

Queensland Reconstruction Authority

Annual Report

2015-16



Queensland
Government



The Honourable Jackie Trad MP
Deputy Premier
Minister for Infrastructure, Local Government and Planning.
Minister for Trade and Investment
Level 12, Executive Building
100 George Street
Brisbane QLD 4000

Dear Deputy Premier,

I am pleased to submit for presentation to the Parliament the Annual Report 2015-16 and financial statements for the Queensland Reconstruction Authority.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual Report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found at page 52 of this annual report or accessed at www.qldreconstruction.org.au

Yours sincerely



R. G. Wilson
Major General (Ret'd) AO
Chair, Queensland Reconstruction Authority

Accessibility

This Annual Report provides information about the Queensland Reconstruction Authority's (QRA) financial and non-financial performance for 2015-16. It has been prepared in accordance with the *Financial Accountability Act 2009*.

This report has been prepared for the Deputy Premier, Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment to submit to Parliament. It has also been prepared to meet the needs of stakeholders including the Commonwealth and local governments, industry and business associations, community groups and staff.



Interpreter Services

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the Annual Report, you can contact us on 1800 110 841 and we will arrange an interpreter to effectively communicate the report to you.

Readers are also invited to view the report at QRA's website at

www.qldreconstruction.org.au

The Queensland Reconstruction Authority Annual Report 2015-2016

Copies of this report are available in paper form and can be obtained from QRA.

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Additional information is available online at <https://data.qld.gov.au>

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Message from the Chair

I am pleased to present the Queensland Reconstruction Authority's (QRA) Annual Report for the 2015-16 financial year.

The past 12 months have once again seen Queensland live up to its reputation as a disaster-prone state, with 38 Local Government Areas activated for assistance under the Natural Disaster Relief and Recovery Arrangements (NDRRA).

Significant weather events such as the Gulf of Carpentaria Monsoon Trough, 20 December 2015 – 3 January 2016, Central Queensland Surface Trough, 4-8 February and Far North and North West Queensland Tropical Low, 14 – 18 March 2016 saw the northern regions bear the brunt of the damage.

QRA worked closely with impacted councils giving support and advice on the ground and providing assistance through the recovery and rebuilding process.

This past financial year saw the completion of the \$334 million program of work repairing damage from nine natural disasters that occurred in 2013-14, including Tropical Cyclones Ita, Dylan and Gillian and progression of the recovery and rebuilding from Severe Tropical Cyclone Marcia and other disasters of 2014-15. The completion of this work is a significant milestone and an enormous achievement for impacted councils and QRA staff who supported them through the process of rebuilding.

The past year has also seen Queensland communities continue to build back better following severe tropical Cyclone Marcia, with assistance from the 2015 Betterment Fund.

Approximately \$12.4 billion of the total \$13.3 billion program managed by QRA has now been submitted to the Commonwealth in audited Commonwealth claims.

I continue to be proud of the important work undertaken by QRA as it helps Queensland communities get back up and running following natural disasters. This vital work will be further enhanced as QRA takes on the lead role in disaster resilience, mitigation and recovery policy for Queensland. Working closely with federal, state and local government stakeholders, QRA is well-placed to make a significant contribution to improving the resilience of Queensland.

I am looking forward to ensuring QRA continues on its upward trajectory as it strengthens and grows in this new broader role as well as maintaining support to communities impacted by natural disasters.

A handwritten signature in black ink, appearing to read 'Richard Wilson', with a long horizontal line extending to the right.

Major General Richard Wilson (Ret'd)
Chair

Queensland Reconstruction Authority

Message from the CEO

The Queensland Reconstruction Authority (QRA) has continued to lead the nation as the only stand-alone state agency to coordinate disaster recovery and resilience activities. Since its establishment, QRA has managed a program of NDRRA works valued at more than \$13 billion.

Having recently been appointed to the role of Chief Executive Officer for QRA, I have the privilege of leading an exceptional team who work hard with local governments and state agencies to deliver outstanding outcomes for disaster impacted communities in Queensland.

The past 12 months have allowed QRA to continue to strengthen its working relationships with key stakeholders in local government and other Queensland Government agencies, helping to facilitate the important work of delivering reconstruction projects under NDRRA.

While QRA is well equipped to work with local government agencies and communities in the wake of natural disasters, it is our new role leading the strategic work of resilience policy that will see Queensland become an even stronger state.

QRA remains well-placed, with a proven track record of successful program delivery, to lead the state in improving disaster resilience, mitigation and recovery, which reduces the impact of natural disasters on Queensland communities.

A priority for the coming year is to update the Queensland Strategy for Disaster Resilience and we will continue to grow our organisational capability, tilt our focus to resilience and continuously work to strengthen our working relationship with councils and government.

We will lead a coordinated approach to disaster and flood risk policy and implementation, with support from key agencies, and take a best practice approach to the management of the flood warning gauge network in Queensland, as well as provide input and support to Queensland Fire and Emergency Services to coordinate Queensland Government policy for disaster risk, assessment and data management.

Our ongoing work will ultimately lead to a more disaster resilient Queensland, with adaptable communities that are better prepared for disaster and quicker to recover from the aftermath.



Brendan Moran

Chief Executive Officer
Queensland Reconstruction Authority

Overview

Vision

To build a more disaster resilient Queensland

Purpose

- The Queensland Reconstruction Authority (QRA) leads disaster recovery, resilience and mitigation policy in Queensland, including managing the state's restoration of communities and reconstruction of essential public assets in disaster-affected communities.
- We work with state agencies and local government authorities to deliver value for money and ensure best practice expenditure and acquittal of public reconstruction funds, under the national Natural Disaster Relief and Recovery Arrangements (NDRRA) and State Disaster Relief Arrangements (SDRA).
- We administer Queensland's Betterment Fund to build more disaster-resilient infrastructure and ensure our communities recover more quickly after a natural disaster event.
- We lead the Queensland Government's disaster and flood risk policy and implementation, including the review of Queensland's flood warning gauge network, supported by key agencies.

Strategic objectives

QRA's policies, programs and services align with the Queensland Government Interim Response to *The Queensland Plan* (the Interim Response).

The Interim Response supports the government's objectives for the community and identifies the priorities and key initiatives that will contribute towards implementing Queenslanders' vision.

As part of the Queensland Government's natural disaster resilience, relief and recovery efforts, QRA:

- delivers value for money and ensures accountable expenditure of disaster recovery funds, providing integrity and accountability
- coordinates and supports the rapid recovery of disaster-impacted Queensland communities, creating jobs and a diverse economy, and building safe, caring and connected communities
- builds the capacity and capability of local governments and state agencies to recover sooner following natural disaster events, supporting the delivery of quality frontline services
- contributes to the Queensland Government's

response to national natural disaster funding reforms

- drives a collaborative approach to the development of evidence-based policy across all levels of government, which contributes to a more resilient Queensland.

Strategic Direction

We contribute to whole-of-Government objectives for Queensland by:

- building disaster resilience at the local level and coordinating the rapid restoration of communities following natural disasters to support the creation of jobs and a diverse economy and to build safe, caring and connected communities
- providing integrity and accountability through a timely and best value for money approach in the use of natural disaster funding
- working with local governments and state agencies to support responsive and integrated delivery of resilience activities and reconstruction projects, ensuring quality frontline services.

Our Priorities 2016-17

QRA's key priorities are to:

- ensure the ongoing delivery of Queensland's NDRRA reconstruction works arising from 2015 and 2016 events, including the 2015 \$20 million Betterment Fund, allocated to local government authorities to build infrastructure back to a more disaster-resilient standard
- manage the acquittal and Commonwealth reimbursement processes related to Queensland's natural disaster events for the relevant financial years
- contribute to the Queensland Government's response to national natural disaster funding reforms and work with the Commonwealth to ensure there is no reduction in disaster funding to Queensland
- update the Queensland Strategy for Disaster Resilience and lead a whole-of-government approach to disaster recovery, resilience and mitigation policy to build capability and culture for disaster resilience across Queensland
- lead ongoing development of Queensland's flood risk management policy and work with local government to implement recommendations of the Queensland Floods Commission of Inquiry and the 2015 Flood Warning Gauge Network Review.

Our achievements

In 2015-16, QRA's key achievements were:

- Managing delivery of the 2014 NDRRA program of works through to completion within the deadline for NDRRA eligibility of 30 June 2016.
- In March 2016, QRA closed out and acquitted a \$1.6 billion claim to the Commonwealth under the NDRRA, involving more than 800 submissions from nearly 80 LGAs and state agencies to finalise the significant program of works triggered by the devastating summer disaster events of 2010-11, further disasters in 2012 and Tropical Cyclone Oswald and other events of 2013.
- Received a 2015 High Commendation in the Get Ready Queensland Resilient Australia Awards for successful delivery of Queensland's 2013 \$80 million Betterment Fund, acknowledging our work with 35 LGAs to deliver 230 projects with a total project cost of more than \$140 million, on time and within budget.
- As part of the immediate recovery effort following 2015-16 disaster events, we delivered frontline assistance to councils and communities in the worst hit areas, including partnering with Queensland Fire and Emergency Services to complete rapid damage assessments of commercial and residential properties and providing NDRRA advice and guidance from our technical and engineering specialists.
- Led the state's ongoing contribution to national natural disaster funding reforms.
- Commenced the development and rollout of the state's resilience strategy, including progressing the Flood Warning Gauge Network Performance Review and the Brisbane River Catchment Flood Studies.
- Since establishment in February 2011, QRA has managed and coordinated infrastructure reconstruction and recovery for more than 60 disaster events activated for NDRRA relief measures, supporting a program of works worth more than \$13 billion.

