

Financial statements

Office of the Inspector-General of Emergency Management Financial Statements 2015-16 For the year ended 30 June 2016

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General Information

These financial statements cover the Office of the Inspector-General of Emergency Management.

The Office of the Inspector-General of Emergency Management ('the office') is a Queensland Government public service office established under the *Disaster Management Act 2003*.

The office is controlled by the State of Queensland, which is the ultimate parent.

The head office is located at:

Level 23, State Law Building
59 Ann Street
BRISBANE QLD 4000

A description of the nature of the entity's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the Office of the Inspector-General of Emergency Management financial statements, visit the following website:

<http://www.igem.qld.gov.au>

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Statement of comprehensive income

Office of the Inspector-General of Emergency Management
Statement of comprehensive income
For the year ended 30 June 2016

	Notes	2016 \$'000	2015 \$'000
Income from continuing operations			
Appropriation revenue	2	3,947	3,789
Services received below fair value	3	685	715
Other revenue		12	5
Total revenue		4,644	4,509
Expenses from continuing operations			
Employee expenses	4	2,827	2,628
Supplies and services	6	839	912
Grants and subsidies		-	36
Depreciation	9	5	6
Other expenses	7	699	756
Total expenses from continuing operations		4,370	4,338
Operating result from continuing operations		274	171

The accompanying notes form part of these statements.

Statement of financial position

Office of the Inspector-General of Emergency Management
Statement of financial position
As at 30 June 2016

	Notes	2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents		1,407	1,438
Receivables	8	53	73
Total current assets		1,460	1,511
Non-current assets			
Plant and equipment	9	16	21
Total non-current assets		16	21
Total assets		1,476	1,532
Liabilities			
Current liabilities			
Payables	10	228	597
Accrued employee benefits	11	134	72
Other current liabilities	2	-	23
Total current liabilities		362	692
Total liabilities		362	692
Net assets		1,114	840
Equity			
Contributed equity		669	669
Accumulated surplus		445	171
Total equity		1,114	840

The accompanying notes form part of these statements.

Statement of changes in equity

Office of the Inspector-General of Emergency Management
Statement of changes in equity
For the year ended 30 June 2016

	2016 \$'000	2015 \$'000
Contributed equity		
Opening balance as at 1 July 2015	669	-
Transactions with owners as owners:		
Net transfers in/(out) via machinery-of-Government change	-	669
Closing balance as at 30 June 2016	<u>669</u>	<u>669</u>
Accumulated surplus		
Opening balance as at 1 July 2015	171	-
Operating result	<u>274</u>	<u>171</u>
Closing balance as at 30 June 2016	<u>445</u>	<u>171</u>
Total equity	<u><u>1,114</u></u>	<u><u>840</u></u>

The accompanying notes form part of these statements.

Statement of cash flows

Office of the Inspector-General of Emergency Management
Statement of cash flows
For the year ended 30 June 2016

	Notes	2016 \$'000	2015 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Service appropriation receipts		3,924	3,789
GST input tax credits from ATO		131	22
GST collected from customers		4	-
Other		14	2
<i>Outflows:</i>			
Employee expenses		(2,770)	(2,567)
Supplies and services		(1,208)	(489)
Grants and subsidies		-	(36)
GST paid to suppliers		(108)	(44)
GST remitted to ATO		(4)	-
Other		(14)	(18)
Net cash provided by/(used in) operating activities	12	<u>(31)</u>	<u>659</u>
Cash flows from financing activities			
<i>Inflows:</i>			
Machinery-of-Government transfers		-	779
Net cash provided by/(used in) financing activities		<u>-</u>	<u>779</u>
Net increase/(decrease) in cash		(31)	1,438
Cash at beginning of financial year		1,438	-
Cash at end of financial year		<u>1,407</u>	<u>1,438</u>

The accompanying notes form part of these statements.

