay the respective liability to the Australian or Northern Territory Governments will be reviewed in accordance with the loan agreements between QRIDA and those governments. Effective from 1 July 2015, QRIDA acted as an agent in managing certain funds on behalf of a number of government agencies. Transactions and balances where QRIDA is an agent are disclosed in **Note 28**.

Interest rates on interest-bearing borrowings range from 1.24 percent to 3.95 percent (2022: 0.80 percent to 2.27 percent).

13.1 Movement in discount on interest-bearing borrowings

	Note	2023 $'000	2022 $'000
Balance at 1 July		1,269	2,624
Gain on borrowings received at greater than fair value		224	-
Amortisation of discount in borrowings:			
Effective interest	9.1	(387)	(1,034)
Other unwinding of discount	9.1	(643)	(321)
Balance at 30 June		**463**	**1,269**

Accounting Policy

Borrowings are initially recognised at fair value. Where borrowings are provided with interest-free periods or at concessional interest rates, they are considered to have a fair value which is less than the amount borrowed. This fair value is calculated in accordance with **Note 16**. The difference between the amount received and the fair value of those amounts is recognised as a gain on borrowings received at greater than fair value in the Statement of Comprehensive Income.

Subsequently, borrowings are measured at amortised cost using the effective interest method as defined in **Note 1.5**. The discount rate used to calculate the amortised cost is the original effective interest rate applied to the borrowing and is calculated in accordance with **Note 16**.

Finance costs are recognised as Finance/Borrowing Costs in the Statement of Comprehensive Income in the period in which they are incurred. Interest on the borrowings which is calculated using the effective interest method as defined in **Note 1.5** is also reported under Finance/Borrowing Costs (refer to **Note 9**).

Note 14: Non-interest-bearing borrowings

	2023 $'000	2022 $'000
Current		
Queensland Government**	971	5,881
Non-current		
Queensland Government**	8,797	5,221
Total	**9,768**	**11,102**

** Interest-free component of loans for the NDRRA and DRFA program (refer to **Note 13**).

The accounting policy appearing under **Note 13** also applies to the balances shown in this **Note 14.**

14.1 Movement in discount on non-interest-bearing borrowings

	Note	2023 $'000	2022 $'000
Balance at 1 July		764	1,157
Gain on borrowings received at greater than fair value		1,622	157
Amortisation of discount on borrowings:			
Effective interest	9.1	(513)	(553)
Other unwinding of discount	9.1	-	3
Balance at 30 June		**1,872**	**764**

Note 15: Equity

QRIDA recognises contributed equity where the contribution meets the principles under Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

During 2019-20, QRIDA received $950 million of funds from Queensland Treasury through DAF. During 2020-21, an extra $50 million of funds were received. The funds were program funding for COVID-19 Jobs Support loans. The transfer was considered non-reciprocal because QRIDA only provides scheme administration services to DAF.

The transfer has been approved by Queensland Treasury to be received as a non-appropriated equity injection at the time of transfer.

QRIDA is required to return all unspent scheme funding, interest on scheme funding which QRIDA has earned as a result of investment and principal and interest which QRIDA has received from loan recipients less 0.5 per cent administration margin retained by QRIDA. QRIDA returns the funds back to DAF through a reduction of equity.

During the current financial year, QRIDA has returned $88.88 million (2022: $116.51 million) of funds to DAF.

Section 4 - Notes about risks and other accounting uncertainties

Note 16: Fair value measurement

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).

16.1 Fair Value Measurement Hierarchy

All assets and liabilities of QRIDA 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.

The fair value of borrowings from QTC is notified by QTC. It is calculated using discounted cash flow analysis and the effective interest rate. They are categorised as level 3 fair values within the fair value hierarchy.

All of QRIDA's other financial assets and liabilities are classified within level 2 of the fair value hierarchy.

The initial fair value of loans, advances and borrowings is estimated using a valuation technique (i.e. the fair value can be estimated as the present value of all future cash receipts discounted using the prevailing market rate(s) of interest for a similar instrument with a similar credit risk).

