

C. Legislative context

Frameworks

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

Figure C1
Legislative frameworks for the energy sector

Entity type	Entities	Legislative framework	Legislated deadline
Government owned corporations	<ul style="list-style-type: none"> CleanCo Queensland Limited CS Energy Limited Energy Queensland Limited Queensland Electricity Transmission Corporation Limited (trading as Powerlink Queensland) Stanwell 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 2024
Controlled entities that are companies	<ul style="list-style-type: none"> Ergon Energy Queensland Pty Ltd CS Energy Financial Services Pty Ltd 	<ul style="list-style-type: none"> <i>Corporations Act 2001</i> Corporations Regulations 2001 	31 October 2024

Note: Controlled entity – an entity owned by one or more public sector entities.

Source: Queensland Audit Office.

The Queensland Government established Queensland Hydro Pty Ltd on 3 August 2022. It is wholly owned by Queensland Treasury. The entity's financial statements are prepared in compliance with the *Corporations Act 2001*. The results of our audit of its financial statements will be included in our 2024 report on state entities.

Accountability requirements

The *Government Owned Corporations Act 1993* establishes 4 key principles for government owned corporations:

- clarity of objectives
- management autonomy and authority
- strict accountability for performance
- competitive neutrality (meaning they should not have a competitive advantage over the private sector because they are owned by government).

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.

There are 3 types of modified opinions:

- qualified opinion – the financial statements as a whole comply with relevant accounting standards and legislative requirements, with the exceptions noted in the opinion
- adverse opinion – the financial statements as a whole do not comply with relevant accounting standards and legislative requirements
- disclaimer of opinion – the auditor is unable to express an opinion as to whether the financial statements comply with relevant accounting standards and legislative requirements.

Sometimes we include an *emphasis of matter* in our audit reports to highlight an issue that will help users better understand the financial statements. It does not change the audit opinion.