Notes to and forming part of the financial statements

2015-16

Office of the Inspector-General of Emergency Management **Notes to and forming part of the financial statements 2015–16**

Objectives and Principal Activities of the office

The Office of the Inspector-General of Emergency Management was formally established as a public service office on 1 July 2014 under amendments to the *Disaster Management Act 2003*. The Office of the Inspector-General of Emergency Management ('the office') provides assurance and advice that enables confidence in Queensland's emergency management arrangements.

The office has established the Standard for Disaster Management in Queensland, which forms part of the Emergency Management Assurance Framework. The office undertakes targeted reviews and system analysis to identify risk to emergency management planning, preparedness, response and recovery arrangements and recommends evidence-based improvements.

Funding for the office's services comes predominately from parliamentary appropriations.

1. Summary of Significant Accounting Policies

(a) Statement of Compliance

The office has prepared these financial statements in compliance with section 42 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury's Minimum Reporting Requirements for the year ending 30 June 2016 and other authoritative pronouncements.

Unless otherwise stated, the financial statements have been prepared in accordance with the historical cost convention.

(b) Services received/provided free of charge or for nominal value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

(c) Appropriation revenue for services

Appropriations provided under the *Appropriation Act* are recognised as revenue when received or receivable. Where approved, appropriation revenue is recorded as receivable if amounts are not received at the end of the reporting period.

(d) Cash and cash equivalents

Cash assets include cash on hand, and all cash and cheques received but not banked at 30 June.

The office has authorisation to operate in overdraft with a specified limit in accordance with the *Financial Accountability Act 2009*.

(e) Receivables

Trade debtors are recognised at the amounts due at the time of sale or service delivery - the agreed purchase/contract price. The office's standard settlement terms is 30 days from invoice date.

(f) Plant and equipment asset thresholds

Items of plant and equipment, with a cost or other value equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition.

Items purchased or acquired for a lesser value are expensed in the year of acquisition.

(g) Depreciation of plant and equipment

Plant and equipment is depreciated at a rate between 5% and 33.33% on a straight-line basis less its estimated residual value, progressively over its estimated useful life to the office.

(h) Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount - agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Notes to and forming part of the financial statements 2015-16 (cont'd)

Office of the Inspector-General of Emergency Management Notes to and forming part of the financial statements 2015-16 (continued)

(i) Employee benefits

Wages, salaries and sick leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

For unpaid entitlements expected to be paid within 12 months of reporting date, the liabilities are recognised at their undiscounted values.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual leave and long service leave

The office is a member of the Queensland Government's Annual Leave Central Scheme (ALCS). A levy is payable to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. Amounts paid to employees for annual leave and long service leave are claimed from the scheme quarterly in arrears.

Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable.

The QSuper scheme has defined benefit and defined contribution categories. The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

(j) Insurance

The majority of the office'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.

In addition, the office pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(k) Other presentation matters

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is less than \$500, to zero, unless disclosure of the full amount is specifically required.

(l) Taxation

The office is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

(m) Accounting estimates and judgements

The preparation of financial statements necessarily requires the determination and use of certain accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect on the financial statements are outlined in Note 3 Goods and services received below fair value.

(n) Future impact of accounting standards not yet effective

The office did not voluntarily change any of its accounting policies during 2015-16. As at the date of authorisation of the financial report, the following accounting standards and interpretations have future commencement dates and have been assessed as either not applicable or have no material impact.

AASB 124 Related Party Disclosure, effective 1 July 2016. The assessed impact on financial statements will be additional disclosure of key management personnel to include transactions with related parties.

AASB 15 Revenue for Contracts with Customers, effective 1 January 2018.

AASB 9 Financial Instruments and AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014), effective 1 January 2018.

AASB 16 Leases, effective 1 January 2019.

AASB 2016-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB107, effective 1 July 2017.

