

**Office of the Inspector-General of Emergency Management
Financial Statements
For the year ended 30 June 2022**

Office of the Inspector-General of Emergency Management
Financial statements
For the year ended 30 June 2022

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Office of the Inspector-General of Emergency Management
Statement of comprehensive income
For the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Income from continuing operations			
Appropriation revenue	3	4,208	4,200
Services received below fair value	4	578	521
Total revenue		4,786	4,721
Expenses from continuing operations			
Employee expenses	5	2,725	2,601
Supplies and services	7	860	807
Grants and subsidies		24	-
Depreciation	10	2	2
Other expenses	8	597	540
Total expenses from continuing operations		4,208	3,950
Operating result for the year		578	771

Office of the Inspector-General of Emergency Management
Statement of financial position
As at 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Assets			
Current assets			
Cash		2,965	2,220
Receivables	9	185	110
Prepayments		10	21
Total current assets		3,160	2,351
Non-current assets			
Plant and equipment	10	1	3
Total non-current assets		1	3
Total assets		3,161	2,354
Liabilities			
Current liabilities			
Payables	11	108	60
Accrued employee benefits	12	114	97
Other current liabilities	3	165	2
Total current liabilities		387	159
Total liabilities		387	159
Net assets		2,774	2,195
Equity			
Contributed equity		669	669
Accumulated surplus		2,105	1,526
Total equity		2,774	2,195

The accompanying notes form part of these statements.

Office of the Inspector-General of Emergency Management
Statement of changes in equity
For the year ended 30 June 2022

	2022	2021
	\$'000	\$'000
Contributed equity		
Opening balance	669	669
Closing balance	669	669
Accumulated surplus/(deficit)		
Opening balance	1,526	755
Operating result	578	771
Closing balance	2,105	1,526
Total equity	2,774	2,195

Office of the Inspector-General of Emergency Management
Statement of cash flows
For the year ended 30 June 2022

	2022	2021
	\$'000	\$'000
Cash flows from operating activities		
<i>Inflows:</i>		
Service appropriation receipts	4,371	4,126
User charges and fees	5	13
GST input tax credits from ATO	78	81
GST collected from customers	2	1
<i>Outflows:</i>		
Employee expenses	(2,769)	(2,695)
Supplies and services	(812)	(781)
Grants and subsidies	(24)	-
GST paid to suppliers	(85)	(85)
GST remitted to ATO	(2)	(1)
Other	(19)	(19)
Net cash provided by/(used in) operating activities	745	640
Net increase/(decrease) in cash	745	640
Cash at beginning of financial year	2,220	1,580
Cash at end of financial year	2,965	2,220

Reconciliation of operating result to net cash from operating activities

Operating result	578	771
Non-cash items included in operating result:		
Depreciation expense	2	2
Change in assets and liabilities:		
Increase/(decrease) in accrued employee benefits	17	(14)
(Increase)/decrease in annual leave reimbursement receivable	(43)	(48)
(Increase)/decrease in GST input tax credits receivable	(7)	(5)
(Increase)/decrease in long service leave reimbursement receivable	(29)	(31)
(Increase)/decrease in prepayments	11	(4)
Increase/(decrease) in trade creditors	48	30
(Increase)/decrease in trade receivables	5	13
Increase/(decrease) in other payables	1	-
Increase/(decrease) in other current liabilities	163	(74)
Net cash from operating activities	745	640

Accounting Policy - Cash

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

IGEM has authorisation to operate in overdraft within a specified limit in accordance with the *Financial Accountability Act 2009*. On 16 March 2015, an overdraft facility was approved with a limit of \$250,000. This facility remained fully undrawn at 30 June 2022 and is available for use in the next reporting period.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

1 Basis of financial statement preparation

(a) General information

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

IGEM is a not-for-profit entity and has no controlled entities.

(b) Statement of compliance

IGEM has prepared these financial statements in compliance with section 38 of the *Financial and Performance Management Standard 2019*.

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 Financial Reporting Requirements for the year beginning 1 July 2021 and other authoritative pronouncements.

(c) Taxation

IGEM 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).

(d) Basis of measurement

The historical cost convention is used unless fair value is stated as the measurement basis.