For loans and advances, QRIDA estimates these prevailing market rates by reference to the 90 day bank bill swap bid rate (BBSY 90 Bid) plus a risk premium. The risk premium takes account of the term of the loan and the security available.

These risk premiums range from 265 basis points to 650 basis points (2022: from 265 basis points to 650 basis points).

For borrowings from the Australian and Northern Territory Governments, QRIDA estimates the prevailing market rate of interest to be equal to the current year's book rates.

For borrowings from the Queensland Government, QRIDA estimates the Queensland Treasury Corporation 10 year debt pool interest rates to be the prevailing market rates for a Queensland Government Agency receiving 10 year loans from another Government Agency.

16.2 Fair Value Disclosures for Financial Assets and Liabilities Measured at Amortised Cost

	2023		2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets	$'000	$'000	$'000	$'000
Financial assets at amortised cost				
Loans and advances	**1,108,421**	**1,027,093**	**1,110,772**	**1,145,690**

	2023		2022	
Financial Liabilities	Carrying amount	Fair value	Carrying amount	Fair value
	$'000	$'000	$'000	$'000
Financial liabilities at amortised cost				
Australian Government Borrowings	816	816	1,972	1,972
Northern Territory Government Borrowings	250	250	236	236
Queensland Government Borrowings	28,485	26,703	39,830	40,175
Queensland Treasury Corporation Borrowings	153,806	148,984	154,500	148,639
Total	**183,357**	**176,754**	**196,538**	**191,023**

Note 17: Financial risk disclosures

17.1 Financial Instrument Categories

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

Category	Note	2023	2022
Financial Assets		**$'000**	**$'000**
Cash and cash equivalents	11	254,824	284,212
Loans and advances - at amortised cost	12	1,108,421	1,110,772
Receivables - at amortised cost		4,911	2,907
Total		**1,368,156**	**1,397,891**
Financial Liabilities			
Financial liabilities measured at amortised cost:			
Payables		529	2,718
Interest-bearing borrowings	13	173,589	185,436
Non-interest-bearing borrowings	14	9,768	11,102
Total		**183,886**	**199,256**

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

17.2 Financial Risk Management

(a) Risk Exposure

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

The management of financial risk is overseen by the Board of Directors, the Audit and Risk Management Committee and the Debt Management Committee under policies approved by QRIDA. QRIDA provides written principles for overall risk management, as well as policies covering specific areas.

Note 17: Financial risk disclosures (continued)

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

Risk Exposure	Definition	Exposure	Measurement Method	Risk Management Strategies
Credit risk	Refer to **Note 12**	Refer to **Note 12**	Refer to **Note 12**	Refer to **Note 12**
Liquidity risk	Liquidity risk refers to the situation where QRIDA may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	QRIDA is exposed to liquidity risk in respect of its payables and borrowings from Queensland Treasury Corporation, Queensland Treasury, the Australian Government and the Northern Territory Government for on-lending.	Maturity analysis	QRIDA manages liquidity risk using a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring QRIDA has sufficient funds available to meet payment obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts to match the expected duration of the various liabilities.
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: currency 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.	QRIDA does not trade in foreign currency or holds investments in shares/unit trusts and is not materially exposed to commodity price changes. QRIDA is exposed to interest rate risk through its interest-bearing borrowings, cash deposited in interest bearing accounts, and through the variable interest rates applying to certain loans issued by QRIDA.	Interest rate sensitivity analysis	QRIDA does not undertake any hedging in relation to interest risk and manages its risk as per QRIDA's liquidity risk management strategy.

(b) Liquidity Risk – Contractual Maturity of Financial Liabilities

The following table sets out the liquidity risk of financial liabilities held by QRIDA. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date as advised by Queensland Treasury Corporation, the Australian Government and the Northern Territory Government. The undiscounted cash flows in these tables differ from the amounts included in the Statement of Financial Position, which are based on discounted cash flows.

Queensland Treasury Corporation borrowings in respect of the Primary Industry Productivity Enhancement Scheme (PIPES) are interest only with no fixed repayment date for the principal component. For the purposes of completing the maturity analysis, the principal component of these loans has been included in the more than five year time band with 30 years interest payment assumed.