Queensland Reconstruction Authority	Notes	2015-16 Target/est.	2015-16 Est. actual	2016-17 Target/est.
Service area: Administration of Natural Disaster Relief and Recovery Arrangements funding				
Service standards	1	100%	100%	100%
<i>Effectiveness measures</i> Percentage of NDRRA reconstruction works completed within timeframes required by the Commonwealth Government within budget				
Prepare and submit NDRRA claims for the relevant financial year supported by unqualified independent audit opinion in order to maximise reimbursement for the Queensland Government	2	March 2016	March 2016	March 2017
<i>Efficiency measure</i> Immediate disaster recovery operating costs per dollar of new disaster event damage	3	0.25%	0.10%	0.25%

Notes:

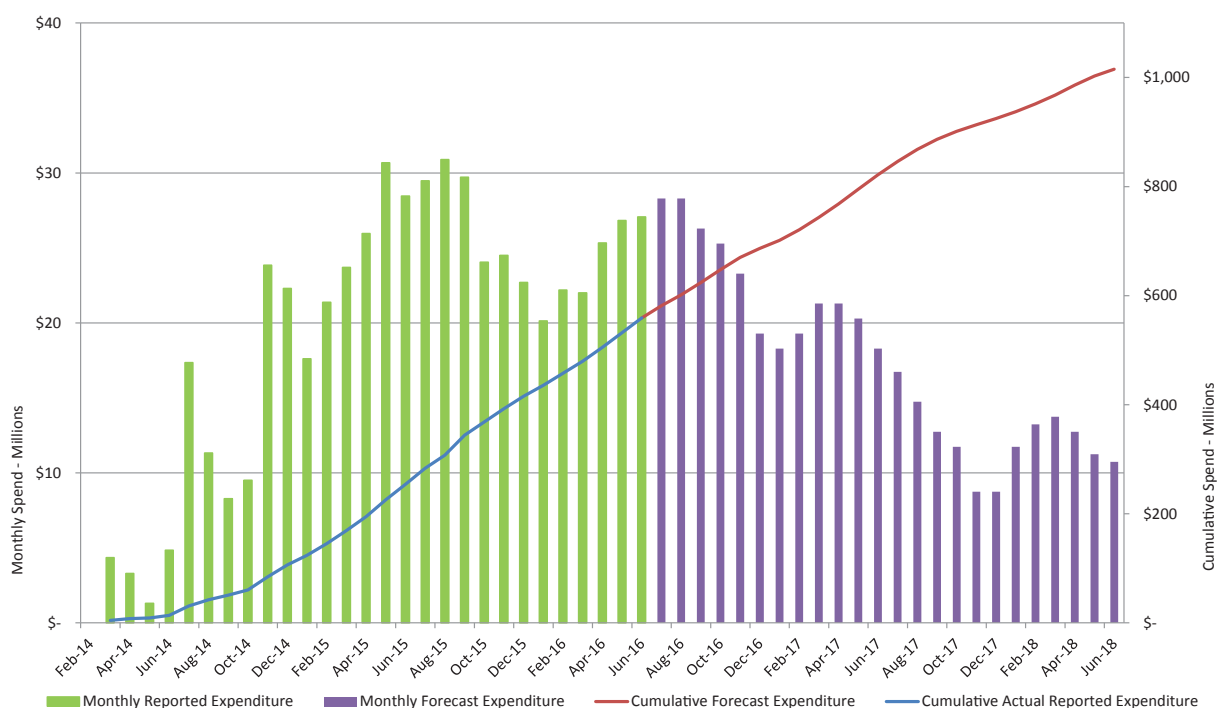
1. Deadlines for completion of works eligible for reimbursement under NDRRA are set by the Australian Government.
2. An unqualified audit opinion is required in order for works to be eligible for reimbursement from the Australian Government.
3. This aims to measure the efficiency of resource allocation in immediate disaster response and recovery operations.

Financial performance

The program of works for all events managed by QRA has an estimated value of \$13.3 billion. Of this, \$12.4 billion of works have been delivered and acquitted, with the remaining works in the program for the 2014, 2015 and 2016 events in the active delivery and/or acquittal phases. Works will be progressively delivered by 30 June

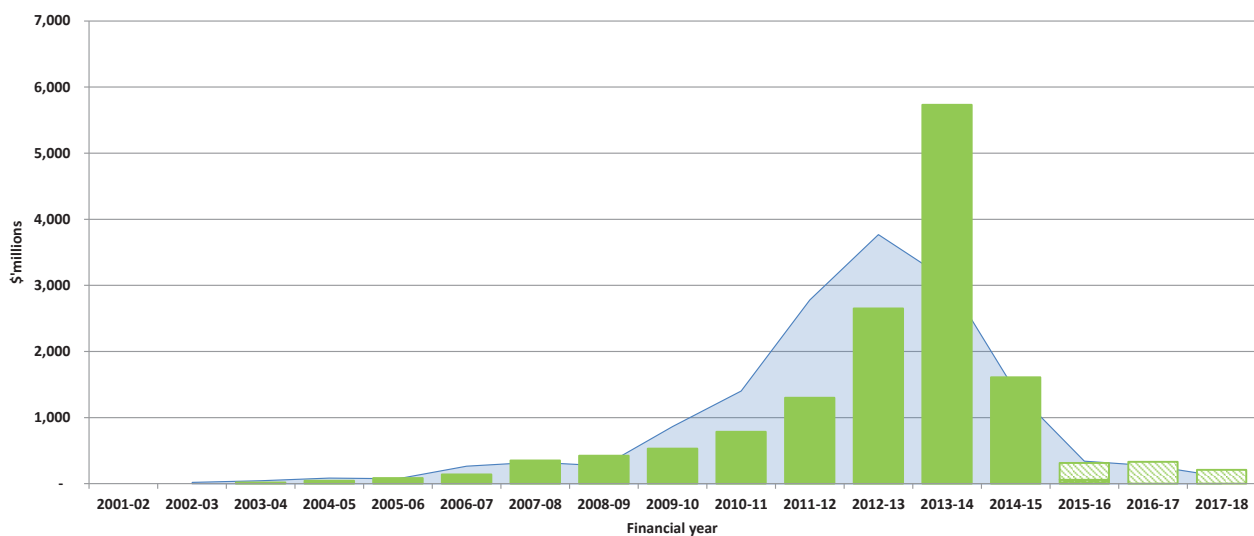
2018 and acquitted by 31 March 2019.

The figure below represents the monthly expenditure (left) and estimated total costs (right), for natural disaster events from the 2014, 2015 and 2016 disaster seasons that remain in the delivery or acquittal phases.



Following submission of the 2014-15 claim worth \$1.6 billion in March 2016, approximately \$12.4 billion of QRA's program of works has completed the state's acquittal processes and been submitted to the Commonwealth in audited claims.

The following graph shows the historical (since 2001-02) and projected NDRRA funding acquittal profile for Queensland based on claims submitted or expected to be submitted for reimbursement by the Commonwealth in order to finalise the more than \$13 billion program currently managed by QRA.



Governance

Governance

QRA reports to the Queensland Deputy Premier and Minister for Infrastructure, Local Government and Planning and Minister for Trade and Investment. QRA also reports to the Queensland Reconstruction Board, chaired by Major General Richard Wilson AO (Ret'd), comprised of state, federal and local government nominees.

The Governance framework of the *Queensland Reconstruction Authority Act 2011*, recognises the exceptional circumstances of the reconstruction program and the need for rapid decision making to occur. The framework enables funds to be paid promptly to project delivery agents while fulfilling the audit requirements of the Commonwealth's NDRRA Determination.

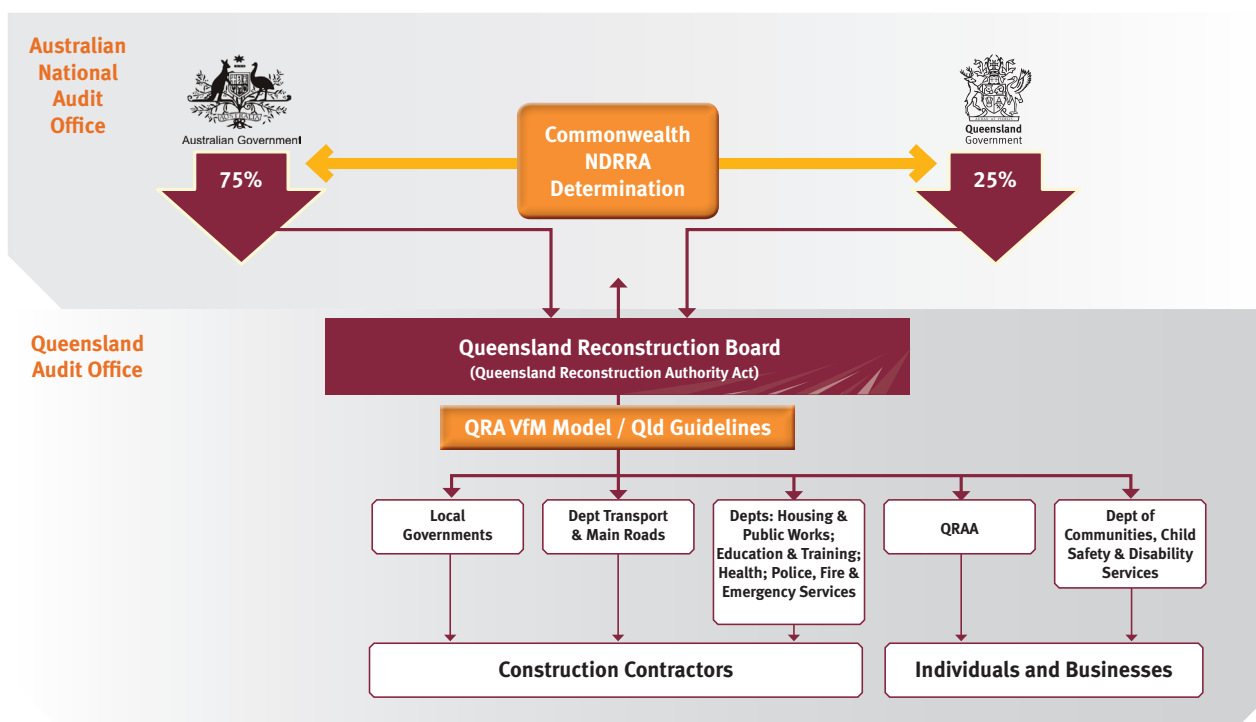
Commonwealth Determination

NDRRA is a joint Commonwealth and state program that provides grant and loan assistance to disaster affected community members, small businesses, primary producers and local and state governments to assist with the recovery from defined natural disasters.

