



# Revenue

**Implementation Date:** 22/01/2020  
**Version:** 1.1

## Audience

Department-wide

## Purpose

To ensure the consistent and prompt identification, assessment, recording and management of revenue across the department.

## Policy statement

The department recognises, manages and reports revenue in accordance with legislation, Australian Accounting Standards and [Queensland Government policy](#). Revenue (see definition) is money or other resources that the department receives, applies and reports from:

- appropriations allocated within the State Budget
- [fees and charges](#)
- [voluntary financial contributions](#)
- grants, [sponsorships](#), [donations](#), [bequests](#) and other contributions
- property income
- asset sales
- insurance claims

Internal controls manage risk associated with revenue, including minimising the likelihood of fraud and misappropriation.

## Principles

Principles	What this means for the department
<b>Accountability</b>	<p>The department recognises and reports revenue promptly and accurately and in accordance with Australian Accounting Standards.</p> <p>The department effectively manages risks associated with revenue generation and collection through preventive and detective controls.</p> <p>The provisions of the <a href="#">Financial Accountability Handbook</a>, in particular, <a href="#">Information Sheet 3.5 – Revenue Systems</a>, helps to identify, assess, record and manage revenue due to the</p>



Principles	What this means for the department
	department.
<b>Equity</b>	The department's fees and charges are calculated transparently and equitably, and in accordance with the <i>Education (General Provisions) Act 2006</i> (Qld) and Queensland <a href="#">Government policies</a> . The department's debt management procedures are fair.
<b>Performance</b>	The department manages revenue to maximise value for money.
<b>Sustainability</b>	The department proactively manages its current and future financial position.

## Requirements

<b>Appropriations</b>	<p>The department receives controlled and administered appropriations.</p> <ul style="list-style-type: none"> <li>Administered items are those managed by the department on behalf of Government. The department does not have decision-making authority over these items, which normally relate to activities governed by eligibility rules and conditions (for example, grants and subsidies). Administered appropriations are distributed on behalf of the Government.</li> <li>The department has authority to apply controlled appropriations to achieve its objectives and in line with Government policy. The department applies controlled appropriations to deliver departmental services.</li> </ul>
<b>Fees and charges</b>	Various pieces of legislation outline what fees the department can charge and for what products and services. The <a href="#">User charging procedure</a> provides more information.
<b>Voluntary financial contributions</b>	Schools may only request (not require) parents to pay voluntary financial contributions to supplement appropriation funding for state schools. The <a href="#">Requests for Voluntary Financial Contributions</a> procedure provides more information.
<b>Grants, sponsorships, donations, bequests and other contributions (including Commonwealth funding)</b>	<p>These can be either reciprocal (carrying obligations for the department) or non-reciprocal (free of obligation). Revenue is recognised:</p> <ul style="list-style-type: none"> <li>for reciprocal items, progressively over the term of the arrangement.</li> <li>for non-reciprocal items in the year the department obtains control over them – normally on receipt.</li> </ul> <p>The <a href="#">Donations and bequests</a> procedure provides more information.</p> <p>Contributions of services are only recognised as revenue if the department would have purchased the services if they had not been donated, and their value can be measured reliably. Where this is the case, an equal amount is recognised as revenue (i.e. service received) and an expense (i.e. service consumed).</p>
<b>Property income</b>	Property income, such as rent, is recognised as revenue when it is received.
<b>Asset sales</b>	Revenue generated from the sale of departmental assets is recognised when ownership of the asset has been transferred to the purchaser.
<b>Insurance claims</b>	Certain losses of public property are insured by the Queensland Government Insurance Fund (QGIF). Revenue will be recorded as "Other revenue" on the Department's financial statements where QGIF has accepted a claim, but the amount cannot be estimated reliably.