	2023	Contractual Maturity Payable in			2022	Contractual Maturity Payable in		
Financial Liabilities	**Total**	**< 1 Yr**	**1 -5 Yrs**	**> 5 Yrs**	**Total**	**< 1 Yr**	**1 -5 Yrs**	**> 5 Yrs**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Payables	**529**	529	-	-	**2,718**	2,718	-	-
Australian Government borrowings	**816**	123	437	256	**1,972**	276	1,047	648
Northern Territory Government borrowings	**250**	20	60	170	**236**	24	87	125
Queensland Government borrowings	**31,879**	5,829	16,131	9,919	**41,863**	19,289	14,717	7,857
Queensland Treasury Corporation borrowings	**229,431**	7,838	23,896	197,696	**197,551**	4,599	18,338	174,614
Total	**262,905**	**14,339**	**40,525**	**208,041**	**244,340**	**26,906**	**34,189**	**183,244**

Note 17: Financial risk disclosures (continued)

(c) Interest Rate Sensitivity Analysis

The following interest rate sensitivity analysis is based on a report similar to that provided to management, depicting the outcome on net income if interest rates would change by +/- 1% (2022: +/- 1%) from the year-end rates applicable to QRIDA's financial assets and liabilities.

With all other variables held constant, QRIDA would have a surplus and equity increase/(decrease) of $12.28 million (2022: $12.56 million).

The impact of interest rate movement on QRIDA's profit and equity has decreased in the current period. The increase in the ratio of QRIDA's interest-bearing assets to interest-bearing borrowings from 7.77:1 (2022) to 8.07:1 (2023) has not been significant enough to offset the decrease in the cash balance.

Financial instruments	Carrying amount	2023 interest rate risk			
		-1.00%		1.00%	
		Profit	Equity	Profit	Equity
	$'000	$'000	$'000	$'000	$'000
Cash and cash equivalents	254,824	(2,548)	(2,548)	2,548	2,548
Loans and advances (excl Stage 1/Stage 2 ECL)	1,146,356	(11,464)	(11,464)	11,464	11,464
Australian Government borrowings	816	8	8	(8)	(8)
Northern Territory Government borrowings	250	3	3	(3)	(3)
Queensland Government borrowings*	18,717	187	187	(187)	(187)
Queensland Treasury Corporation borrowings	153,806	1,538	1,538	(1,538)	(1,538)
Overall effect on profit and equity		**(12,276)**	**(12,276)**	**12,276**	**12,276**

Financial instruments	Carrying amount	2022 interest rate risk			
		-1.00%		1.00%	
		Profit	Equity	Profit	Equity
	$'000	$'000	$'000	$'000	$'000
Cash and cash equivalents	284,212	(2,842)	(2,842)	2,842	2,842
Loans and advances (excl Stage 1/Stage 2 ECL)	1,157,286	(11,573)	(11,573)	11,573	11,573
Australian Government borrowings	1,972	20	20	(20)	(20)
Northern Territory Government borrowings	236	2	2	(2)	(2)
Queensland Government borrowings*	28,728	287	287	(287)	(287)
Queensland Treasury Corporation borrowings	154,500	1,545	1,545	(1,545)	(1,545)
Overall effect on profit and equity		**(12,561)**	**(12,561)**	**12,561**	**12,561**

* Interest-bearing component of borrowings for the NDRRA and DRFA program (refer to **Note 13**).

Note 18: Contingencies

QRIDA did not have any contingent assets or liabilities as at 30 June 2023 (2022: Nil).

Note 19: Commitments

At the reporting date, QRIDA had no commitments for capital expenditure (2022: Nil).

Loan commitments are reported at **Note 12.5**.

Note 20: Events occurring after the balance date

QRIDA has not identified any event occurring after the balance date which would have a material effect on the information provided in QRIDA's financial statements.

Note 21: Future impact of accounting standards not yet effective

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

Section 5 - Notes about our performance compared to budget

Note 22: Budgetary reporting disclosures

This section discloses QRIDA's original published budgeted figures for 2022-23 compared to actual results, with explanations of major variances.