(e) 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 4 Services received at below fair value.

(f) 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.

Comparative information has been restated where necessary to be consistent with disclosures in the current year reporting period. Where such restatements have occurred, they are not material to the financial statements.

(g) Future impact of accounting standards not yet effective

All Australian accounting standards and interpretations with future effective dates are either not applicable to IGEM or have no material impact.

(h) Accounting Standards applied for the first time

No new accounting standards with material impact were applied for the first time in 2021-22.

2 Objectives and principal activities of IGEM

IGEM was formally established as a public service office on 1 July 2014 under amendments to the *Disaster Management Act 2003*. IGEM provides assurance and advice to enhance Queensland's disaster management arrangements.

IGEM contributes to the Queensland Government's objectives for the community of Safeguarding our health and Backing our frontline services. IGEM does this by ensuring that the best possible disaster management arrangements are in place to protect and benefit all Queenslanders.

Funding for IGEM's services comes predominantly from parliamentary appropriations.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

	2022	2021
	\$'000	\$'000
3 Appropriation revenue		
Reconciliation of payments from Consolidated Fund to appropriation revenue recognised in Statement of comprehensive income		
Original budgeted appropriation revenue	4,309	4,126
Unforeseen expenditure	62	-
Total appropriation receipts (cash)	4,371	4,126
Plus: Opening balance of deferred appropriation payable to Consolidated Fund	2	76
Less: Closing balance of deferred appropriation payable to Consolidated Fund	(165)	(2)
Net appropriation revenue	4,208	4,200
Appropriation revenue recognised in Statement of comprehensive income	4,208	4,200
Variance between original budgeted and actual appropriation revenue	(101)	74

Accounting Policy - Appropriation revenue for services

Appropriations provided under the *Appropriation Act 2021* are recognised as revenue when received or receivable. Where IGEM has an obligation to return unspent (or unapplied) appropriation receipts to Consolidated Fund at year end (a deferred appropriation repayable to Consolidated Fund), a liability is recognised with a corresponding reduction to appropriation revenue, reflecting the net appropriation revenue position with Consolidated Fund for the reporting period.

4 Services received below fair value

Services received below fair value	578	521
Total	578	521

For 2021-22, services received below fair value were provided to IGEM by the Queensland Police Service (QPS). From 1 July 2021 the fair value arrangement was transferred from the Public Safety Business Agency (PSBA) to the QPS. Services provided by QPS to IGEM at nil cost include assets and lease management services, human resource services, financial services and information and communication technology services. The cost of services provided at below fair value materially represents the fair value of the goods and services received by IGEM.

Accounting Policy - Services received/provided free of charge, below fair value 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 a revenue and an expense in the Statement of comprehensive income.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

	2022	2021
	\$'000	\$'000
5 Employee expenses		
Employee benefits		
Wages and salaries	2,089	2,045
Employer superannuation contributions	301	279
Long service leave levy	48	44
Annual leave levy	250	215
Other employee benefits	14	(5)
Employee related expenses		
Workers' compensation premium	11	15
Training expenses	10	8
Total	2,725	2,601

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 (number)	22	20
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Accounting Policy - Employee expenses

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 the 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

IGEM is a member of the Queensland Government's Annual Leave and Long Service Leave Central Schemes. A levy is payable to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed from the scheme quarterly in arrears.

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

Defined contribution plans - Contributions are made to eligible complying superannuation funds based on the rebates specified in the relevant Enterprise Bargaining Agreement (EBA), or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined benefit plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to *AASB 1049 Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by IGEM at the specified rate following completion of the employee's service each pay period. IGEM's obligations are limited to those contributions paid.