The NDRRA arrangements are set out and administered by the Commonwealth Government in the NDRRA Determination. The arrangements provide financial assistance to states in the form of partial reimbursement of actual expenditure related to natural disaster events.

The state funds recovery and reconstruction expenditure upfront, with reimbursement of the Commonwealth's contribution paid retrospectively after works are completed.

Governance model



National Disaster Funding Reform

The Commonwealth Government is proposing significant reforms to the funding arrangements for natural disaster recovery.

The Queensland Government's Cabinet-endorsed negotiating principles for national funding reform include shifting to an up-front model for recovery funding based on damage assessment and benchmark costs, which would reduce red tape and increase autonomy for the state and disaster-impacted communities.

QRA is leading Queensland's negotiations on these reforms, and participated in a number of national workshops hosted by Emergency Management Australia

(EMA) in 2015 and 2016, to develop a new funding model. The Commonwealth has indicated its intention to develop a new funding model, however agreement has not yet been reached and negotiations between EMA and the states and territories are ongoing.

QRA remains committed to working with EMA and other jurisdictions to develop aspects of a new funding model, but will continue to advocate that no changes are made that will leave disaster-impacted Queensland communities worse off.

Board

Under the *Queensland Reconstruction Authority Act 2011* the key purpose of the Queensland Reconstruction Board is to oversee the operations of the QRA.

The functions of the board include:

- Setting QRA's strategic priorities
- Ensuring QRA performs its function and exercises its powers in an appropriate, effective and efficient way
- Making recommendations to the Minister about:
 - priorities for community infrastructure, other property and community services needed for the protection, rebuilding and recovery of affected communities, and
 - the need for the declaration of declared projects and reconstruction areas.

Number of Board Meetings	Attended:
Chairman, Major General Richard Wilson	12
Mr Steve Golding	10
Ms Katherine Jones (Appointed 25/02/16)	4
Ms Kate Isles (Appointed 01/01/16)	4
Ms Lyn McLaughlin (Ceased 12/04/16)	8
Mr Brett Pointing	11
Mr Stephen Motti (Ceased 31/12/15)	6

Board meetings for 2015-16:

Date	
Tuesday	21 July 2015
Tuesday	18 August 2015
Tuesday	15 September 2015
Tuesday	20 October 2015
Tuesday	17 November 2015
Tuesday	15 December 2015
Tuesday	19 January 2016
Thursday	16 February 2016
Tuesday	22 March 2016
Tuesday	19 April 2016
Tuesday	17 May 2016
Tuesday	14 June 2016

Major General Richard Wilson, AO (Ret'd)
BA, MLitt, PhD, MStratStud

Born in Brisbane on 16 January 1955, Major General Richard (Dick) Wilson was an infantryman with extensive practical command experience at all levels from platoon to division. He has served as the Chair of QRA since September 2011.

Major General Wilson retired from the Army in January 2012. During his 39 years in the military, Major General Wilson had a wide range of staff appointments, mainly in the areas of operations, plans and strategy. He also served on exchange with the US Army and has operational service which includes assignment with the United Nations Transitional Administration in East Timor (July 2001-March 2002).

Major General Wilson is a graduate of the Royal Military College, Duntroon, the Australian Army Command and Staff College and the United States Army War College.

Stephen Golding AM, RFD
BE, MEngSc, BEcon, Hon FIEAust, FCILT, FAIM, FITE,
FAICD, CPEng, RPEQ

Mr Stephen Golding had a long career in the Queensland Department of Main Roads, where he joined as an engineer in 1967 and retired as its Director-General in 2005. In a parallel part-time career, he enlisted as a private soldier in the active Army Reserve in 1963 and became inactive in 1998 reaching the rank of Major General. He was the senior Army Reserve officer in Australia.

Mr Golding is an Honorary Fellow of Engineers Australia, a Fellow of three other professional associations and a Fellow of the Australian Institute of Company Directors. He is a Chartered Professional Engineer. For outstanding service to the Australian Army he was appointed a Member of the Order of Australia (AM) in 1998.

Other current board appointments include: Chair, Transport Certification Australia Ltd; Director, North Queensland Bulk Ports Corporation Ltd; Director, Transmax Pty Ltd.

Lyn McLaughlin
DIPT

Lyn McLaughlin, who began her professional career as a primary school teacher, served as Mayor of the Burdekin Shire from 2004 to 2012 after having served the Shire as a councillor between 1994 and 2000.

Ms McLaughlin has served as president, secretary and treasurer of numerous community, recreational and sporting organisations and, until recently, was Chairman of the Queensland Local Government Grants Commission and Deputy Chairman of Regional Development Australia (Townsville and North West Queensland). Other appointments included Vice-President of Queensland Netball, Board member of Townsville Hospital and Health Board and Chair of NQ Dry Tropics. She is still a member of the James Cook University Council.

With her strong focus and commitment to regional issues, Ms McLaughlin nominated to run for re-election as Mayor of Burdekin in the Local Government elections held in March 2016 and was successfully re-elected as Mayor of the Burdekin Shire. Ms McLaughlin resigned from her position as member of QRA Board in April following her re-election.

Brett Pointing APM
BA (Policing) MEd (Leadership & Management)

Deputy Commissioner Pointing joined the Queensland Police Service in 1978 and performed uniform and criminal investigation duties in Brisbane and rural areas of the state. In 1996 he was promoted to the rank of Inspector and in 2003 to the rank of Superintendent, District Officer, Gold Coast Police District.

In the capacity of Assistant Commissioner, he commanded the Metropolitan South Region, Operations Support Command and Metropolitan North Region. During the 2010-2011 Summer of Disasters, Deputy Commissioner Pointing was appointed the Executive Officer to the State Disaster Coordination Group and played a pivotal role in coordinating the police response.

On 1 January 2013, Deputy Commissioner Pointing was appointed to the role of Deputy Commissioner, Regional Operations and later that month was appointed as the Disaster Recovery Coordinator for the Bundaberg and North Burnett Regional Council areas in the wake of Ex-tropical Cyclone Oswald. On returning from Bundaberg, he was appointed to lead Operation Resolute – the taskforce established to eliminate criminal motorcycle gangs from Queensland.

Deputy Commissioner Pointing now holds the Strategy, Policy and Performance portfolio.

He was awarded the Australian Police Medal in the 2008 Queen's Honours List. He has been awarded the Queensland Police Service Medal, National Service Medal, National Police Medal, National Emergency Medal, Meritorious Service Award, Exemplary Conduct Medal, the 2010-2011 Queensland Flood and Cyclone Citation, G20 Citation and Queensland Police 150 Years Citation.

Deputy Commissioner Pointing has been appointed the Police Service Champion for Indigenous Issues and the Champion for Domestic Violence Issues.

**Katherine Jones, Deputy Secretary, National Security and Emergency Management Group
BA, LLB**

Katherine Jones is Deputy Secretary, National Security and Emergency Management Group in the Attorney-General's Department. In this role, Ms Jones is responsible for a wide range of matters relating to national security, counter-terrorism, countering violent extremism, crisis coordination, protective security and emergency management.

Ms Jones joined the Attorney-General's Department in 1999 and has worked in a broad range of areas across the department including, international crime cooperation, copyright, administrative law, human rights, native title, legal aid and Indigenous justice.

Prior to joining the department, Ms Jones worked as a publisher at McGraw-Hill for 10 years.

**Kate Isles
BTRP (Hons), MPIA**

Ms Isles is an established and well respected leader in land use planning.

She has extensive Queensland Government and private sector experience including Managing Consultant – Asia Pacific Finance, Commercial and Risk Services – MWH Global.

Following the devastating summer of 2010-11, Ms Isles was appointed as the Director of Land Use Planning for QRA and was instrumental in the delivery of a number of ambitious government led programs. This work, including the relocation of Grantham and floodplain management, has been recognised internationally by the World Bank and subject to multiple awards including the National Awards for Excellence by the Planning Institute of Australia.

Ms Isles is currently working with Moreton Bay Regional Council as their Manager – Strategic Planning, taking the lead on the planning scheme and significant major projects such as the new Moreton Bay University Precinct.

During her career, Ms Isles has remained actively involved with the Planning Institute of Australia having held roles as a Board Director and the Queensland President.