Overall Comments

As a specialist administrator of financial assistance programs on behalf of various government agencies, QRIDA often is required to deliver new programs that are announced after QRIDA's annual budget has been finalised. This can have a significant impact on QRIDA's financial results.

Explanation of major variances - Statement of Comprehensive Income

Grants and other contributions	The decrease of $349.8 million is primarily due to the over estimation of the funding required for Disaster Recovery Funding Arrangements (SEQ Rainfall and Flooding event) $251.8 million and deferral of $110.5 million for the North Queensland Replanting, Restocking and On-Farm Infrastructure Grants scheme into the out years.
Interest	The increase of $46.3 million is mainly due to higher unwinding and amortisation of concessional loan discounts due to increasing interest rates and higher bank interest due to increasing interest rates in 2022-23.
Gain on reversal of impairment loss	This is primarily due to the reversal of the impairment loss previously recognised on the COVID-19 Jobs Support loans.
Employee expenses	Employee expenses were $1.3 million lower than budget due in part to budgeted activities for additional employees for DRFA schemes being completed by contractors.
Supplies and services	Supplies and services were $1.15 million higher than budget primarily due to contractor expenses required for DRFA schemes.
Grants and subsidies	The decrease of $390.6 million is primarily due to the lower than anticipated payments for Disaster Recovery Funding Arrangements (SEQ Rainfall and Flooding event) $221.7 million and $157.8 million for the North Queensland Replanting, Restocking and On-Farm Infrastructure Grants scheme.
Impairment losses	The increase of $3.6 million is mainly due to bad debts written off for COVID-19 Jobs Support loans in 2022-23.
Other expenses	Return unspent grant funds to scheme owner, primarily in relation to Tourism & Hospitality Sector Hardship Grants Scheme $4.1 million.

Explanation of major variances - Statement of Financial Position

Cash and cash equivalents	The increase of $127.9 million is largely due to the program funding being held for the North Queensland Restocking, Replanting and On-farm Infrastructure Grant Scheme of $49.7 million, PIPES of $31.2 million and North and Far North Queensland Monsoon Flooding schemes of $21.0 million, Zero Emission Vehicle Rebate Scheme of $6.7 million and Electric Vehicle Charging Infrastructure Scheme of $10.3 million.
Loans and advances - Current	The increase of $74.8 million is primarily due to the higher than budgeted COVID-19 Jobs Support loan principal repayments becoming due.
Loans and advances - Non Current	The decrease of $180.7 million is mainly due to higher than expected early loan repayments of $80.7 million on COVID-19 Jobs Support loan scheme and lower than anticipated take up of $48 million for the DAF Drought Loans and $38 million for PIPES.
Loan commitments	The decrease of $2.6 million is due to lower than budgeted undrawn loan commitments as at the end of 2022-23.
Interest-bearing borrowings - Current	The increase of $4.3 million is mainly due to higher than budgeted current liabilities for DAF Drought Loans $1.9 million and DRFA $1.9 million.
Interest-bearing borrowings - Non Current	The decrease of $136.8 million is mainly due to lower than budgeted borrowing of $55 million for PIPES, DAF Drought Loans $48 million and lower than budgeted opening balance of $24.8 million.
Accumulated surplus	The increase of $158.1 million is mainly due to higher than budgeted accumulated surplus of $74.1 million as at 30 June 2022 and higher than budgeted financial performance result of $85.1 million for 2022-23.

Note 22: Budgetary reporting disclosures (continued)

Explanation of major variances - Statement of Cash Flows

Grants and other contributions	The decrease of $352.9 million is primarily due to the over estimation of the funding required for Disaster Recovery Funding Arrangements (SEQ Rainfall and Flooding event) $251.8 million and deferral of $110.5 million for the Replant, Restock and Infrastructure Grants scheme into the out years.
Fees	The increase of $2.1 million is primarily due to multiple Disaster Recovery Funding Arrangement schemes having their closing dates extended and new schemes commencing after the budget was finalised and reduction in fee accruals $1.5 million.
Interest received	The increase of $7.5 million is due to higher than budgeted interest rates in 2022-23.
GST collected from customers	The increase of $10.1 million is mainly due to the DRFA grant funding not being GST applicable when the 2022-23 budget was finalised.
Employee expenses	Employee expenses were $1.3 million lower than budget due in part to budgeted activities for additional employees for DRFA schemes being completed by contractors.
Supplies and services	Supplies and services were $1.1 million higher than budget primarily due to contractor expenses required for DRFA schemes.
Grants and subsidies	The decrease of $390.6 million is primarily due to the lower than anticipated payments for Disaster Recovery Funding Arrangements (SEQ Rainfall and Flooding event) $221.7 million and $157.8 million for the Replant, Restock and Infrastructure Grants scheme.
Other expenses	Return unspent grant funds to scheme owner, primarily in relation to the Tourism & Hospitality Sector Hardship Grants Scheme $4.1 million.
GST remitted to ATO	The increase of $12.2 million is mainly due to the DRFA grant funding not being GST applicable when the 2022-23 budget was finalised.
Loans and advances redeemed	The increase of $16.5 million is mainly due to higher than budgeted loan repayments from PIPES.
Loans and advances made	The decrease of $92.3 million is mainly due to lower than budgeted loans advanced for PIPES $38 million and DAF Drought Loans $48 million.
Interest-bearing and non-interest-bearing borrowings	The decrease of $111.9 million is mainly due to lower than budgeted borrowing of $60 million for PIPES and $48 million for DAF drought loans.
Interest-bearing and non-interest-bearing borrowings redemptions	The increase of $9.4 million is mainly due to higher than budgeted redemptions for DRFA borrowings due to the repayment schedule being updated after the budget was finalised.

Section 6 - Other information

Note 23: Key management personnel (KMP) disclosures

23.1 Details of Key Management Personnel

The responsible Minister is identified as part of QRIDA's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is The Honourable Mark Furner MP, Minister for Agricultural Industry Development and Fisheries and Minister for Rural Communities (12 November 2020 – present).

The following details for non-Ministerial KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of QRIDA during 2022-23 and 2021-22.

Position	Position Responsibility
Chief Executive Officer	Responsible for leading and managing the affairs of QRIDA including strategically positioning QRIDA to achieve organisational and financial goals and implement Board policy.
Chief Lending Officer	Delivers financial assistance programs that foster the development of the rural and regional sector that supports the Queensland economy. Delivers programs in response to emergencies and natural disasters and fosters strong relationships with community and industry.
Chief Operating Officer	Develops and manages QRIDA's systems, infrastructure and policies in the areas of finance, human resources and information services, facilitates planning, performance improvement and debt services including Farm Business Debt Mediation, and the Farm Debt Restructure Office.
Chief Engagement Officer	Develops and implements business development strategies, leads the scoping and planning for new programs, delivers strategic communications, and manages client and stakeholder partnerships.

23.2 KMP Remuneration Policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. QRIDA 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 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.

Remuneration policy for QRIDA's other key management personnel is set by QRIDA's Board of Directors as provided under the *Rural and Regional Adjustment Act 1994* (Qld).

Remuneration expenses for non-Ministerial KMP comprise the following components:

- ***Short-term employee benefits*** 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 KMP position; and
  - non-monetary benefits – consisting of provision of a vehicle together with fringe benefits tax applicable to the benefit.
- ***Performance bonuses*** are not paid under the contracts in place.
- ***Long-term employee benefits*** include amounts expensed in respect of long service leave entitlements earned.
- ***Post-employment benefits*** include amounts expensed in respect of employer superannuation obligations.
- ***Termination benefits*** are not provided for within individual contracts of employment. Contracts of employment provide for notice periods or payment in lieu of notice on termination, plus other aspects of termination benefits as required in various circumstances.