Notes to and forming part of the financial statements 2015-16 (cont'd)

Office of the Inspector-General of Emergency Management		
Notes to and forming part of the financial statements 2015-16 (continued)		
	2016	2015
	\$'000	\$'000
2 Reconciliation of payments from Consolidated Fund		
Reconciliation of payments from Consolidated Fund to appropriation revenue recognised in Statement of comprehensive income		
Budgeted appropriation revenue	3,886	3,780
Unforeseen expenditure	38	9
Total appropriation receipts	<u>3,924</u>	<u>3,789</u>
Plus: Opening balance of appropriation revenue payable	23	-
Less: Closing balance of appropriation revenue payable	-	(23)
Plus: Deferred appropriation payable to Consolidated Fund (expense)	-	23
Appropriation revenue recognised in Statement of comprehensive income	<u>3,947</u>	<u>3,789</u>
3 Services received at below fair value		
Services received below fair value *	<u>685</u>	<u>715</u>
Total	<u>685</u>	<u>715</u>
* For 2015-16, services received below fair value of \$685,000 (2014-15: \$715,000) were provided to the office by the Public Safety Business Agency (PSBA). The value of these services was calculated based on a cost attribution model developed by the PSBA to attribute the actual costs of services provided by that organisation at nil cost to its partner agencies.		
4 Employee expenses		
Employee benefits		
Wages and salaries	2,203	2,024
Employer superannuation contributions	282	261
Long service leave levy	49	64
Annual leave levy	211	187
Other employee benefits	14	-
Employee related expenses		
Workers' compensation premium	13	12
Training expenses	53	76
Other employee related expenses	3	4
Total	<u>2,827</u>	<u>2,628</u>
The number of employees as at 30 June, including both full-time employees and part-time employees, measured on a full-time equivalent basis, reflecting Minimum Obligatory Human Resource Information (MOHRI), is:		
Full-Time Equivalent Employees	2016	2015
	21	22

Notes to and forming part of the financial statements 2015-16 (cont'd)

Office of the Inspector-General of Emergency Management Notes to and forming part of the financial statements 2015-16 (continued)

5 Key Management Personnel Disclosures

(a) Details of 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 the office during 2015-16. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

(b) Remuneration Policies

Remuneration policy for the office's key management personnel is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008*. The remuneration and other terms of employment for the key management personnel are specified in employment contracts.

Remuneration expenses for key management personnel comprise the following components:

- Short term employee expenses including:
 - salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee was a key management person
 - non-monetary benefits - may include provision of a motor vehicle and fringe benefits tax applicable to benefits.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post employment expenses include amounts expensed in respect of employer superannuation obligations.

(c) Remuneration Expenses

1 July 2015 – 30 June 2016

Position	Contract classification Appointment authority Date appointed to position Date exited from position	Short Term	Long Term	Post	Total Expenses
		Employee Expenses	Employee Expenses	Employment Benefits	
		\$'000	\$'000	\$'000	\$'000
Inspector-General of Emergency Management (<i>Chief Executive Officer</i>)	CEO Level Governor-in-Council <i>Disaster Management Act 2003</i> Appointed 31/07/2014	260	5	27	292
Director, Performance, Reporting and Policy Analysis *	SO3 <i>Public Service Act 2008</i> Appointed 01/11/2013	109	2	14	125
	SO3 <i>Public Service Act 2008</i>	22	-	4	26
Director, Interoperability and Innovation **	SO3 <i>Public Service Act 2008</i> Appointed 01/11/2013	136	3	18	157
Director, Community and Stakeholder Engagement	SO3 <i>Public Service Act 2008</i> Appointed 16/02/2014	144	3	17	164
Director, Standards Best Practice and Evaluation	SO3 <i>Public Service Act 2008</i> Appointed 01/11/2013	146	3	17	166

* The incumbent appointed to this position was on secondment to another Queensland Government agency from 02 May 2016. This arrangement was still in place as at 30 June 2016 and relieving arrangements were established for this position during this time.

** The incumbent appointed to this position acted in the position of Inspector-General for the period 30 November 2015 to 24 December 2015.

Notes to and forming part of the financial statements 2015-16 (cont'd)

Office of the Inspector-General of Emergency Management Notes to and forming part of the financial statements 2015-16 (continued)

5 Key Management Personnel Disclosures

(c) Remuneration Expenses (continued)

1 July 2014 – 30 June 2015

Position	Contract classification Appointment authority Date appointed to position Date exited from position	Short Term	Long Term	Post	Total Expenses
		Employee Expenses	Employee Expenses	Employment Benefits	
		\$'000	\$'000	\$'000	\$'000
Inspector-General of Emergency Management (<i>Chief Executive Officer</i>)	CEO Level Governor-in-Council <i>Disaster Management Act 2003</i> Appointed 31/07/2014	254	5	26	285
Director, Performance, Reporting and Policy Analysis *	SO3 <i>Public Service Act 2008</i> Appointed 01/11/2013	112	2	14	128
Director, Interoperability and Innovation	SO3 <i>Public Service Act 2008</i> Appointed 01/11/2013	138	3	17	158
Director, Community and Stakeholder Engagement	SO3 <i>Public Service Act 2008</i> Appointed 16/02/2014	138	3	17	156
Director, Standards Best Practice and Evaluation	SO3 <i>Public Service Act 2008</i> Appointed 01/11/2013	115	2	15	132

* This employee was on secondment to another Queensland Government agency from 28 October 2014 to 19 December 2014.

	2016	2015
	\$'000	\$'000
6 Supplies and services		
Accommodation and public utilities	5	-
Communication expenses	41	20
Computer expenses	51	37
Consultancies and contractors	143	326
Legal fees	8	18
Maintenance and repairs	40	13
Operating lease rentals	175	182
Operational and other equipment purchases	17	44
Property expenses	84	32
Shared service provider expenses	136	82
Subscriptions	-	14
Travel	63	75
Other	77	69
Total	839	912

7 Other expenses

Deferred appropriation payable to Consolidated Fund	-	23
External Audit fees *	6	13
Insurance premiums - QGIF	5	5
Goods and services provided below fair value **	685	715
Other	3	-
Total	699	756

* Total audit fees paid to the Queensland Audit Office relating to the 2015-16 financial statements are estimated to be \$13,250 (2014-15: \$13,000). The balance of the fees for the 2015-16 audit is expected to be incurred and paid in 2016-17.

** As per note 1(b), an equal amount is recognised as revenue and an expense for services received below fair value. This relates to the actual costs of services provided by the Public Safety Business Agency to the office in 2015-16.

Notes to and forming part of the financial statements
2015-16 (cont'd)

Office of the Inspector-General of Emergency Management
Notes to and forming part of the financial statements 2015-16 (continued)

	2016 \$'000	2015 \$'000
8 Receivables		
GST input tax credits receivable	9	32
	<u>9</u>	<u>32</u>
Annual leave reimbursements	31	35
Long service leave reimbursements	2	2
Accrued revenue	11	3
Other	-	1
	<u>44</u>	<u>41</u>
Total	<u><u>53</u></u>	<u><u>73</u></u>
9 Plant and equipment		
Plant & Equipment		
Gross value	28	28
Less: Accumulated depreciation	(12)	(7)
	<u>16</u>	<u>21</u>
Reconciliation		
Opening balance	21	-
Transfers through machinery-of-Government change	-	27
Depreciation	(5)	(6)
Closing Balance	<u>16</u>	<u>21</u>
10 Payables		
Trade creditors	79	461
Tax liabilities	3	5
Accrued expenses	145	131
Total	<u><u>228</u></u>	<u><u>597</u></u>
11 Accrued employee benefits		
Annual leave levy payable	60	43
Long service leave levy payable	13	12
Salaries and wages outstanding	61	17
Total	<u><u>134</u></u>	<u><u>72</u></u>

Notes to and forming part of the financial statements 2015-16 (cont'd)

Office of the Inspector-General of Emergency Management Notes to and forming part of the financial statements 2015–16 (continued)

	2016 \$'000	2015 \$'000
12 Reconciliation of operating result to net cash from operating activities		
Operating result	274	171
Non-cash items included in operating result:		
Depreciation expense	5	6
Change in assets and liabilities:		
Increase/(decrease) in accrued employee benefits	62	62
(Increase)/decrease in annual leave reimbursement receivable	4	(11)
(Increase)/decrease in GST input tax credits receivable	23	(22)
(Increase)/decrease in long service leave reimbursement receivable	-	11
(Increase)/decrease in other receivables	(8)	(4)
(Increase)/decrease in other current assets	-	30
Increase/(decrease) in payables	(369)	393
Increase/(decrease) in other current liabilities	(23)	23
Net cash from operating activities	(31)	659

13 Commitments for expenditure

(a) Non-cancellable operating lease commitments

Operating lease commitments inclusive of non-recoverable GST, at reporting date are payable as follows:

Not later than one year	163	171
Later than one year and not later than five years	624	747
Total *	787	918

* Comparative amounts have been restated for 2014-15 to exclude recoverable GST.

(b) Other expense commitments

Other expenditure committed inclusive of non-recoverable GST, at reporting date are payable as follows:

Not later than one year	27	13
Total *	27	13

* Comparative amounts have been restated for 2014-15 to exclude recoverable GST.

14 Financial instruments

(a) Categorisation of financial instruments

The office has the following categories of financial assets and financial liabilities:

Financial assets	Note		
Cash		1,407	1,438
Receivables	8	53	73
Total		1,460	1,511
Financial liabilities			
Financial liabilities measured at amortised cost:			
Payables	10	228	597
Total		228	597

(b) Financial risk management

The office's activities expose it to financial risk.

Financial risk management is implemented through the Public Safety Business Agency pursuant to Government and office policy. These policies seek to minimise potential adverse effects on the financial performance of the office and ensuring the office has sufficient funds available to meet employee and supplier obligations as they fall due.

Notes to and forming part of the financial statements

2015-16 (cont'd)

Office of the Inspector-General of Emergency Management
Notes to and forming part of the financial statements 2015-16 (continued)

15 Budgetary reporting

Statement of comprehensive income	Variance Note	Original budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance percentage
Income from continuing operations					
Appropriation revenue		3,886	3,947	61	2 %
Services received at below fair value	15(a)	721	685	(36)	(5)%
Other revenue		-	12	12	100 %
Total revenue		4,607	4,644	37	1 %
Expenses from continuing operations					
Employee expenses		2,733	2,827	94	3 %
Supplies and services	15(b)	1,128	839	(289)	(26)%
Depreciation		3	5	2	62 %
Other expenses	15(c)	743	699	(44)	(6)%
Total expenses from continuing operations		4,607	4,370	(237)	(5)%
Operating result from continuing operations		-	274	274	-

Explanation of major variances

- 15(a) The variance has arisen as a result of a new cost attribution model being implemented in 2015-16 by the PSBA to determine a more accurate value based on actual costs.
- 15(b) The variance has arisen due to contractor costs, legal expenses, office equipment and conference costs being lower than expected. For contractor costs, alternative arrangements were implemented for a performance measurement engagement through support provided by the PSBA.
- 15(c) Refer also to note 15(a). An equal amount has been recognised as revenue and expense for services provided below fair value provided by the PSBA to the office.

Notes to and forming part of the financial statements

2015-16 (cont'd)

Office of the Inspector-General of Emergency Management Notes to and forming part of the financial statements 2015-16 (continued)

15 Budgetary reporting (continued)

Statement of financial position	Variance Note	Original budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance percentage
Assets					
Current assets					
Cash and cash equivalents	15(d)	784	1,407	623	79 %
Receivables		47	53	6	12 %
Other current assets	15(e)	30	-	(30)	(100)%
Total current assets		861	1,460	599	70 %
Non-current assets					
Plant and equipment		21	16	(5)	(24)%
Total non-current assets		21	16	(5)	(24)%
Total assets		882	1,476	594	67 %
Liabilities					
Current liabilities					
Payables	15(f)	206	228	22	10 %
Accrued employee benefits	15(g)	10	134	124	1244 %
Other current liabilities		-	-	-	-
Total current liabilities		216	362	146	68 %
Total liabilities		216	362	146	68 %
Net assets		666	1,114	448	67 %
Total equity	15(h)	666	1,114	448	67 %

Explanation of major variances

15(d) Original budget underestimated the opening cash balance for 2015-16.