Stephen Motti
Bach. Urb Reg Plan, MPIA, FAICD

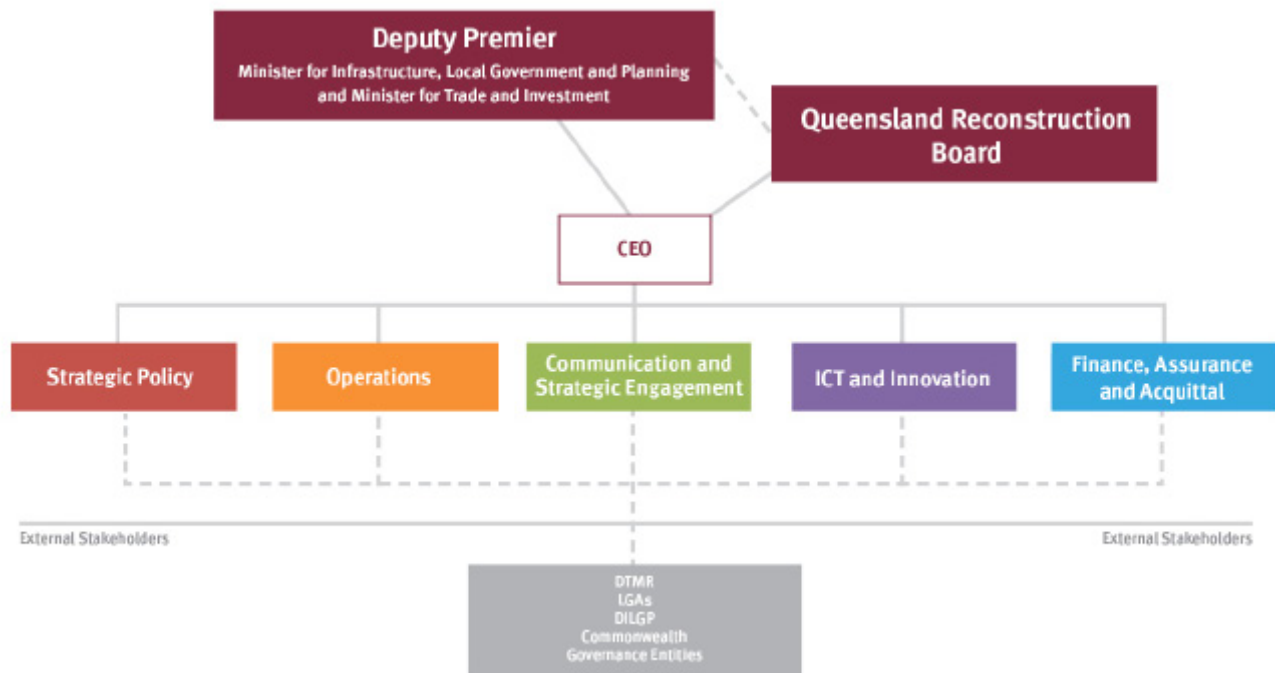
Stephen Motti is a Senior Principal with Brazier Motti, which provides consulting services in survey, town planning, project management, mapping and GIS from offices located in Queensland's regional centres of Townsville, Cairns, Mackay and Ayr. A qualified Senior Town Planner, Mr Motti holds a Bachelor of Urban and Regional Planning from the University of New England and has over 26 years' industry experience, specialising in development assessment and project delivery.

Mr Motti continues to actively participate in industry forums and has held, or continues to hold, roles with the Housing Industry of Australia and the Urban Development Institute of Australia, the Planning Institute of Australia and the Property Council of Australia in Townsville.

He is the immediate Past President of the Townsville Chamber of Commerce. He joined the Board of the WNBL Townsville Fire in November 2015 and continues to Chair the Townsville Salvation Army Red-Shield Appeal Committee.

Structure

QRA has been structured to ensure the efficient, focused delivery of the state-wide reconstruction program and to deliver on its vision to build a more disaster resilient Queensland.



Chief Executive Officer

Brendan Moon

Brendan Moon was appointed as the Chief Executive Officer in July 2016. He has been an integral part of QRA since May 2011, and was Acting Chief Executive Officer from November 2015.

Brendan is an accomplished senior executive and has substantial experience across the public and private sector.

He received a highly commended award for Project Manager of the Year at the 2015 Australian Institute of Project Management awards.

Brendan previously held a senior management role with the Wyaralong Dam Alliance, which at the time was delivering the largest vegetation and carbon offset project in Queensland. Brendan is a graduate of the University of Queensland.

Staffing

QRA engages staff on a permanent and temporary basis under the *Public Service Act 2008*. QRA encourages a work/life balance and complies with all governing industrial instruments including: legislation, awards, agreements and directives. Staff, including full-time employees and part-time employees measured on a full-time equivalent basis, as at 30 June 2016 was 89. There are no early retirements, redundancies or retrenchment packages to report for the 2015-16 year.

QRA adopts an internal performance management framework for employees and managers/supervisors. Industrial Relations activities and issues are effectively managed internally and through the engagement of external consultants, including Public Sector and Industrial Employee Relations (PSIER) and the Public Service Commission (PSC).

In all aspects of its operation, QRA adheres to the five stated values of the Queensland Public Service and promotes these values to staff. These values, customers first; ideas into action; unleash potential; be courageous and empower people, are embedded in QRA's Strategic Plan 2016-20, which drives the organisation's strategy to build a more disaster-resilient Queensland.

QRA adheres to the Code of Conduct for the Queensland Public Service under the *Public Sector Ethics Act (1994)* and provides staff with Code of Conduct training as part of the induction process and requires that staff repeat this training annually in line with Queensland Government guidelines.

Overseas travel

Information relating to overseas travel by QRA staff in 2015/16 is published through the Queensland Government Open Data website www.qld.gov.au/data

Risks

Following its move to permanency and expansion of its responsibilities, QRA has undertaken a comprehensive update of its strategic business risk framework with regard to identifying and mitigating the risks to achieving QRA's Strategic Objectives for the period 2016-2020.

QRA's Risk Management Policy and Procedures sets the organisation's underlying risk governance framework and prescribes:

- the levels of risk the organisation is willing to tolerate to achieve its strategic objectives
- accountabilities and responsibilities for managing risk
- risk management procedures
- monitoring and reporting on risk management performance
- risk management policies and procedures review.

QRA has undertaken detailed risk assessments that include identification of the consequences and likelihood of the risk occurring, effectiveness of controls in place and actions and treatments required in order to achieve a tolerable level of risk in relation to achieving the organisation's strategic objectives.

The risks associated with QRA's strategic objectives broadly relate to:

1. potential changes to the interpretation and application of existing disaster funding arrangements by the Commonwealth
2. potential changes to future disaster funding arrangements by the Commonwealth
3. maintaining the capacity and capability to meet community needs and expectations with regards to disaster response, recovery and reconstruction operations
4. establishing sufficient capacity and collaborative networks in a timely manner to meet QRA's responsibilities for making Queensland communities more resilient.

QRA has developed a suite of mitigation measures to manage the key strategic risks.

Internal Assurance

QRA has established an internal assurance function in relation to internal audit and risk issues and risks relating to the provision and acquittal of NDRRA funding.

A risk-based approach has been adopted in relation to QRA's assurance activities to ensure they are an effective tool to assist QRA's management in discharging responsibilities under NDRRA.

Information Systems and Record Keeping

QRA's electronic records management system is maintained in compliance with the *Public Records Act 2001* and the *Right to Information Act 2009*.

Staff employed in this area have high level skills in data security, and information retention and disposal.

Acquittal Status of the NDRRA Program

Approximately \$12.4 billion of the total \$13.3 billion program managed by QRA has been submitted to the Commonwealth in audited Commonwealth claims.

\$855 million of QRA's program is yet to be acquitted. These works primarily relate to the 2014, 2015 and 2016 events and will be acquitted as works are completed in the 2015-16, 2016-17 and 2017-18 claims through to 31 March 2019.

Although submitted by the state, the Commonwealth has not processed and completed its acquittal of the past seven state claims, being the 2008-09 claim to 2014-15 claim, worth \$12.8 billion.

Until the Commonwealth finalises acquittal of these claims, the Commonwealth may adjust the amount paid to the state and withhold payments.

The Commonwealth's share of expenditure in the seven outstanding claims is approximately \$9 billion, of which \$7.8 billion for the six annual claims submitted in the 2008-09 claim to the 2013-14 claim was paid either in advance or in same financial year as the claim was lodged.

External scrutiny

Although Queensland's most recent 2014-15 claim was submitted to the Commonwealth ahead of time on 24 March 2016, the Commonwealth advised through the 2016-17 Federal Budget papers that it would defer payment of its contribution of \$1.1 billion due on the claim until 2016-17 and 2017-18.

As a basis for deferring payment, EMA cited the Australian National Audit Office's criticisms of EMA's administration of NDRRA and failure to historically undertake adequate assurance activities over claims.

QRA is actively engaging with EMA and its consultants to finalise the assurance work and secure release of the Commonwealth's funding as soon as possible.

A legislative amendment to the *Queensland Reconstruction Authority Act 2011* was made as part of the *Local Government and Other Legislation Amendment Act 2015* to make QRA a permanent part of the Queensland Government, which came into effect 11 June 2015.

QRA's transition to a permanent Queensland Government statutory body coincided with an independent review undertaken by KPMG to determine QRA's strategic place and future role in Queensland's disaster recovery environment.

The Steering Committee that oversaw the review included Major General Mick Slater (Retired), Councillor Margaret de Wit and Professor Gerard Fitzgerald.

QRA's Operational Review was tabled in the Queensland Parliament on 25 February 2016.

It identified 14 recommendations relating to operational and policy-related matters including the need for clarity in the disaster management framework on the roles and responsibilities of QRA.

No.	Summary of Recommendations	Status As at 30 June 2016	Timeframe specified in review
1	Greater role clarity in the Queensland disaster management framework	Delivered	0-6 months
2	Formalised role in established disaster management committees	Delivered	0-6 months
3	Core functions are preserved within QRA	Delivered	0-6 months
4	Technical leadership in Commonwealth funding negotiations	Ongoing	0-6 months
5	NDRRA activations are retained	Delivered	0-6 months
6	Preservation as a statutory authority	Delivered	0-6 months
7	Undertake organisational design and workforce planning	In progress	6-12 months
8	QRA plan for succession	In progress	6-12 months
9	Flexibility and performance is retained and promoted	Delivered	6-12 months
10	State disaster responsibilities are clarified and are current	In progress	6-12 months
11	Sponsorship of state-wide disaster resilience and mitigation	In progress	6-12 months
12	Greater role in the prioritisation of disaster recovery funding	In progress	12+ months
13	Sponsorship of state-wide vulnerability and risk-based planning	In progress	12+ months
14	QRA assume stewardship for a central repository for the collection and storage of whole-of-government disaster management data	In progress	12+ months

Financial overview

The financial statements included in this annual report provide specific information regarding QRA's activities for the year ended 30 June 2016 and QRA's financial position at the end of that period.

Operating Result

QRA's operating result for 2015-16 was a deficit of \$278.3 million. The deficit was a result of the utilisation of funding received in advance from Queensland Treasury in prior financial years to fund expenditure including NDRRA grant expenditure in this financial year.