## Definitions

<b>Appropriations</b>	<p>Public funding provided to the department as part of the Queensland Government budget process.</p> <ul style="list-style-type: none"> <li>Administered appropriations are managed by the department on behalf of Government. The department does not have decision-making authority over these items, which normally relate to activities governed by eligibility rules and conditions (for example, grants and subsidies).</li> <li>The department has authority to apply controlled appropriations to achieve its objectives and in line with Government policy. The department applies controlled appropriations to deliver departmental services.</li> </ul>
<b>Australian Accounting Standards</b>	Financial reporting standards applicable to entities in the private and public sectors in Australia.
<b>Bequest</b>	Property or money left to the department from a deceased estate.
<b>Contribution</b>	A transfer to the department of either assets, services, or extinguishment of liability. Contributions include: grants, subsidies, or donations.
<b>Cost recovery</b>	Recovery of the costs of generating a good or service.
<b>Donation</b>	Property or money given to the department as a charitable act.
<b>Fees and charges</b>	Amounts that are charged for a service.
<b>Grant</b>	An amount of money given for a particular purpose that is a non-reciprocal contribution.
<b>Insurance claim</b>	An application for compensation under the terms of an insurance policy.
<b>Non-reciprocal contribution</b>	Where there is no obligation to provide goods or services of the approximate equal value of the contribution directly to the contributor.
<b>Property income</b>	Income received for the rental of property.
<b>Queensland Government Insurance Fund (QGIF)</b>	A Queensland Government self-insurance fund for the management of financial risk through identifying, providing for and funding the State's insurable liabilities.
<b>Reciprocal contribution</b>	Where the contributor has a right to receive benefits <i>directly</i> and of approximately equal to the value of the contribution.
<b>Revenue</b>	Revenue is income arising in the course of the department's ordinary activities. Revenue is recognised when it is probable that the department will benefit economically and these benefits can be measured reliably.
<b>Sponsorship</b>	The association of the sponsor's name, logo, products or services with the sponsored organisation's service, product or activity. See also the department's <a href="#">Sponsorship</a> procedure.
<b>Voluntary</b>	A request from a principal to a parent for an optional contribution to supplement government

<b>Financial Contributions</b>	funding for the education of students at a school.
--------------------------------	--

## Legislation

- [Financial Accountability Act 2009 \(Qld\)](#), Part 5, Division 2
- [Financial and Performance Management Standard 2019 \(Qld\)](#), (s13)

## Delegations/Authorisations

- Refer to the [Finance delegations](#)

## Related policies

- [Competitive Neutrality and Queensland Government Business Activities](#)
- [Financial Reporting Requirements for Queensland Government Agencies](#)
- [Fundraising](#)
- [Long Term Financial Plan](#)

## Related procedures

- [Community use of school facilities](#)
- [Credit](#)
- [Debt management](#)
- [Distance education enrolment fees](#)
- [Donations and bequests](#)
- [Requests for Voluntary Financial Contributions](#)
- [Sponsorship](#)
- [User charging](#)
- [Student Resource Scheme](#)

These procedures are supported by the following processes:

- [Customer details in finance systems](#) (DoE employees only)
- [End of day lodgement and checking processes](#) (DoE employees only)
- [Excursions and camps](#) (DoE employees only)
- [Invoicing](#) (DoE employees only)
- [OneSchool Finance Accounts Receivable](#) (DoE employees only)
- [Payment plans for customers](#) (DoE employees only)
- [Receipting](#) (DoE employees only)

- [Refunds, adjustments and credit notes](#) (DoE employees only)
- [Securing and managing physical cash](#) (DoE employees only)

## Guidelines

- Nil

## Supporting information/websites

- [Financial Accountability Handbook](#)

### Australian Accounting Standards:

- [AASB 13 Fair Value Measurement](#)
- [AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors](#)
- [AASB 118 Revenue](#)
- [AASB 139 Financial Instruments: Recognition and Measurement](#)
- [AASB 1004 Contributions](#)
- [Framework for the Preparation and Presentation of Financial Statements](#)

## Contact

For further information, please contact [financialreporting.finance@qed.qld.gov.au](mailto:financialreporting.finance@qed.qld.gov.au)

## Review date

17/10/2022

## Superseded versions

*Previous seven years shown. Minor version updates not included.*

1.0 Revenue

## Creative Commons Licence