Note 23: Key management personnel (KMP) disclosures (continued)

The following disclosures focus on the expenses incurred by QRIDA attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

1 July 2022 - 30 June 2023

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Total Expenses
	Monetary Expenses $'000	Non-Monetary Benefits $'000	$'000	$'000	$'000	$'000
Chief Executive Officer	282	30	8	35	-	**354**
Chief Lending Officer (Acting)* 1 July 2022 - 22 July 2022	30	-	1	3	-	**34**
Chief Lending Officer - Current 18 July 2022 - 30 June 2023	195	7	5	21	-	**228**
Chief Operating Officer	197	25	5	23	-	**251**
Chief Engagement Officer	217	7	6	24	-	**253**

* Remuneration expenses also include other periods that acting arrangements were in place during the financial year.

1 July 2021 - 30 June 2022

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Total Expenses
	Monetary Expenses $'000	Non-Monetary Benefits $'000	$'000	$'000	$'000	$'000
Chief Executive Officer	286	30	8	29	-	**352**
Chief Lending Officer (Former) 1 July 2021 - 14 April 2022	183	-	5	19	-	**207**
Chief Lending Officer (Acting) 15 April 2022 - 30 June 2022	46	-	1	4	-	**52**
Chief Operating Officer	172	25	5	21	-	**223**
Chief Engagement Officer	205	7	6	22	-	**239**

Note 24: Board disclosures

The Board members of QRIDA who have served at any point in the financial year are:

Name	Date of joining	Date of leaving	Additional information
John Corbett	18/04/2019	Current	Chair of the Board and Chair of the Debt Management Committee
Elizabeth Alexander	27/08/2020	Current	
Belinda Turner	18/04/2019	Current	Chair of Audit and Risk Management Committee
Scott Spencer	27/08/2020	Current	
Zoe Kenneally	27/08/2020	Current	
Drew Ellem	25/10/2019	Current	Representative of Queensland Treasury
Paul Walmsley	11/11/2021	Current	Representative of DAF

Note 24: Board disclosures (continued)

Remuneration, including meeting fees and superannuation are paid to Board members. QRIDA does not reimburse Board members who are government representatives.

Board Member	Short Term Employment Benefits (Directors' Fees)		Post-Employment Benefits (Superannuation)		Total Benefits	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
John Corbett	45	44	5	4	50	48
Elizabeth Alexander	12	12	1	1	14	13
Belinda Turner	14	14	1	1	16	15
Scott Spencer	12	12	1	1	14	13
Zoe Kenneally	14	14	1	1	16	15

Note 25: Related party transactions

Transactions with other Queensland Government-controlled entities

QRIDA's primary ongoing sources of funding from Government for its services are appropriation revenue which is provided in cash via DAF. The revenue received was $13,702,000 ($13,284,000 for 2021-22).

QRIDA has borrowings of $153,805,986 ($154,500,270 for 2021-22) from QTC. **Note 13** outlines the key terms and conditions of those borrowings.

QRIDA receives car leasing services from QFleet, a commercialised business unit owned by Government. The lease expenses were $210,463 ($235,918 for 2021-22).

QRIDA leases Brisbane and Townsville office accommodation from the Department of Energy and Public Works. The lease expenses were $989,915 ($728,203 for 2021-22).

The Corporate Administration Agency (CAA) provides QRIDA human resource services and information management and business systems services. The expenses of these services were $115,227 (2021-22 $108,470).

QRIDA provided services to other Queensland Government entities for administering financial assistance programs. The counter government entities provided program funding (refer **Note 3**) and paid fees to QRIDA to cover administration costs. The service fees earned are in the following table.

Note 25: Related party transactions (continued)