Revenues

Revenue predominately relates to grant and operating funding from Queensland Treasury.

Expenses

Expenses relate to the payment of NDRRA grants to Local Government Authorities and State Agencies and QRA's operating expenditure.

Assets

Assets include unspent funding from Queensland Treasury relating to NDRRA grants (to be utilised for 2016-17 grant expenditure) and GST refundable from the Australian Taxation Office.

Liabilities

Liabilities mainly relate to creditors, accrued employee benefits and other payables due by QRA relating to operational activities.

Statement of Comprehensive Income	2016 \$'000	2015 \$'000
Grants	231,196	1,012,867
Other revenue	1,167	933
Total revenue	232,363	1,013,800
Grants	485,071	1,044,060
Employee expenses	9,622	7,773
Supplies and services	15,709	23,527
Other expenses	265	1,124
Total expenses	510,667	1,076,484
Total comprehensive income	(278,304)	(62,684)

Statement of Financial Position	2016 \$'000	2015 \$'000
Cash and cash equivalents	47,933	309,195
Other assets	5,332	19,690
Total assets	53,265	328,885
Payables	5,122	1,984
Other liabilities	595	1,049
Total liabilities	5,717	3,033
Equity	47,548	325,852

Ministerial Directions

Under the *Queensland Reconstruction Authority Act 2011* QRA must include in its annual report, details of any direction or notice given by the Minister under subsection (1) during the financial year to which the report relates.

The table lists Ministerial Directions provided to QRA in 2015-16 to administer the NDRRA and the State Disaster Relief Arrangements (SDRA) for the listed disaster events.

Event	Date Ministerial Direction Provided
Fernvale Storm – 27 October 2015	15 December 2015
Cape Cleveland Bushfires - 6 October 2015 (SDRA)	15 December 2015
Gulf of Carpentaria Monsoon Trough – 20 December 2015 – 3 January 2016	3 February 2016
Central Western Queensland Heavy Rainfall and Flooding – 2-4 February 2016	26 February 2016
Central Queensland Surface Trough – 4-8 February 2016	18 March 2016
Western Queensland Trough – 7-11 March 2016	6 April 2016
Far North and North West Queensland Tropical Low – 14-18 March 2016	27 April 2016
South West Queensland Floods – 7-9 May 2016	24 June 2016



financials

Queensland Reconstruction Authority

ABN 13 640 918 183

Financial Statements

For the year ended 30 June 2016

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Queensland Reconstruction Authority Statement of Comprehensive Income

For the year ended 30 June 2016

	Note	2016 \$000	2015 \$000
Income from continuing operations			
Grant revenue	2	231,196	1,012,867
Other revenue	3	1,167	933
Total income from continuing operations		<u>232,363</u>	<u>1,013,800</u>
Expenses from continuing operations			
Grant expenses	4	485,071	1,044,060
Employee expenses	5	9,622	7,773
Supplies and services	7	15,709	23,527
Other expenses	8	265	1,124
Total expenses from continuing operations		<u>510,667</u>	<u>1,076,484</u>
Operating result from continuing operations		<u>(278,304)</u>	<u>(62,684)</u>
Total comprehensive income		<u>(278,304)</u>	<u>(62,684)</u>

The accompanying notes form part of these statements.

Queensland Reconstruction Authority

Statement of Financial Position

As at 30 June 2016

	Note	2016 \$000	2015 \$000
Current assets			
Cash and cash equivalents	9	47,933	309,195
Receivables	10	5,317	19,685
Other current assets		15	5
Total current assets		<u>53,265</u>	<u>328,885</u>
Non-current assets			
Property, plant and equipment	11	–	–
Total non-current assets		<u>–</u>	<u>–</u>
Total assets		<u>53,265</u>	<u>328,885</u>
Current liabilities			
Payables	12	5,122	1,984
Accrued employee benefits	13	595	989
Other current liabilities		–	24
Total current liabilities		<u>5,717</u>	<u>2,997</u>
Non-current liabilities			
Accrued employee benefits	13	–	36
Total non-current liabilities		<u>–</u>	<u>36</u>
Total liabilities		<u>5,717</u>	<u>3,033</u>
Net assets		<u>47,548</u>	<u>325,852</u>
Equity			
Accumulated surplus		47,548	325,852
Total equity		<u>47,548</u>	<u>325,852</u>

The accompanying notes form part of these statements

Queensland Reconstruction Authority

Statement of Changes in Equity

For the year ended 30 June 2016

	2016	2015
Note	\$000	\$000
Opening balance 1 July	325,852	388,536
Operating result from continuing operations	(278,304)	(62,684)
Closing balance at 30 June	<u>47,548</u>	<u>325,852</u>

The accompanying notes form part of these statements

Queensland Reconstruction Authority

Statement of Cash Flows

For the year ended 30 June 2016

	Note	2016 \$000	2015 \$000
Cash flows from operating activities			
Inflows:			
Grants		231,196	1,011,521
GST refunded from ATO		64,237	179,704
GST collected from customers		311	103
Other revenue		1,145	1,485
		<u>296,889</u>	<u>1,192,813</u>
Outflows:			
Payments to employees		(9,421)	(7,715)
Payments to suppliers		(16,626)	(23,980)
Grants		(481,837)	(1,041,424)
GST paid to suppliers		(50,053)	(106,835)
Other		(214)	(1,314)
		<u>(558,151)</u>	<u>(1,181,268)</u>
Net cash provided by/(used in) operating activities	14	<u>(261,262)</u>	<u>11,545</u>
Net increase / (decrease) in cash and cash equivalents		<u>(261,262)</u>	<u>11,545</u>
Cash and cash equivalents at the beginning of reporting period		309,195	297,650
Cash and cash equivalents at end of reporting period	9	<u>47,933</u>	<u>309,195</u>

The accompanying notes form part of these statements

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

Objectives of QRA

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Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

Objectives and principal activities of QRA

The Queensland Reconstruction Authority was established under the *Queensland Reconstruction Authority Act 2011* on 21 February 2011 and was made a permanent statutory body under the *Local Government and Other Legislation Amendment Act 2015* on 11 June 2015.

QRA manages and coordinates the Government's restoration of communities and infrastructure reconstruction within disaster affected communities. QRA's role focuses on working with state and local government agencies to deliver value for money and accountable expenditure and acquittal of public reconstruction funds. Following a natural disaster event, QRA also works with disaster-affected local governments to assess and establish the scale of damage.

QRA's vision is to build a more disaster-resilient Queensland. QRA's objectives are to:

- deliver value for money and ensure accountable expenditure of disaster recovery funds, providing integrity and accountability
- coordinate and support the rapid recovery of disaster-impacted Queensland communities, creating jobs and a diverse economy, and building safe, caring and connected communities
- build the capacity and capability of local governments and state agencies to recover sooner following natural disaster events, supporting the delivery of quality frontline services
- contribute to the Queensland Government's response to national natural disaster funding reforms, helping to create jobs and a diverse economy
- drive a collaborative approach to the development of evidence-based policy across all levels of government, which contributes to a more resilient Queensland.

QRA's principal place of business is situated at:

Level 11
400 George Street
BRISBANE QLD 4000

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

1. Summary of significant accounting policies

(a) Compliance with prescribed requirements and basis of accounting

QRA is a Statutory Body under the *Financial Accountability Act 2009*.

QRA has prepared these final financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009* and to meet the requirements of Section 62 of the *Financial Accountability Act 2009*.

With respect to compliance with Australian Accounting Standards and Interpretations, QRA has applied those requirements applicable to not-for-profit entities, as QRA is a not-for-profit entity. In addition the financial statements comply with *Queensland Treasury's Minimum Reporting Requirements* for the period ended 30 June 2016.

Except where specifically stated, the financial statements have been prepared on an accruals basis, under the historical cost convention.

(b) Presentation

Currency and Rounding

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 unless disclosure of the full amount is specifically required.

Comparatives

Comparative information reflects the audited 2014-15 financial statements. Where necessary, comparative amounts have been adjusted for valid comparison to current year.

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 QRA 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.

(c) Authorisation of Financial Statements for Issue

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

(d) Grants

Grants received

Grants received by QRA from the State Government are non-reciprocal in nature, QRA treats these grants as revenue upon receipt as it obtains control at this point.

Grants made

Grants made by QRA are made in accordance with an agreement between QRA and Local or State Government Agencies and are non-reciprocal in nature. Grants are treated as an expense when payable as the recipient obtains the right to receive at that point.

(e) Interest

Natural Disaster Relief and Recovery Arrangements (NDRRA) funds are held in a separate bank account. As advised by Queensland Treasury, this account is within the whole of Government offset facility with the Queensland Treasury Corporation and interest earned is credited to State Consolidated Funds rather than QRA. QRA is not exposed to interest rate risk as all interest earned is credited to State Consolidated Funds.

(f) Cash and cash equivalents

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.

(g) Receivables

Receivables are recognised at the amounts due at the time of service delivery. Settlement of these amounts is generally required within 30 days from invoice date.

(h) Acquisition of assets

Actual cost is used for the initial recording of all non-current physical and intangibles asset acquisitions. Cost is determined as the value given as consideration, plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. Training fees are expensed as incurred.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

1. Summary of significant accounting policies (cont'd)

(i) Property, plant and equipment

QRA has only one class of asset being plant and equipment. Items of property, plant and equipment with a cost equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition. Items with a lesser value are expensed.

(j) Revaluations of non-current physical assets

Plant and equipment is measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector.

The carrying value for plant and equipment at cost should not materially differ from their fair value. As a consequence, revaluations are not required.

(k) Amortisation and depreciation of property, plant and equipment

Property, plant and equipment is depreciated on a straight-line basis so as to write off the values of each asset, less its estimated residual value, progressively over its estimated useful life to QRA.

(l) Leases

At the reporting date, QRA only held operating leases. The payments for these operating leases are representative of the pattern of benefits derived from the leased asset and are expensed in the periods in which they are incurred.

(m) Payables

Trade creditors are recognised for amounts payable in the future for goods and services received, whether or not billed to QRA and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are generally unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

Grants payable have been recognised at year end where claims have been received and assessed and a quantifiable obligation exists.

(n) Financial Instruments

Recognition

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

Classification

Financial instruments are classified and measured as follows:

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

QRA does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, QRA holds no financial assets classified at fair value through profit and loss.

QRA does not recognise any financial assets and liabilities at fair value. The fair value of receivables and payables is assumed to approximate the value of the original transaction.

(o) Officer Interchange

Until March 2016, QRA was predominately staffed by Queensland Government officers on interchange arrangements under section 184 of the *Public Service Act 2008*. QRA now employs the majority of its staff directly although QRA continues to engage a small number of officers under Officer Interchange arrangements. These officers are considered employees for the purposes of these financial statements and are treated as per the policy in Note 1(p).

QRA is invoiced for wages, salaries and on costs by Queensland Government Agencies. These costs are recorded as employee expenses.

(p) Employee Benefits

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.

Queensland Reconstruction Authority Notes to the Financial Statements

For the year ended 30 June 2016

1. Summary of significant accounting policies (cont'd)

As QRA expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Sick leave

Sick leave entitlements are non-vesting and are only paid upon valid claims for sick leave by employees. Sick leave expense is accounted for in the reporting period in which the leave is taken by the employee.

Annual Leave

During the year, QRA commenced membership of the whole of Government Leave Central Scheme. Under the Queensland Government's Annual Leave Central Scheme, a levy is made on QRA to cover the cost of employees' annual leave (including leave loading and on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave are claimed from the scheme quarterly in arrears. Unused accrued annual leave prior to commencing membership of the Scheme has been transferred into the Scheme.

Long Service Leave

During the year, QRA commenced membership of the whole of Government Leave Central Scheme. Under the Queensland Government's Long Service Leave Scheme, a levy is made on QRA to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears. Unused accrued long service leave prior to commencing membership of the Scheme has been transferred into the Scheme.

No provision for annual leave or long service leave is recognised in QRA's financial statements as the liability 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*.

Superannuation

Contributions to superannuation funds are recorded as they become payable and QRA's legal or constructive obligation is limited to these contributions.

Workers' Compensation Premiums

QRA pays premiums to WorkCover in Queensland in respect of its obligations for employee compensation.

Workers' compensation insurance is a consequence of employing employees, but is not counted in an employees' total remuneration package. It is not employee benefits and is recognised separately as employee related expenses.

(q) Insurance

QRA's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund (QGIF), premiums being paid on a risk assessment basis.

(r) New and revised accounting standards

QRA is not permitted to early adopt new or amended accounting standards ahead of the specified commencement date unless approval is obtained from Queensland Treasury. Consequently, QRA has not applied any Australian Accounting Standards and interpretations that have been issued but are not yet effective. QRA will apply these standards and interpretations in accordance with their respective commencement dates.

For reporting periods beginning on or after 1 July 2016, QRA will need to comply with the requirements of AASB 124 *Related Party Disclosures*. The accounting standard requires a range of disclosures about the remuneration of key management personnel, transactions with related parties/entities, and relationships between parent and controlled entities. QRA already discloses information about the remuneration expenses for key management personnel (refer to Note 6) in compliance with requirements from Queensland Treasury. Therefore, the most significant implications of AASB 124 for QRA's financial statements will be potential disclosures to be made about transactions with related parties, including transactions with key management personnel or close members of their families.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

	2016	2015
	\$000	\$000
2. Grant revenue		
Queensland Government Grants – NDRRA	204,696	981,146
Queensland Government Grants – NDRRA (QRAA Loans)	–	1,346
Queensland Government Grants – operational funding	26,500	30,375
Total	<u>231,196</u>	<u>1,012,867</u>

3. Other revenue

Expenditure reimbursed	1,167	906
Other income	–	27
Total	<u>1,167</u>	<u>933</u>

Expenditure reimbursed relates to revenue from on-charging QRA expenditure to other Government Departments and Agencies in accordance with pre-agreed arrangements.

4. Grant expenses

Local Government Authorities – NDRRA (a)	358,303	656,054
State Agencies – NDRRA (b)	126,768	388,006
Total	<u>485,071</u>	<u>1,044,060</u>

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

	2016 \$000	2015 \$000
4. Grant expenses		
(a) Local government authorities		
Aurukun Shire Council	4,253	2,170
Balonne Shire Council	1,939	2,896
Banana Shire Council	6,893	16,852
Barcaldine Regional Council	450	6,480
Barcoo Shire Council	895	4,692
Blackall-Tambo Shire Council	321	6,937
Boulia Shire Council	5,465	2,672
Brisbane City Council	4,521	43,156
Bulloo Shire Council	4,001	5,110
Bundaberg Regional Council	1,545	22,581
Burdekin Shire Council	439	2,999
Burke Shire Council	4,015	2,336
Cairns Regional Council	–	193
Carpentaria Shire Council	30,935	36,494
Cassowary Coast Regional Council	3,648	12,290
Central Highlands Regional Council	1,060	11,319
Charters Towers Regional Council	–	1,727
Cherbourg Aboriginal Shire Council	40	479
Cloncurry Shire Council	15,479	2,712
Cook Shire Council	40,790	35,515
Croydon Shire Council	2,604	6,599
Diamantina Shire Council	1,568	2,502
Doomadgee Aboriginal Shire Council	1,092	1,239
Douglas Shire Council	14,850	5,347
Etheridge Shire Council	8,235	7,600
Flinders Shire Council	2,575	6,064
Fraser Coast Regional Council	1,940	3,175
Gladstone Regional Council	16,102	42,737
Gold Coast City Council	2,604	271
Goondiwindi Regional Council	588	1,133
Gympie Regional Council	5,317	1,428
Hinchinbrook Shire Council	11,121	19,607
Hope Vale Aboriginal Shire Council	2,354	1,330
Ipswich City Council	104	4,535
Isaac Regional Council	7,333	12,944
Kowanyama Aboriginal Shire Council	10,033	5,790
Livingstone Shire Council	13,776	2,674
Lockhart River Aboriginal Shire Council	6,116	1,972
Lockyer Valley Regional Council	3,029	38,025
Logan City Council	1,154	2,123

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

	2016 \$000	2015 \$000
4. Grant expenses		
(a) Local government authorities – continued		
Longreach Regional Council	2,090	3,909
Mackay Regional Council	(376)	17,442
Mapoon Aboriginal Shire Council	49	1,298
Maranoa Regional Council	635	9,824
Mareeba Shire Council	4,981	6,548
McKinlay Shire Council	7,428	7,145
Moreton Bay Regional Council	481	5,971
Mornington Shire Council	1,180	12,129
Mount Isa City Council	2,772	1,593
Murweh Shire Council	–	2,173
Napranum Aboriginal Shire Council	749	1,504
Noosa Shire Council	123	–
North Burnett Regional Council	11,097	15,163
Northern Peninsula Area Regional Council	2,659	1,755
Palm Island Aboriginal Shire Council	1,759	4,442
Paroo Shire Council	–	3,168
Pormpuraaw Aboriginal Shire Council	1,684	4,639
Quilpie Shire Council	8,612	12,013
Redland City Council	36	206
Richmond Shire Council	1,619	3,846
Rockhampton Regional Council	21,105	5,504
Scenic Rim Regional Council	4,435	29,630
Somerset Regional Council	6,709	21,696
South Burnett Regional Council	843	6,367
Southern Downs Regional Council	1,498	5,862
Sunshine Coast Regional Council	174	1,526
Tablelands Regional Council	2,837	6,783
Toowoomba Regional Council	21,623	40,629
Torres Shire Council	241	420
Torres Strait Island Regional Council	1,497	2,343
Townsville City Council	–	6,917
Western Downs Regional Council	3,420	18,687
Whitsunday Regional Council	451	1,609
Winton Shire Council	4,031	6,163
Woorabinda Aboriginal Shire Council	–	109
Wujal Wujal Aboriginal Shire Council	676	19
Yarrabah Aboriginal Shire Council	2,001	317
Total	<u>358,303</u>	<u>656,054</u>

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

	2016 \$000	2015 \$000
4. Grant expenses		
(b) State agencies – NDRRA		
Department of Agriculture and Fisheries	3	1,668
Department of Communities, Child Safety and Disability Services	27,687	2,924
Department of Education and Training	203	–
Department of Energy and Water Supply	14	31
Department of National Parks, Sport and Racing	2,075	4,135
Department of Natural Resources and Mines	844	13,710
Department of Premier and Cabinet	4	15
Department of Housing and Public Works	86	4,527
Department of Transport and Main Roads	84,922	352,709
Department of State Development, Infrastructure and Planning (Former Department)	–	(101)
Department of Science, Information Technology, and Innovation	19	20
Department of Tourism, Major Events, Small Business and the Commonwealth Games	–	2
Gladstone Ports Corporation	1,560	293
Public Safety Business Agency	146	99
QRAA (Grants)	3,234	2,434
QRAA (Loans)	–	1,346
Queensland Health	(922)	414
Queensland Fire & Emergency Services	6,192	2,169
Queensland Police Service	701	1,611
Total	<u>126,768</u>	<u>388,006</u>
Total Grant expenses	<u>485,071</u>	<u>1,044,060</u>

Refer to Note 1 (d). These Grants are made in accordance with an Agreement between the recipient and QRA. NDRRA grants disclosed in this note include grant advances and grants for expenditure incurred on approved projects. The agreement allows for an advance of grant monies prior to the approval of projects. All NDRRA grants are required to be acquitted in accordance with the Agreement and NDRRA requirements.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

	2016 \$000	2015 \$000
5. Employee expenses		
<i>Employee benefits</i>		
Officer interchange	4,663	5,961
Wages and salaries	3,576	1,277
Recreation leave	31	63
Long service leave	(14)	41
Annual leave levy	269	-
Long Service Leave levy	47	-
Employer superannuation contributions	420	133
Board fees	14	26
Other employee benefits	75	86
	<u>9,081</u>	<u>7,587</u>
<i>Employee related expenses</i>		
Payroll tax	284	151
Other employee related expenses	257	35
	<u>541</u>	<u>186</u>
Total	<u>9,622</u>	<u>7,773</u>
The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis at 30 June 2016 is:		
Officers on Interchange Arrangements	5	57
QRA employees	84	8
Total	<u>89</u>	<u>65</u>

Following QRA becoming a permanent Statutory Body in June 2015, QRA conducted a process to recruit its permanent and temporary workforce during 2015-16. Prior to this, the Department of Infrastructure, Local Government and Planning (DILGP) employed temporary employees on QRA's behalf through officer interchange arrangements. In March 2016, the majority of employees on officer interchange from other State agencies became direct employees of QRA following the recruitment process. Additionally, as part of the recruitment process, a number of contractor staff were recruited as employees in January 2016. Their costs prior to January 2016 were included in Supplies and Services.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

6. Key management personnel and remuneration

a) Key management personnel

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of QRA during 2015-16 financial year.

Position	Responsibilities under the <i>Queensland Reconstruction Authority Act 2011</i>	Current Incumbents		
		Contract classification and appointment authority	Name	Date appointed to position
Chief Executive Officer (CEO)	Undertake or commission investigations to ensure the correct processes are adhered to in the rebuilding and recovery of affected Queensland communities; make recommendations to the Minister; and ensure QRA performs its functions effectively and efficiently.	Appointed by Governor in Council, s14 <i>Queensland Reconstruction Authority Act 2011</i>	Frankie Carroll	Appointed 17/09/2014, ceased 11/11/2015
			Brendan Moon	Appointed as Acting CEO 12/11/2015 Appointed as CEO 1/07/2016
Chair	Leading and directing the activities of the board to ensure the board performs its functions appropriately	Appointed by Governor in Council, s30 <i>Queensland Reconstruction Authority Act 2011</i>	Richard Wilson	Appointed 19/09/2011
Board Members	Set the strategic priorities for QRA; make recommendations to the Minister; and ensure QRA performs its functions and exercises its powers in an appropriate, effective and efficient way.	Appointed by Governor in Council, s30 <i>Queensland Reconstruction Authority Act 2011</i>	Steve Golding	Appointed 21/2/2011
			Brett Pointing	Appointed 12/6/2014
			Stephen Motti	Appointed 21/2/2013, ceased 31/12/2015
			Lyn McLaughlin	Appointed 21/2/2013, ceased 12/4/2016
			Kate Isles	Appointed 1/1/2016
Katherine Jones	Appointed 25/2/2016			

(b) Remuneration

Remuneration for the CEO and Chair are set by the Governor in Council. The CEO and Chair are engaged directly by QRA.

Remuneration packages for key management personnel comprise the following components:

- Short term employee expenses which include:
 - Monetary Expenses: consisting of Base salary, allowances and leave entitlements earned and expensed (including levies payable) for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
 - Non-Monetary Expenses - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned;
- Post-employment expenses include superannuation contributions;
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.
- No performance bonuses are paid.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

6. Key executive management personnel and remuneration

b) Remuneration – Cont'd

The following disclosures focus on the expenses incurred by QRA that is attributable to key management positions during the respective reporting periods. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

2015-16		Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total Expenses
Position	Name	Monetary Expenses \$'000	Non-Monetary Expenses \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer ¹	Frankie Carroll	138	–	3	15	–	156
Chief Executive Officer ²	Brendan Moon	245	–	5	26	–	276
Chair	Richard Wilson	82	–	1	8	–	91
Board Member	Steve Golding	6	–	–	–	–	6
Board Member ³	Stephen Motti	3	–	–	–	–	3
Board Member ⁴	Lyn McLaughlin	5	–	–	–	–	5
Total		479	–	9	49	–	537

1. Ceased on 11/11/2015

2. Appointed as Acting CEO on 12/11/2015

3. Ceased 31/12/2015

4. Ceased 12/04/2016

Brett Pointing, Kate Isles and Katherine Jones were not remunerated as they are Public Sector employees.

2014-15		Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total Expenses
Position	Name	Monetary Expenses \$'000	Non-Monetary Expenses \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer ¹	Graeme Newton	78	6	1	14	15	114
Chief Executive Officer ²	Frankie Carroll	261	23	7	32	–	323
Chair	Richard Wilson	80	–	–	8	–	88
Board Member	Steve Golding	6	–	–	–	–	6
Board Member	Brad Orgill	6	–	–	–	–	6
Board Member	Stephen Motti	6	–	–	–	–	6
Board Member	Lyn McLaughlin	6	–	–	–	–	6
Total		443	29	8	54	15	549

1. Ceased on 16/09/2014

2. Appointed on 17/09/2014

Brett Pointing and Mike Mrdak were not remunerated as they were Public Sector employees.

c) Performance base payments

There were no performance based payments made by QRA to key management personnel.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

7. Supplies and services

Contractors	10,640	17,887
IT managed services	2,320	3,042
Occupancy costs	1,000	1,132
Travel	668	696
Supplies and consumables	426	597
Other supplies and services	655	173
Total	<u>15,709</u>	<u>23,527</u>

	2016	2015
	\$000	\$000
Contractors	10,640	17,887
IT managed services	2,320	3,042
Occupancy costs	1,000	1,132
Travel	668	696
Supplies and consumables	426	597
Other supplies and services	655	173
Total	<u>15,709</u>	<u>23,527</u>

8. Other expenses

Audit fees – external	265	511
Return of grant income	–	574
Sundry expenses	–	39
Total	<u>265</u>	<u>1,124</u>

Audit fees – external	265	511
Return of grant income	–	574
Sundry expenses	–	39
Total	<u>265</u>	<u>1,124</u>

Total audit fees quoted by the Queensland Audit Office relating to the 2015-16 financial statements of QRA are \$25,000 (2015: \$25,000). The audit fees quoted for the audit of the Commonwealth NDRRA Certificate for 2014-15 were \$325,000 (2015: \$660,000).

In preparing the 2015-16 financial statements, QRA identified that the audit fees for the 2014-15 Commonwealth NDRRA certificate were accrued in 2014-15 when audit work had not commenced. This increased the Audit fee expense and Other payables in 2014-15 by \$345,000. This expense has been reported in 2015-16 when the audit work was undertaken and the comparative numbers have been adjusted accordingly.

Return of grant income relates to the return of unexpended grant funding to Queensland Treasury for a completed Non-NDRRA program.

9. Cash and cash equivalents

Cash at bank – NDRRA	37,206	302,399
Cash at bank – Operating Accounts	10,727	6,796
Total	<u>47,933</u>	<u>309,195</u>

Cash at bank – NDRRA	37,206	302,399
Cash at bank – Operating Accounts	10,727	6,796
Total	<u>47,933</u>	<u>309,195</u>

10. Receivables

GST receivable	5,029	19,533
Other receivables	176	152
Annual leave reimbursements	97	–
Long service leave reimbursements	15	–
Total	<u>5,317</u>	<u>19,685</u>

GST receivable	5,029	19,533
Other receivables	176	152
Annual leave reimbursements	97	–
Long service leave reimbursements	15	–
Total	<u>5,317</u>	<u>19,685</u>

The maximum exposure to credit risk at balance date in relation to each class of financial assets is the gross carrying amount of those assets inclusive of any provision for impairment. No impairment loss has been recognised for the 2015-16 year. No financial assets are past due or impaired.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

	2016 \$000	2015 \$000
11. Property, plant and equipment		
Plant and equipment		
At cost	31	31
Less: Accumulated depreciation	(31)	(31)
Total	<u>–</u>	<u>–</u>

12. Payables

Trade creditors	4,778	1,454
Other payables	344	530
Total	<u>5,122</u>	<u>1,984</u>

Other payables comparative has been adjusted in relation to audit fees. Refer to Note 8.

13. Accrued employee benefits

Current accrued employee benefits

Officer interchange costs payable	87	745
Recreation leave	–	149
Long service leave	–	95
Annual leave levy payable	344	–
Long service leave levy payable	164	–
Total	<u>595</u>	<u>989</u>

Non-current accrued employee benefits

Long service leave	–	36
Total	<u>–</u>	<u>36</u>

During the financial year QRA commenced membership of the whole of Government Leave Central Scheme. Employee leave benefits are no longer held as a liability by QRA and have been paid into the Scheme. Refer to Note 1(p).

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

	2016	2015
	\$000	\$000
14. Reconciliation of operating surplus/(deficit) to net cash flow from operating activities		
Operating surplus / (deficit)	(278,304)	(62,684)
Adjustments for non-cash items		
<i>Changes in assets and liabilities:</i>		
Change in receivables	14,368	74,816
Change in other current assets	(10)	(5)
Change in payables	3,138	(264)
Change in accrued employee benefits	(430)	(342)
Change in other current liabilities	(24)	24
Net cash provided by/(used in) operating activities	<u>(261,262)</u>	<u>11,545</u>

QRA received NDRRA advance funding from Queensland Treasury in 2010-11, 2011-12 and 2013-14 resulting in surpluses reported in the financial statements for those years. The net operating deficits for 2014-15 and 2015-16 are funded from the prior year surpluses.

The Operating surplus comparative has been adjusted. Refer to Note 8.

15. Commitments for expenditure

Non-cancellable operating lease

Commitments under operating leases at reporting date are inclusive of non-recoverable GST and are payable as follows:

Not later than one year	1,135	1,111
Later than one year and not later than five years	2,739	3,959
Total	<u>3,874</u>	<u>5,070</u>

Operating leases are entered into as a means of acquiring access to office accommodation. Operating lease terms expire in September 2019. Lease payments are fixed with a fixed rate review in October of each year.