Workers' compensation premium

IGEM pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

6 Key Management Personnel disclosures

(a) Details of key management personnel (KMP)

Key management personnel include those positions that had direct or indirect authority and responsibility for planning, directing and controlling the activities of IGEM during 2021-22. IGEM's responsible Minister is the Minister for Police and Corrective Services and Minister for Fire and Emergency Services and is identified as part of IGEM's KMP. Further information on non-Ministerial KMP personnel can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Position Responsibility
Inspector-General of Emergency Management (Chief Executive Officer)	The Inspector-General of Emergency Management is responsible for leading IGEM to provide assurance and advice to enhance Queensland's disaster management arrangements.
Executive Director, Assurance and Evaluation	The Executive Director, Assurance and Evaluation leads, directs and manages the development, implementation and delivery of key assurance and evaluation frameworks, projects and activities which enable improved performance, monitoring and reporting in disaster management.
Director, Interoperability and Innovation	The Director, Interoperability and Innovation significantly influences the development and delivery of interoperability and innovation across disaster and emergency management functions.
Director, Governance and Reporting	The Director, Governance and Reporting significantly influences the development and delivery of strategic partnerships, performance, reporting and governance activities across disaster and emergency management functions.
Director, Research and Engagement	The Director, Research and Engagement significantly influences the development and delivery of strategic partnerships, communication, media, research and engagement activities across disaster and emergency management functions.
Director, Legal, Monitoring and Evaluation	The Director, Legal, Monitoring and Evaluation provides high quality independent legal advice to the IGEM and significantly influences the development and delivery of standards and evaluation across disaster and emergency management functions.

(b) Remuneration policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. IGEM does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

Remuneration expenses for KMP 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; and
 - non-monetary benefits - may include provision of a motor vehicle and carpark 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.
- No KMP remuneration packages provide for performance or bonus payments.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

6 Key Management Personnel disclosures (continued)

(c) Remuneration expenses

1 July 2021 – 30 June 2022

Position *	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Inspector-General of Emergency Management (Chief Executive Officer)	316	6	7	36	-	365
Director, Interoperability and Innovation	103	6	3	19	-	131
Director, Interoperability and Innovation Acting (04 April 2022 - 30 June 2022)	38	-	1	4	-	44
Director, Governance and Reporting	157	6	4	19	-	185
Director, Research and Engagement (01 July 2021 - 03 June 2022)	90	6	2	11	-	108
Director, Research and Engagement Acting (24 December 2021 - 30 June 2022)	81	-	2	8	-	90
Director, Legal, Monitoring and Evaluation (Appointed 11 October 2021)	102	-	3	12	-	117

1 July 2020 – 30 June 2021

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Inspector-General of Emergency Management (Chief Executive Officer)	324	6	7	37	-	374
Executive Director, Assurance and Evaluation (1 - 31 July 2020)	21	-	-	2	-	23
Director, Interoperability and Innovation (1 August 2020 - 30 June 2021)	134	4	3	17	-	158
Director, Governance and Reporting	151	4	3	19	-	177
Director, Research and Engagement	150	4	3	19	-	176
Director, Legal, Monitoring and Evaluation Acting (7 December 2020 - 5 February 2021)	22	-	1	3	-	26
Director, Legal, Monitoring and Evaluation Acting (1 March - 21 May 2021)	16	-	-	2	-	18

* In the 2020-21 financial year, capabilities were realigned to better support the delivery of IGEM's functions under Section 16C of the *Disaster Management Act 2003*.

(d) Related party transactions with people/entities related to KMP

There were no material related party transactions associated with IGEM's KMP during 2021-22 (2020-21: nil).

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

	2022	2021
	\$'000	\$'000
7 Supplies and services		
Communication expenses	30	19
Computer expenses	1	-
Consultancies and contractors	81	92
Lease rentals	366	351
Property expenses	65	67
Shared service provider expenses	114	126
Travel	45	32
Analytical and data collection services	85	-
Conference workshop costs	(7)	38
Minor plant and equipment purchases	14	32
Other	66	50
Total	860	807

Accounting Policy - Lease expenses

Lease expenses include lease rentals for short-term leases, leases of low value assets and office accommodation through the Department of Energy and Public Works (DEPW). These payments are expensed in the periods in which they are incurred.

8 Other expenses

External Audit fees *	15	15
Insurance premiums - QGIF	4	4
Services provided below fair value **	578	521
Total	597	540

* Total audit fees to the Queensland Audit Office relating to the 2021-22 financial statements are estimated to be \$15,000 (2020-21: \$14,500). The balance of the fees for the 2021-22 audit is expected to be incurred and paid in 2022-23.