15(e) The variance in other current assets is due to prepayments originally budgeted for in 2015-16 which did not eventuate.

15(f) The variance in payables reflects the timing of payments in 2015-16, which could only be estimated for the budget.

15(g) The variance in accrued employee benefits reflects the timing of payments for salaries and wages and to the Annual Leave and Long Service Leave central schemes.

15(h) The increase in total equity is primarily due to a higher than expected operating surplus for 2014-15.

Notes to and forming part of the financial statements 2015-16 (cont'd)

Office of the Inspector-General of Emergency Management Notes to and forming part of the financial statements 2015-16 (continued)

15 Budgetary reporting (continued)

Statement of cash flows	Variance Note	Original budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance percentage
Cash flows from operating activities					
<i>Inflows:</i>					
Services appropriation receipts		3,886	3,924	38	1 %
GST input tax credits from ATO		-	131	131	100 %
Other		-	14	14	100 %
<i>Outflows:</i>					
Employee expenses		(2,733)	(2,770)	(37)	(1)%
Supplies and services		(1,128)	(1,208)	(80)	(7)%
GST paid to suppliers		-	(108)	(108)	(100)%
Other		(22)	(14)	8	37 %
Net cash provided by/(used in) operating activities		<u>3</u>	<u>(31)</u>	<u>(34)</u>	<u>(1133)%</u>
Net increase/(decrease) in cash		3	(31)	(34)	(1133)%
Cash at beginning of financial year		781	1,438	657	84 %
Cash at end of financial year	15(i)	<u>784</u>	<u>1,407</u>	<u>623</u>	<u>80 %</u>

Explanation of major variances

15(i) The variance is due to a higher than expected opening cash balance for 2015-16. Refer also to note 15(d).

Management Certificate for the year ended 30 June 2016

Office of the Inspector-General of Emergency Management Management Certificate for the year ended 30 June 2016

Management Certificate

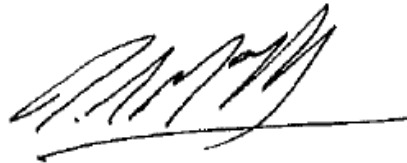
These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 42 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Office of the Inspector-General of Emergency Management for the year ending 30 June 2016 and of the financial position of the office at the end of that year; and
- (c) 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.



Rod Wilson
B.Bus(Mgt), MIPA, GAICD
Grad Cert Exec Ldrshp
Chief Finance Officer

Date 22/8/16



Iain S Mackenzie AFSM
MLshipMgt (Policing)
Accountable Officer
Inspector-General of Emergency Management

Date 22/8/16

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Office of the Inspector-General of Emergency Management

Report on the Financial Report

I have audited the accompanying financial report of the Office of the Inspector-General of Emergency Management, which comprises the statement of financial position as at 30 June 2016, statement of comprehensive income, statement of changes in equity, 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 Inspector-General of Emergency Management and Chief Finance Officer.

The Accountable Officer's Responsibility for the Financial Report

The Accountable Officer 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 Accountable Officer's responsibility also includes such internal control as the Accountable Officer 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 Accountable Officer, 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.

Independent Auditor's report (cont'd)

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.

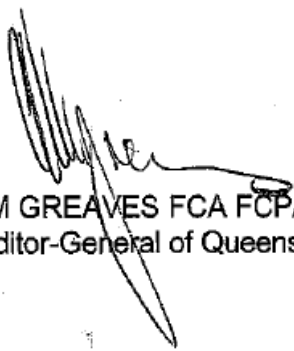
Opinion

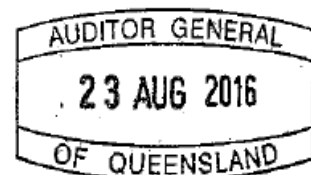
In accordance with s.40 of the *Auditor-General Act 2009* –

- (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 Office of the Inspector-General of Emergency Management 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.


A M GREAVES FCA FCPA
Auditor-General of Queensland



Queensland Audit Office
Brisbane