In previous years Queensland Treasury's Financial Reporting Requirements (FRRs) for Commitments required committed expenditure to be disclosed inclusive of GST. The FRRs have now been adjusted to require that only non-recoverable GST be included. The 2015 comparative has been adjusted to reflect this change.

16. Events after the end of the Reporting Period

On 1 July 2016, Governor in Council appointed Brendan Moon as Chief Executive Officer of QRA for a term ending 30 June 2021.

On 1 July 2016, Governor in Council appointed Margaret de Wit as a Member of QRA Board for a term ending 31 December 2017.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of QRA, the results of those operations, or the state of affairs of QRA in future financial years.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

17. Budget vs actual comparison

Statement of Comprehensive Income

	Variance Note	Budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of Budget
Income from continuing operations					
Grant revenue	1	644,426	231,196	(413,230)	-64%
Other revenue		–	1,167	1,167	100%
Total income from continuing operations		<u>644,426</u>	<u>232,363</u>	<u>(412,063)</u>	<u>-64%</u>
Expenses from continuing operations					
Grant expenses	2	614,426	485,071	129,355	21%
Employee expenses	3	12,597	9,622	2,975	24%
Supplies and services		16,523	15,709	814	5%
Other expenses	4	880	265	615	70%
Total expenses from continuing operations		<u>644,426</u>	<u>510,667</u>	<u>133,759</u>	<u>21%</u>
Operating result from continuing operations		<u>–</u>	<u>(278,304)</u>	<u>(278,304)</u>	<u>100%</u>
Total comprehensive income		<u>–</u>	<u>(278,304)</u>	<u>(278,304)</u>	<u>100%</u>

The accompanying notes form part of these statements.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

17. Budget vs actual comparison (cont'd)

Statement of Financial Position

	Variance Notes	Budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of Budget
Current assets					
Cash and cash equivalents	5	169,766	47,933	(121,833)	-72%
Receivables	6	12,627	5,317	(7,310)	-58%
Other current assets		–	15	15	100%
Total current assets		182,393	53,265	(129,128)	-71%
Non-current assets					
Property, plant and equipment		–	–	–	–
Total non-current assets		–	–	–	–
Total assets		182,393	53,265	(129,128)	-71%
Current liabilities					
Payables	7	2,400	5,122	(2,722)	-113%
Accrued employee benefits	8	1,064	595	469	44%
Other current liabilities		–	–	–	–
Total current liabilities		3,464	5,717	(2,253)	-65%
Non-current liabilities					
Accrued employee benefits		–	–	–	–
Total non-current liabilities		–	–	–	–
Total liabilities		3,464	5,717	(2,253)	-65%
Net assets		178,929	47,548	(131,381)	-73%
Equity					
Accumulated surplus	9	178,929	47,548	(131,381)	-73%
Total equity		178,929	47,548	(131,381)	-73%

The accompanying notes form part of these statements.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

17. Budget vs actual comparison (cont'd)

Statement of Cash Flows

	Variance Notes	Original Budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of Budget
Cash flows from operating activities					
<i>Inflows:</i>					
Grant revenue	1	644,426	231,196	(413,230)	-64%
Other		68,008	65,693	(2,315)	-3%
<i>Outflows:</i>					
Employee costs	3	(12,597)	(9,421)	3,176	25%
Supplies and services	10	(84,531)	(66,679)	17,852	21%
Grant expenses	2	(614,426)	(481,837)	132,589	22%
Other	4	(880)	(214)	666	76%
Net cash (used in) operating activities		–	(261,262)	(261,262)	100%
Net increase (decrease) in cash and cash equivalents		–	(261,262)	(261,262)	-100%
Cash and cash equivalents at beginning of reporting period		169,766	309,195	(139,429)	82%
Cash and cash equivalents at end of reporting period		169,766	47,933	121,833	72%

The accompanying notes form part of these statements.

Queensland Reconstruction Authority

Notes to the Financial Statements

For the year ended 30 June 2016

17. Budget vs actual comparison (cont'd)

Explanations of major variances

1. Grants revenue 2016 actual is below 2016 budget due to the utilisation of funding received in advance from Queensland Treasury (cash held by QRA) in prior financial years to fund expenditure in 2015-16 resulting in an operating deficit for 2015-16.
2. Grants expenses 2016 actual is below 2016 budget due to a reduction in the final cost of eligible reconstruction works claimed and completed by State Departments and Agencies (SDAs) and Local Government Authorities (LGAs). This reduction was due to a combination of factors, including projects being delivered for less than originally estimated, some redamage or impacts from 2016 events delaying works and amounts deemed ineligible on final assessment.
3. Employee expenses 2016 actual is less than 2016 budget as QRA's total budgeted staff of 104 FTE were not required due to less severe disaster events in 2015-16. The total FTE required at 30 June 2016 was 89.
4. Other expenses 2016 actual is less than 2016 budget due to reduced audit fees through continual improvements in the close-out and acquittal processes put in place and adopted by QRA.
5. Cash & cash equivalents 2016 actual is less than 2016 budget due to advance grant funding received in prior years being utilised during the year. 2016 budget had assumed all expenditure would be funded by matching grant revenue. Instead QRA utilised cash reserves to partly fund 2016 expenditure.
6. Receivables 2016 actual is less than 2016 budget due to a reduction in GST receivable at the end of the financial year. GST receivable at 30 June represents the GST paid on taxable payments including grants for the month of June. The forecast cashflow of grant payments in June 2016 in the budget differed to the actual grant outflows in June 2016 due to the different timing of submissions by grant recipients and reduced grant payments (see Note 17.2).
7. Payables 2016 actual is more than 2016 budget due to the timing at the end of the financial year of an NDRRA grant payment (\$3.2 million) payable to QRRA.
8. Accrued employee benefits 2016 actual is less than 2016 budget due to QRA joining the whole of Government Leave Central Scheme during 2016 (refer to Note 1 (p)). As a result, accrued Annual Leave and Long Service Leave is no longer held as QRA's liability.
9. Accumulated surplus 2016 actual is less than 2016 budget due to advance grant funding received in prior years being utilised during the year.
10. Supplies and services cash outflows includes GST paid on grant expenses and supplies and services. Grant expense outflows 2016 actual were less than 2016 budget (see Note 17.2) and accordingly the associated GST outflows were less than budget.

Certificate of the Queensland Reconstruction Authority

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

- (i) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (ii) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of QRA for the financial year ended 30 June 2016 and of the financial position of QRA at the end of that year; and
- (iii) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.

Brendan Moon
Chief Executive Officer



Queensland Reconstruction Authority
Date: 16 August 2016

Major General Richard Wilson (Ret'd)
Chairman



Queensland Reconstruction Authority
Date: 16 August 2016

INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Reconstruction Authority

Report on the Financial Report

I have audited the accompanying financial report of Queensland Reconstruction Authority, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and certificates given by the Chief Executive Officer and Chair.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

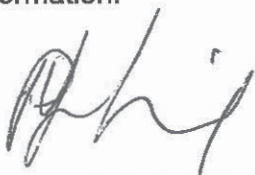
Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Queensland Reconstruction Authority for the financial year 1 July 2015 to 30 June 2016 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



P J FLEMMING FCPA
as Delegate of the Auditor-General of Queensland



Queensland Audit Office
Brisbane



requirements

Annual Report Requirements

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister	ARRs – section 8	3
Accessibility	Table of contents	ARRs – section 10.1	5
	Glossary		55
	Public availability	ARRs – section 10.2	4
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 10.3	4
	Copyright notice	Copyright 1968 ARRs – section 10.4	4
	Information Licensing	QGEA – Information Licensing ARRs – section 10.5	4
General information	Introductory Information	ARRs – section 11.1	8
	Agency role and main functions	ARRs – section 11.2	8
	Operating environment	ARRs – section 11.3	9, 12-14
Non-financial performance	Government's objectives for the community	ARRs – section 12.1	8
	Other whole-of-government plans / specific initiatives	ARRs – section 12.2	8
	Agency objectives and performance indicators	ARRs – section 12.3	8
	Agency service areas, and service standards	ARRs – section 12.4	9
Financial performance	Summary of financial performance	ARRs – section 13.1	10, 11, 22
Governance – management and structure	Organisational structure	ARRs – section 14.1	19
	Executive management	ARRs – section 14.2	14-17, 41
	Government bodies (statutory bodies and other entities)	ARRs – section 14.3	N/A
	Public Sector Ethics Act 1994	Public Sector Ethics Act 1994 ARRs – section 14.4	20
	Queensland Public service values	ARRs – section 14.5	20
Governance – risk management and accountability	Risk management	ARRs – section 15.1	20
	External scrutiny	ARRs – section 15.2	21
	Audit committee	ARRs – section 15.3	N/A
	Internal audit	ARRs – section 15.4	20
	Information systems and recordkeeping	ARRs – section 15.5	20
Governance – human resources	Workforce planning, attraction and retention and performance	ARRs – section 16.1	19, 38-40
	Early retirement, redundancy and retrenchment	ARRs – section 16.2	19
Open Data	Consultancies	ARRs – section 17 ARRs – section 34.1	NA
	Overseas travel	ARRs – section 17 ARRs – section 34.2	19
	Queensland Language Services Policy	ARRs – section 17 ARRs – section 34.3	4
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	50
	Independent Auditors Report	FAA – section 62 FPMS – section 50 ARRs – section 18.2	51-52

Glossary

ARRs	Annual report requirements for Queensland Government Agencies
CEO	Chief Executive Officer
EMA	Emergency Management Australia
FAA or the Act	Financial Accountability Act 2009
FPMS	Financial and Performance Management Standard 2009
LGA	Local Government Authority
NDDRA	Natural Disaster Relief and Recovery Arrangements
QAO	Queensland Audit Office
QRA	Queensland Reconstruction Authority
QRAA	Queensland Rural Adjustment Authority
SDRA	State Disaster Relief Arrangements
VfM	Value for Money