** An equal amount is recognised as revenue and an expense for services received below fair value (refer Note 4).

Accounting Policy - Services received/provided free of charge, below fair value 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.

Accounting Policy - Insurance

The majority of IGEM's property and other insurable risks are insured through the Queensland Government Insurance Fund (QGIF) with premiums being paid on a risk assessment basis.

For litigation purposes, under the QGIF policy, IGEM would be able to claim back, less a \$10,000 deductible, the amount paid to successful litigants.

9 Receivables

Current

Trade debtors	-	5
	-	5
GST receivable	20	14
	20	14
Annual leave reimbursements	100	56
Long service leave reimbursements	64	35
	164	91
Total	185	110

Accounting Policy - Receivables

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

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

	2022	2021
	\$'000	\$'000
10 Plant and equipment		
<i>Plant & Equipment</i>		
Gross value	8	8
Less: Accumulated depreciation	(7)	(5)
Closing Balance	<u>1</u>	<u>3</u>
Reconciliation		
Opening balance	3	5
Depreciation	(2)	(2)
Closing Balance	<u>1</u>	<u>3</u>

Accounting Policy - 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.

Accounting Policy - Depreciation of plant and equipment

Plant and equipment is depreciated at a rate of 20% on a straight-line basis.

11 Payables

Trade creditors	105	57
Tax liabilities	3	3
Total	<u>108</u>	<u>60</u>

Accounting Policy - Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and vendor master data payment terms are generally 30 days. However, in response to the COVID-19 pandemic and to minimise potential financial hardship for vendors, payment terms were changed to pay immediately from 25 March 2020. This temporary arrangement remains in place as at 30 June 2022.

12 Accrued employee benefits

Annual leave levy payable	98	61
Long service leave levy payable	15	13
Salaries and wages outstanding	-	23
Total	<u>114</u>	<u>97</u>

Accounting Policy - Accrued employee benefits

No provision for annual leave or long service leave is recognised in IGEM'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*.

13 Related party transactions with other Queensland Government-controlled entities

IGEM's primary sources of funding from Government to deliver services are from appropriation revenue and equity injections, both of which are provided in cash via Queensland Treasury.

IGEM has received below fair value services from the QPS as disclosed in Notes 4 and 8.

IGEM has made payments to the Department of Energy and Public Works (DEPW) for lease expenditure and Queensland Shared Services for shared service provider expenses. Refer to Note 7.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

14 Financial instruments		2022	2021
		\$'000	\$'000
(a) Categorisation of financial instruments			
IGEM has the following categories of financial assets and financial liabilities:			
Financial assets	Note		
Cash		2,965	2,220
Financial assets measured at amortised cost:			
Receivables	9	185	110
Total		3,150	2,330
Financial liabilities			
Financial liabilities measured at amortised cost:			
Payables	11	108	60
Total		108	60

(b) Financial risk management

IGEM's activities expose it to a minor degree of financial risk.

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

Accounting Policy - Financial instruments

Recognition

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

15 Events occurring after balance date

There were no other events occurring after balance date that management considers would have a material impact on the information disclosed in these financial statements.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

16 Budgetary reporting

Statement of comprehensive income	Variance Note	Original budget 2022 \$'000	Actual 2022 \$'000	Variance 2022 \$'000
Income from continuing operations				
Appropriation revenue		4,309	4,208	(101)
Services received below fair value		535	578	43
Total revenue		4,844	4,786	(58)
Expenses from continuing operations				
Employee expenses	16(a)	3,043	2,725	(318)
Supplies and services	16(b)	1,244	860	(384)
Grants and subsidies		-	24	24
Depreciation		-	2	2
Other expenses		557	597	40
Total expenses from continuing operations		4,844	4,208	(636)
Operating results for the year		-	578	578

Explanation of major variances

- 16(a) Employee expenses were below budget due to vacant positions which were unable to be filled during part of the year due to Government recruitment restrictions.
- 16(b) Supplies and services were below budget due to reduced expenditure as a consequence of the COVID-19 pandemic, including reduced travel related expenditure due to revised timing of planned travel and delays in purchase of computer consumables.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