Related Party	Program	Service Fee 2023 $	Service Fee 2022 $
Queensland Government	NDRRA and DRFA	4,927,592	2,012,845
Department of Environment and Science	Farming in Reef Catchments Rebate Scheme	-	50,000
	Household Waste Payment Scheme	50,000	50,000
	Carbon Farming Advice Rebate Scheme	30,000	57,400
Department of Transport and Main Roads	Wheelchair Assistance Taxi Grant Scheme	85,000	50,000
	Zero Emission Vehicle Rebate Scheme	226,350	40,000
	Electric Vehicle Charging Infrastructure Scheme	251,000	-
Department of Employment, Small Business and Training	Small Business COVID-19 Adaption Grant - Round 2	-	19,014
	COVID-19 Business Support Grants Scheme	58,943	5,444,582
Department of Tourism, Innovation and Sport	Tourism & Hospitality Sector Hardship Grants Scheme	7,684	1,182,071
	Work in Paradise Incentive Scheme	17,905	874,365
	Boosting Accessible Tourism Experiences Grants Scheme	80,000	-
	Tourism Business Professional Advice Rebate Scheme	60,000	50,000
Department of Regional Development, Manufacturing and Water	Horticulture Irrigation Pricing Rebate Scheme	91,000	108,950
Department of Energy and Public Works	Resilient Homes Fund	2,160,000	-
Department of Agriculture and Fisheries	Rural Economic Development Grants	158,000	158,000
	Drought Loans	1,194,359	1,087,000
	Rural Agricultural Development Grants (Sheep and Goats)	110,000	110,000
	Horticulture Netting Scheme	135,125	135,125
	Back to Work in Agriculture	-	491,412
	Agribusiness Digital Solutions Grants Scheme	60,000	-
	Farm Management Grants & Drought Preparedness Grants	81,000	91,000

Note 26: First year application of new Accounting Standards or change in Accounting Policies

Accounting standards applied for the first time

No new accounting standards or interpretations that apply to QRIDA 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.

Note 27: Taxation

QRIDA is a state body as defined under the *Income Tax Assessment Act 1936* (C'wealth) and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). GST credits receivable from, and GST payable to the ATO are recognised within payables and receivables.

Note 28: Transactions and balances where QRIDA is an agent

QRIDA acts as an agent in its management of certain funds on behalf of a number of government agencies. As QRIDA performs only a custodial role in respect of these transactions and balances, they are not recognised in QRIDA's financial statements but are disclosed in these notes for the information of users. This is explained further in **Note 13** under the heading "Additional Disclosures". Revenue relating to fees received by QRIDA for providing agency services are included in Fees in **Note 4**.

Revenue received by QRIDA on behalf of Principals	**2023**	**2022**
	$'000	**$'000**
Revenues		
Contractual interest on loans	2,094	1,226
Interest earned on cash and investments	54	13
Other revenue	34	-
Total	**2,182**	**1,239**

Assets held by QRIDA on behalf of Principals	**2023**	**2022**
	$'000	**$'000**
Current assets		
Cash and cash equivalents	4,137	1,307
Loans and advances	8,169	7,011
Non-current assets		
Loans and advances	52,001	52,938
Total Assets	**64,307**	**61,256**

Note 29: Climate risk disclosure

The State of Queensland as the ultimate parent of QRIDA has published a wide range of information and resources on climate change risks, strategies and actions (https://www.qld.gov.au/environment/climate/climate-change) including the following whole-of-Government publications in relation to climate risk, strategy and action:

- Climate Action Plan 2020-30
  https://www.des.qld.gov.au/climateaction
- Queensland Energy and Jobs Plan
  https://www.epw.qld.gov.au/energyandjobsplan
- Climate Adaptation Strategy
  https://www.qld.gov.au/environment/climate/climate-change/adapting/strategy
- Queensland Sustainability Report
  https://www.treasury.qld.gov.au/programs-and-policies/esg/

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting judgements and estimates. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting QRIDA. Whilst management acknowledges that climate-related risks may impact the impairment of Loans and Advances, particularly loans advanced to our primary production clients, it is inherently difficult to quantify these risks.

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

Queensland Rural and Industry Development Authority Management Certificate

for the year ended 30 June 2023

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

a) the prescribed requirements for establishing and keeping of accounts have been complied with in all material respects; and

b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of QRIDA for the financial year ended 30 June 2023 and of the financial position of QRIDA 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.

ORIGINAL SIGNED

J CORBETT

Chair

ORIGINAL SIGNED

B TURNER

Chair – Audit and Risk Management Committee

ORIGINAL SIGNED

C MACMILLAN

Chief Executive Officer

ORIGINAL SIGNED

P WYLLIE

Chief Financial Officer

Dated: 22 August 2023