16 Budgetary reporting (continued)

Statement of financial position	Variance Note	Original budget 2022 \$'000	Actual 2022 \$'000	Variance 2022 \$'000
Assets				
Current assets				
Cash	16(c)	1,503	2,965	1,462
Receivables	16(d)	25	185	160
Prepayments		17	10	(7)
Total current assets		1,545	3,160	1,615
Non-current assets				
Plant and equipment		4	1	(3)
Total non-current assets		4	1	(3)
Total assets		1,549	3,161	1,612
Liabilities				
Current liabilities				
Payables	16(e)	14	108	94
Accrued employee benefits		111	114	3
Other current liabilities	16(f)	-	165	165
Total current liabilities		125	387	263
Total liabilities		125	387	263
Net assets		1,424	2,774	1,350
Equity				
Total equity		1,424	2,774	1,350

Explanation of major variances

- 16(c) Cash variance relates to savings strategies adopted by IGEM enabling IGEM to operate in surplus for 2021-22 and to provide available cash for future initiatives or capital acquisitions.
- 16(d) Receivables variance pertains to long service leave and annual leave claim received in July 2022.
- 16(e) Payables variance pertains to expenses incurred but not yet paid for the South East Queensland Rainfall and Flood Review 2022.
- 16(f) Other current liabilities variance pertains to approved deferred appropriation payable for the South East Queensland Rainfall and Flood Review 2022.

Office of the Inspector-General of Emergency Management
Notes to the financial statements
For the year ended 30 June 2022

16 Budgetary reporting (continued)

Statement of cash flows	Variance Note	Original budget 2022 \$'000	Actual 2022 \$'000	Variance 2022 \$'000
Cash flows from operating activities				
<i>Inflows:</i>				
Services appropriation receipts		4,309	4,371	62
User charges and fees		1	5	4
GST input tax credits from ATO	16(g)	-	78	78
GST collected from customers		-	2	2
Other	16(g)	132	-	(132)
<i>Outflows:</i>				
Employee expenses	16(h)	(3,043)	(2,769)	274
Supplies and services	16(i)	(1,376)	(812)	564
Grants and subsidies		-	(24)	(24)
GST paid to suppliers	16(j)	-	(85)	(85)
GST remitted to ATO		-	(2)	(2)
Other	16(j)	(23)	(19)	4
Net cash provided by/(used in) operating activities		-	745	745
Net increase/(decrease) in cash		-	745	745
Cash at beginning of financial year		1,503	2,220	717
Cash at end of financial year		1,503	2,965	1,462

- 16(g) Variance relates to the timing of GST input tax credits receivable from the ATO which is included in other inflows in the budget.
- 16(h) Employee expenses were below budget due to vacant positions which were unable to be filled during part of the year due to Government recruitment restrictions.
- 16(i) Supplies and services were below budget due to reduced expenditure as a consequence of the COVID-19 pandemic, including reduced travel related expenditure due to revised timing of planned travel and delays in purchase of computer consumables.
- 16(j) Variance relates to the timing of GST input tax credits payable to the ATO which is included in other outflows in the budget.

Management Certificate

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 38 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.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 financial year ended 30 June 2022 and of the financial position of IGEM at the end of that year; and

The Inspector-General of Emergency Management, as the Accountable Officer, acknowledges responsibility under s.7 and s.11 of the Financial and Performance Management Standard 2019 for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Alistair Dawson APM

Accountable Officer
Inspector-General of Emergency Management

Date 26/8/22



Wayne Brummer
B.Bus (Acctg), Grad Cert Prof Acctg
MIPA, GAICD
Chief Finance Officer

Date 26/8/22

INDEPENDENT AUDITOR'S REPORT

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

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Office of the Inspector-General of Emergency Management.

In my opinion, the financial report:

- a) gives a true and fair view of the department's financial position as at 30 June 2022, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, 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 summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the department in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Responsibilities of the department 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 the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Accountable Officer is also responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the department or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the department's internal controls, but allows me to express an opinion on compliance with prescribed requirements.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the department.

Conclude on the appropriateness of the department's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the department's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the department to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year 30 June 2022:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the department's transactions and account balances to enable the preparation of a true and fair financial report.



29 August 2022

Michael Claydon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane