

2019–2020
ANNUAL
REPORT



Accessibility

This Annual Report provides information about the Queensland Reconstruction Authority's (QRA) financial and non-financial performance for 2019–20. It has been prepared in accordance with the *Financial Accountability Act 2009*.

This report has been prepared for the Treasurer and Minister for Infrastructure and Planning 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.

QRA did not engage the services of an interpreter during 2019–20.



Accessing the report

Readers are invited to view the Queensland Reconstruction Authority Annual Report 2019-2020 at QRA's website at: www.qra.qld.gov.au/about-us/annual-reports

Hard copies of this report are available from QRA at the following address:

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Annual Report 2019–2020

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Document details

Security classification	Public
Date of review of security classification	August 2020
Authority	QRA
Author	Chief Executive Officer
Document status	Final

Version 1.0

ISSN 978-0-9873118-4-9

Open Data

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

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18 August 2020



The Honourable Cameron Dick MP
Treasurer
Minister for Infrastructure and Planning
1 William Street
Brisbane QLD 4000

Dear Treasurer,

I am pleased to submit for presentation to the Parliament the Annual Report 2019–2020 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 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 54 of this Annual Report.

Yours sincerely



Stuart Smith
Chair
Queensland Reconstruction Board

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Message from the Chair

I am delighted to present the Queensland Reconstruction Authority (QRA) Annual Report 2019–20.

During the reporting period, QRA's performance was characterised not only by reconstruction and recovery efforts but also by the quality of resilience shown throughout Queensland.

Foremost amongst these efforts was the coordination of disaster recovery assistance to Queensland communities impacted by the unprecedented national bushfire emergency, which burnt more than 7.7 million hectares across the state in the 2019–20 bushfire season.

On 18 September 2019, Premier Anastacia Palaszczuk appointed former Police Commissioner Ian Stewart as the State Recovery Coordinator (SRC) to lead the bushfire recovery efforts. During his appointment, Mr Stewart met with impacted councils, residents, businesses and producers, frontline services, other state government agencies and charity bodies. The SRC saw firsthand the impact of the fires on these communities, and worked closely with QRA and councils to develop priorities and recovery plans in order to deliver much needed assistance.

As part of the bushfire response, QRA provided expert advice to the National Bushfire Recovery Agency on Disaster Recovery Funding Arrangement (DRFA) policy and protocols and the Royal Commission into National Natural Disaster Arrangements. This advice was aimed at making natural disaster arrangements across the country more effective for future events.

In addition, QRA has played a significant role in the Queensland Government's response to the COVID-19 pandemic emergency. As befits the nation's first permanent disaster recovery and resilience agency, QRA is developing tailored recovery strategies for 11 regional areas as part of the state-wide recovery from COVID-19. The recovery strategies will look to respond to and build on the challenges and opportunities unique to each region, with a particular focus on identifying opportunities for transformational change.

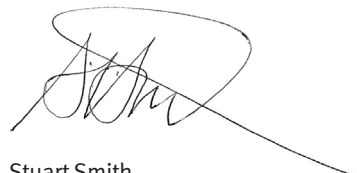
At the same time, QRA activated a Business Continuity Plan to ensure the seamless delivery of services during the COVID-19 lockdown period. With 98 per cent of QRA staff working from home, and strict travel restrictions in place throughout Queensland, these obstacles did not stop QRA from supporting local governments in their recovery efforts. Staff participated remotely in Local Disaster Management Group and Local Recovery Group meetings via online video conferencing to monitor local recovery efforts. Staff also developed a process for remote in-field damage assessments. The video conference option allowed both parties a safe and practical alternative to preparing DRFA funding submissions.

During this time, QRA continued to deliver its suite of recovery plans and programs of disaster assistance to those communities impacted by natural disasters. This included management of a delivery program with an estimated value of approximately \$2.15 billion, comprising works from 23 events across the 2017–18, 2018–19 and 2019–20 disaster seasons.

Of note, following a successful assessment by the Queensland Audit Office, QRA acquitted the 2018-19 Natural Disaster Relief and Recovery Arrangements (NDRRA) and DRFA claim to the Australian Government on 31 March 2020. The claim acquitted \$840 million of state expenditure for works associated with natural disaster events occurring between 2017 and 2019.

Finally, significant progress has been achieved in the development and implementation of resilience projects and activities, thereby strengthening the capacity for local communities to withstand natural disasters. This has included the release of resilience strategies in the Central West, Mary and Fitzroy regions as part of the *Resilient Queensland 2018–2021* Strategy, the continuation of the Get Ready Queensland program, and the approval and delivery of projects under the Queensland Disaster Resilience Fund and the new Queensland Resilience and Risk Reduction Fund.

Combined, these achievements demonstrate the evolution of the QRA into an organisation that is playing a leadership role in the attainment of national and state disaster resilience.



Stuart Smith

Chair

Queensland Reconstruction Board

Message from the CEO

Queensland remains the most disaster-affected state in Australia and while the state's robust response to COVID-19 has had positive results, the virus has hit Queensland at a time when many communities were already feeling the ongoing impacts of other disasters.

As we respond to the COVID-19 emergency, we should acknowledge that over the past decade, Queensland has also been impacted by more than 80 natural disasters, resulting in loss of life and billions of dollars of damage to personal property and public infrastructure.

Since 2011, QRA has ensured the efficient and effective coordination of disaster recovery and reconstruction efforts across Queensland, with administrative responsibility for a \$16.1 billion program of works under joint Commonwealth and State funded disaster recovery arrangements.

QRA is currently managing a delivery program with an estimated value of approximately \$2.15 billion, comprising works from 23 events across the 2017–18 to 2019–20 disaster seasons.

More than one year on from the devastating 2019 floods in Queensland's North, Far North, Central and Western communities, recovery efforts are well in hand. To date, more than \$466 million in joint Commonwealth and State DRFA assistance has been distributed to impacted individuals, councils, state agencies, primary producers, small businesses and not-for-profit organisations in response to the floods.

In September 2019, the worst bushfire season the nation has ever seen hit Queensland with 23 local government areas activated for assistance through the DRFA. Then, from January to March this year we again saw widespread destructive flooding from four separate events impacting 40 of Queensland's 77 local government areas, with early estimates of the total recovery cost from these events of \$365 million.

QRA is committed to supporting all impacted communities' personal, economic and environmental recovery over the long-term and will continue to support the delivery of sustainable growth following natural disasters and COVID-19.

In response to COVID-19, QRA's skills and expertise came to the fore in the initial response, including the development of Queensland Health's COVID-19 Reporting Dashboard, but further in supporting local governments, state agencies and stakeholders with COVID-19 recovery planning and strategies.

Despite the wide and varied challenges over the past 12 months, QRA has continued its coordinated approach to building disaster resilience through a range of initiatives. These include the development of regional resiliencies strategies and the delivery of programs such as the Monsoon Trough DRFA Category D \$135 million Infrastructure Package, the \$9.5 million Queensland Disaster Resilience Fund (QDRF) and the \$13.1 million Queensland Resilience and Risk Reduction Fund (QRRRF). In addition, the Get Ready Queensland program continues to support councils and communities to build resilience to natural disasters. Get Ready Queensland was pleased to appoint rugby league legend Johnathan Thurston as its Ambassador in 2019–20 to help raise awareness and promote the importance of being prepared.

QRA's dedicated staff will continue to assist with the delivery of state-wide reconstruction programs, collaborating with a variety of stakeholders to deliver on our vision of making Queensland the most disaster-resilient state in Australia.



Brendan Moon
Chief Executive Officer

Queensland Reconstruction Authority

Overview

About QRA

Following unprecedented natural disasters that struck Queensland over the summer months of 2010 and 2011, QRA was established to manage the State's recovery and reconstruction under the *Queensland Reconstruction Authority Act 2011 (QRA Act)*.

A legislative amendment that came into effect on 11 June 2015 made the Queensland Reconstruction Authority (QRA) a permanent part of the Queensland Government. In 2019, the QRA Act was amended to reflect QRA's roles and responsibilities across all hazards, and as the Queensland lead for resilience and recovery policy.

What we do

QRA is charged with managing and coordinating the Government's program of recovery and reconstruction works within disaster-affected communities, with a focus on working with our State and Local Government partners to deliver best practice administration of public reconstruction and resilience funds.

QRA is also the state's lead agency responsible for disaster recovery and resilience policy, working collaboratively with agencies and stakeholders to reduce risk and improve preparedness for disasters.

Vision

To make Queensland the most disaster resilient state in Australia.

Purpose

To enable recovery and build resilience to disaster events within our communities.

Operating environment

QRA operates in an unpredictable environment where operational demands can change at short notice as natural disasters unfold, unique recovery issues emerge or changes in governance arrangements occur.

These demands and challenges were particularly evident in 2019–20, when the state was faced with five disaster events, including flooding and an unprecedented bushfire event that impacted a geographically and demographically diverse area with complex and critical recovery needs. At the same time QRA assisted delivery agents to maintain the pace of recovery from the catastrophic 2019 disaster season. This occurred whilst adapting to the new Disaster Recovery Funding Arrangements (DRFA) that had its first full year of application and also dealing with the impacts of COVID-19 both on the grants programs administered by QRA and directly on QRA's operations.

COVID-19 impacts on the recovery and reconstruction program have included cost-implications from disrupted procurement processes, supply chain issues and time delays through restrictions on access to reconstruction sites and into communities to deliver recovery programs. As a result, QRA engaged early with its stakeholders and the Commonwealth to assess the impacts and secure extensions of time for both the approval and delivery of works.

2019–20 was also the first full year of implementation of DRFA, the disaster recovery funding arrangements for natural disasters implemented by the Commonwealth from 1 November 2018. DRFA will operate in parallel with Natural Disaster Relief and Recovery Arrangements (NDRRA) until the delivery and acquittal of all existing programs of NDRRA works are complete in 2022.

The main change under DRFA relative to its predecessor arrangements, NDRRA, is that the Commonwealth share of disaster recovery funding for the restoration of essential public assets is based on estimated reconstruction costs rather than reimbursement of actual costs incurred. Throughout 2019–20, QRA approved funding submissions that will form the basis of the first estimated reconstruction cost claim that will be due to the Commonwealth in March 2021. The estimate development process was already complex with its first application applying to the huge scale of the 2019 Monsoon Trough event. COVID-19 disruptions have added additional complexity to development of the estimate. The DRFA also provides the potential for the state to retain savings delivered in the state's restoration program for allocation to disaster mitigation and resilience projects.

With the widespread impact of COVID-19, QRA has been involved in the state's response to the pandemic, developing an approach to Regional Recovery Strategies to support COVID-19 recovery.

In response to changes in national governance arrangements for natural disasters following the national bushfire crisis in early 2020, QRA has also been actively engaging with the newly established National Bushfire Recovery Agency and contributing to the state's involvement in the Royal Commission into National Natural Disaster Arrangements, with an aim at making natural disaster arrangements across the country more effective for future events.

Strategic risks and opportunities

QRA has a strong risk focus to manage challenges and act on opportunities.

Our key strategic challenges included:

- ensuring Queensland meets the requirements and timeframes under DRFA so that it does not jeopardise Australian Government funding to the State
- ensuring QRA delivers responsive services that can scale up to meet demands should there be a disaster event of significant magnitude and/or intensity across a geographically diverse area
- developing and implementing policies and programs that deliver sub-optimal benefits to communities or the State.

Our opportunities included:

- developing and delivering state-wide programs that reduce the impact of future disaster events to communities and enhance disaster preparedness
- influencing national disaster mitigation policy agenda and achieve greater alignment with locally-led efforts to improve resilience and risk reduction outcomes for Queensland
- using evidence-based practices, data and analytics to support effective resource allocation and disaster management operations.

Government's objectives for the community

In 2019–20 QRA continued to work toward achieving the Queensland Government's Objectives under *Our Future State: Advancing Queensland's Priorities* by ensuring we:

- create jobs in a strong economy—through assisting local communities to recover sooner from disasters
- keep communities safe—through developing effective disaster recovery and resilience policy and supporting local governments to build resilience into their disaster preparedness and reconstruction programs
- be a responsive Government—through providing responsive and integrated services to the communities before, during and after natural disasters.

Public Service Values

The five Queensland Government values guide QRAs behaviour and how we undertake our business, and include:

Customers first

- Know your customers
- Deliver what matters
- Make decisions with empathy.

Ideas into action

- Challenge the norm and suggest solutions
- Encourage and embrace new ideas
- Work across boundaries.

Unleash potential

- Expect greatness
- Lead and set clear expectations
- Seek, provide and act on feedback.

Be courageous

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency.

Empower people

- Lead, empower and trust
- Play to everyone's strengths
- Develop yourself and those around you.

Strategic objectives and achievements

Enable rapid recovery of disaster-impacted communities

Measures of success

- Improved disaster management plan ratings for relief and recovery
- Implementation of a 'Recovery Information Hub' on QRA's website prior to the 2019–20 disaster season
- 100 per cent delivery of key recovery projects within required timeframes.

Our achievements

- Implementation of the Recovery Information Hub that provides comprehensive recovery resources for community, industry and government
- Delivery of the *2019 Bushfires State Recovery Plan 2019-2022* to guide and enable recovery for bushfire impacted communities across Queensland
- Contributing to Queensland's recovery from COVID-19, including developing tailored recovery strategies for 11 regional areas
- Assistance and support to 46 of Queensland's 77 local governments activated under DRFA for the five events that impacted the state in the 2019-20 disaster season
- Continued delivery and support recovery efforts for Queensland's disaster events of 2018–19 and 2019–20.

Deliver best practice administration of public reconstruction and resilience funds

Measures of success

- 100 per cent reimbursement of applicable NDRRA and DRFA funding to Queensland
- 100 per cent completion of reconstruction and resilience projects within required timeframes.

Our achievements

- Submission of \$840 million claim under the NDRRA/DRFA, which was acquitted by the Australian Government with no adjustment, resulting in securing \$496 million funding to Queensland
- Increased funding for five years from 2020 from \$9.5 million to \$13.1 million per year for resilience projects, by replacing Queensland Disaster Resilience Fund (QDRF) funding with the Queensland Risk Reduction and Resilience Fund (QRRRF)
- Administered a disaster recovery and reconstruction program worth approximately \$2.15 billion, comprising works from 23 events across 2018 to 2020 (to be delivered through to June 2022)
- All reconstruction works from the 2018 events completed by 30 June 2020 deadline, except where an extension of time was granted.

Lead coordination of resilience activities and policy in Queensland

Measures of success

- 100 per cent implementation of the *Queensland Strategy for Disaster Resilience* (Resilient Queensland) by 30 June 2021
- Increase in the Queensland population's awareness of disaster preparedness through Get Ready Queensland campaign
- Implementation of the *Brisbane River Strategic Floodplain Management Plan* (SFMP) within required timeframes
- 100 percent implementation of funded Flood Warning Infrastructure Network plans within required timeframes.

Our achievements

- Delivery of three regional resilience strategy projects as part of Resilient Queensland, involving 17 local governments across Central West, Fitzroy and Mary River regions
- Implementing QRA's actions identified in the Brisbane River SFMP by developing local floodplain management plans and reference material to support community understanding of flood risk
- Facilitating flood warning infrastructure upgrades across the state by identifying high priority locations that require additional capability across 39 local government areas and supporting the implementation of the Flood Warning Infrastructure Network plans, and providing funding to support improvements
- Successful delivery of the 2019–20 Get Ready Queensland program, including provision of \$2 million in state funding to help local governments improve community resilience through a range of council-nominated activities.

Engage and empower our workforce to deliver on QRA's vision

Measures of success

- Improved workforce satisfaction
- All QRA staff have active Performance Development Agreements (PDA) in place, assessed bi-annually that are aligned with QRA's objectives, culture and values.

Our achievements

- Supporting and promoting a better work-life balance by having sustainable performance policies which address fatigue, flexible work arrangements and wellbeing across the organisation. Initiatives included access to flexible work hours and delivery, lunch and learn sessions, office ergonomics and the implementation of targeted health and wellbeing programs.

Our performance

This section highlights QRA's achievements and performance in 2019–20.

Disaster recovery funding

During 2019-20, QRA managed delivery of a disaster recovery and reconstruction program from 23 disaster events with an estimated value of \$2.15 billion, including a record 12 events that occurred in the 2018–19 disaster season.

Key activities during the year in relation to disaster recovery funding were overseeing final delivery of the 2018 event program by 30 June 2020, approval and progression into delivery of the significant 2019 event program and assistance to delivery agents impacted by events in 2019–20.

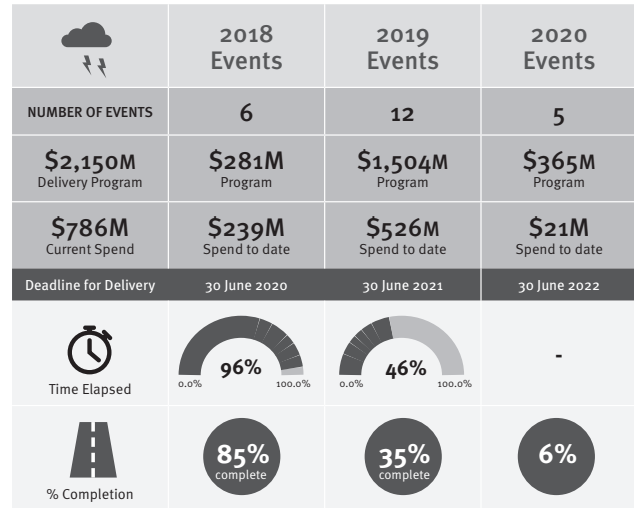
A significant portion of the 2018 events reconstruction and recovery program was re-damaged in the 2019 disaster season and was rolled over into the 2019 events program. The remaining \$281 million of the 2018 program related to six events from the 2018 disaster season and delivery was completed as required by 30 June 2020, with the exception of \$18.3 million of works across 12 delivery agents that were granted extensions of time as a result of COVID-19 impacts. As the impacts of COVID-19 on the recovery program emerged, QRA sought and received approval from the Commonwealth for extensions of time for delivery and approvals across the active recovery programs for COVID-19 related delays.

The 2019 event program has an estimated value in excess of \$1.5 billion from nine events, including the catastrophic Monsoon Trough event. The 2019 event program was originally due for delivery by 30 June 2021 however, extensions of time for delivery for \$146 million of the program had been approved across 14 delivery agents to date due to COVID-19 impacts.

Much of the effort in relation to the 2019 event program in 2019–20 focused on facilitating the rapid recovery of essential infrastructure submissions that form the basis of the first estimated reconstruction cost claim due to be submitted to the Australian Government by 31 March 2021.

In September 2019, the worst bushfire season the nation has ever seen hit Queensland with 23 local government areas activated for assistance through the DRFA. Widespread flooding from four separate events in early 2020 also impacted 40 of Queensland's 77 local government areas, with early estimates of the total recovery cost from these events of \$365 million expected to increase. With some councils activated for both fire and flood, in total 46 of Queensland's 77 councils were activated for assistance.

The following figure shows QRA's active delivery program and the remaining works to be delivered as at 30 June 2020.



In addition to managing the delivery of disaster recovery works on the ground, QRA also successfully managed the acquittal of \$840 million of NDRRA / DRFA works during 2019–20. The claim was accompanied by an unmodified audit opinion and acquitted without adjustment on 30 June 2020. The acquittal secured \$496 million of Australian Government funding to the state.

Since its establishment in 2011, QRA has acquitted more than \$14 billion of NDRRA / DRFA expenditure, securing more than \$9.7 billion of Australian Government funding for Queensland. The state is current with its disaster funding claims with no outstanding claims overdue or awaiting Australian Government acquittal.

Approximately \$1.9 billion of the remaining NDRRA and DRFA programs from the active 2018, 2019 and 2020 event programs will be acquitted in annual claims as works are completed through to 30 June 2022.

Concurrent with the introduction of DRFA, QRA launched its Management and Reporting System (MaRS) in late 2018. MaRS is a highly customised system developed by QRA to support councils and state agencies with disaster funding applications and help QRA meet the requirements of DRFA.

The system continued to be developed through 2019–20 and is shared by QRA and funding applicants with an aim to improve efficiency in lodging and assessing disaster claims, while capturing the entire lifecycle of a submission.

Up to 30 June 2020, councils and State Agencies have lodged more than 1400 submissions and managed activations for the fourteen disaster events under DRFA using MaRS. The system has also demonstrated its flexibility to incorporate new funding relief measures, positioning QRA well to respond to any future changes in funding arrangements.

Building resilience in Queensland

Throughout 2019–20, QRA continued to deliver activities and actions that build resilience in Queensland.

Regional Resilience Strategies

During 2019–20, QRA developed and delivered three regional resilience strategies that guide how local, regional and state level disaster resilience planning, priorities and projects deliver on the objectives and commitments of the *Queensland Strategy for Disaster Resilience*. The strategies, which were developed in collaboration with 17 local councils and State agencies, were released in February 2020 and include:

- *Central West Queensland Regional Resilience Strategy*
- *Mary Regional Resilience Strategy*
- *Fitzroy Regional Resilience Strategy*.

Resilient building guidelines

In partnership with industry, business, council, universities and government agencies, QRA developed guides that provide information about designing and building homes that are resilient to specific hazards, including the *Storm Tide Resilient Building Guidance* and *Cyclone Resilient Building Guidance for Queensland Homes*. The guides were released in December 2019. The Bushfire Resilient Building Guidance for Queensland Homes is currently being developed.

Resilient Queensland in Action

In February 2020, QRA released *Resilient Queensland in Action*, which shows activities and progress to date under each of the four objectives of *Resilient Queensland*, and outlines what has been delivered, work currently underway and future actions across the State.

Strategic floodplain management

QRA continues its work to improve Queensland's flood warning infrastructure in partnership with local governments, regional organisations of councils, state agencies, infrastructure owners and the Bureau of Meteorology.

In 2019–20 QRA commenced the delivery of a \$3.5 million Flood Mapping and Flood Warning Program for communities impacted by the North and Far North Queensland Monsoon Trough that includes three projects to help ensure a best practice approach to catchment resilience, flood warning strategies and the management of flood warning infrastructure.

Projects include:

- Flood Warning Infrastructure Network Project has analysed existing flood warning infrastructure, and identified high priority locations that require additional capability through the repair and/or installation of new infrastructure across 39 local government areas impacted by the event. As at 30 June 2020, high priority locations had been agreed with 16 local governments, which were approved to receive \$1.85 million.
- Burdekin and Haughton Catchment Resilience Strategy Project, which included the development of locally-led and regionally-coordinated resilience solutions to address recent and emerging disaster risks for councils in the catchment area including Townsville City Council. This project is underway and due for completion by June 2021.
- Townsville Recalibrated Flood Modelling and Mapping Project, to support Townsville City Council to update and recalibrate flood modelling and mapping across the council area including the Ross River. This project is underway and due for completion by June 2021.

In addition, QRA continues to deliver on the SFMP. This includes supporting the implementation of the SFMP and the development of local floodplain management plans, as well as the development of reference material to support communication and engagement on flood risk.

2019–20 Resilience funding

The Queensland Government signed the National Partnership on Disaster Risk Reduction, which is a five-year partnership between the Australian and Queensland governments to support resilience and risk reduction projects. The QRRRF builds on and replaces the \$9.5 million QDRF.

For the 2019–20 QRRRF funding round, a total of \$13.1 million was made available, comprising a jointly-funded component of \$9.6 million and a Queensland Government only component of \$3.5 million. Applications for the 2019–20 funding were due to open on 31 March 2020, however due to the impacts of COVID-19 on Queensland communities and applicant capacity to develop detailed submissions, the application process was postponed, and opened in June 2020.

In addition QRA is monitoring the delivery of 62 QDRF projects across local governments, state agencies and non-government organisations, due for completion by 30 June 2021.

Get Ready Queensland

Get Ready Queensland is a year-round, all-hazards, locally led, resilience building initiative to help communities better prepare for disasters.

As part of the 2019–20 program, Get Ready Queensland provided \$2 million in state funding to help local governments improve community resilience through a range of council-nominated activities. All of Queensland's 77 local government entities and Weipa Town Authority received funding as part of the 2019–20 program, with activities rolling out throughout the year.

Get Ready Queensland refreshed its branding in 2019 to better reflect the program's focus on community connectedness and ongoing resilience. The branding refresh also included the development of a new website for the program with a range of new resources including a Council Hub for Local Disaster Managers to find key dates, forms and online resources.

Rugby league legend, Indigenous role model and former Queenslander of the Year, Johnathan Thurston was announced as the first ambassador for the Get Ready Queensland program in July 2019 to help raise awareness of the importance of preparing for disasters through the program.

Four Get Ready Queensland advertising campaigns were created throughout 2019–20, including two bushfire awareness campaigns and two all-hazards awareness campaigns. Collectively, the campaigns reached more than 7 million people in nearly all local government areas across Queensland.

In an effort to further enhance community resilience, Get Ready Queensland joined forces with Suncorp Insurance to expand the reach of program messages. The pre-storm season campaign was particularly timely following severe flooding across Queensland in early 2019.

Get Ready Queensland Week took place from 13–19 October 2019 and was launched in Brisbane's King George Square in collaboration with Get Ready Queensland Ambassador Johnathan Thurston, the Bureau of Meteorology, Brisbane City Council, Queensland Fire and Emergency Services, RSPCA, Australian Red Cross, Lifeline, Queensland Ambulance Service and other stakeholders. The annual Get Ready Queensland Week is an important opportunity for communities across the state to actively prepare their communities and homes for the upcoming disaster season.

Supporting Queensland's recovery from disasters

In managing and coordinating the Government's program of disaster recovery works, QRA continued to work across the state with disaster-affected communities, partner agencies and other stakeholders to promote recovery from the numerous significant disaster events that have occurred in recent years and increase those communities' capacity to recover from future events.

In addition to the continuing recovery programs underway in response to the catastrophic Monsoon flooding event of 2019, Queensland was impacted by another five separate natural disaster events in 2019–20 causing 46 of the state's 77 local governments to be activated for DRFA. Of particular note was the impact of the 2019 Queensland Bushfires event and separately to those activated for DRFA, the impacts of COVID-19.

COVID-19 recovery

Drawing upon the experience gained from more than 80 disasters to hit the state in the past decade, QRA is informing Queensland's recovery to COVID-19 and coordinating regional recovery planning for Queensland.

During 2019–20, QRA led a multi-agency engagement process to commence the development of Regional Recovery Strategies, supported by regional representatives from local government, State agencies, Functional Recovery Groups and industry experts. The strategies take a holistic approach to recovery, with economic recovery as the central focus, aligning with Queensland's Economy Recovery Strategy.

Eleven (11) COVID-19 Recovery Regions have been established that broadly align with existing economic regions, capitalise on existing functional relationships and align with existing regional leadership groups such as the Regional Organisation of Councils (ROC) and Regional Planning Committees. QRA undertook a significant regional stakeholder engagement project, considering 434 survey responses, delivering 11 regional workshops over 10 days and working with 346 workshop participants to shape the recovery strategy for each region.

It was recognised that a whole-of-government effort was required to support the health crisis. With this, QRA was also instrumental in the development of Queensland Health's COVID-19 Reporting Dashboard. The dashboard was prepared daily for over three months to assist Queensland Health with their response reporting requirements. QRA's specialist Geographic Information System (GIS) mapping team worked with Queensland Health to map all reported cases of COVID-19 in Queensland, which gave a geographical overview of the path of the virus and known cluster-points. These heat maps are being published on Queensland Health's website to help inform the public of COVID-19 cases by local government area.

QRA also supported the timely and coordinated management of the offers of assistance received across the Queensland Government from private enterprise, individuals and non-government operations. A central register collated by QRA has been used across government, including COVID-19 Functional Recovery Groups, to effectively coordinate these opportunities.

At the local level, QRA's Liaison and Recovery Officers have been working with Local and District Disaster Management Groups across the state, providing advice and developing event specific recovery plans. There are currently 25+ local councils developing event specific recovery plans. This has included the development of COVID specific planning templates and the delivery of planning workshops. Officers are also having ongoing discussions with councils and partner agencies around Queensland about the potential impact of COVID-19 on the delivery of natural disaster recovery and resilience programs and projects currently underway.

2019 Monsoon Trough Recovery

The North and Far North Queensland Trough was a disaster of national significance causing catastrophic damage and losses to communities across North, Far North and North West Queensland in January–February 2019. Through 2019–20, QRA coordinated the state's recovery effort aimed at helping communities recover, rebuild and reconnect following the disaster. The recovery is guided by the Monsoon Trough Recovery Plan 2019–20, which was released in September 2019 and is the long-term plan guiding recovery of the 39 communities impacted by the historic monsoon flooding event. As recovery progresses, key progress in 2019–20 included release of a \$242 million DRFA Exceptional Circumstances Packages and approval of close to \$1 billion of submissions for recovery and reconstruction funding in relation to the event.

2019 Queensland Bushfires recovery

From September to December 2019, bushfires scorched more than 7.7 million hectares across the state, destroying homes and businesses. 23 local government areas were activated for assistance through DRFA.

To assist local governments to achieve their recovery objectives, QRA developed the *2019 Queensland Bushfires Recovery Plan 2019–2022*. Focus areas include health and wellbeing of affected communities, repair of property, restoration of the tourism industry and provision of support for small businesses and primary producers. QRA worked with eight local governments to support the development of local event-specific recovery plans, to guide recovery operations and build resilience.

QRA activated a range of relief measures for impacted communities under categories A, B, C and D of the DRFA. This included a \$20 million Tourism and Community Recovery Package, established in response to the Queensland bushfire events to address the long-term mental health, economic, environmental and industry impacts.

Recovery Information Hub

Released on 30 March 2020, the Recovery Information Hub provides a single source of information and resources for disaster recovery in Queensland.

The Hub provides recovery stakeholders access to a range of material including research, recovery case studies, local event specific recovery plans, recovery sub-plans and reference materials such as the Community Recovery Handbook, Queensland Recovery Plan and the Recovery Planning methodology.

Recovery Planning and Governance Project

Assisting local governments to develop and strengthen their local disaster recovery capability was identified as a key recovery priority for QRA from the the 2018–19 disaster season. In 2019–20, QRA supported local governments to develop or enhance recovery sub-plans through workshops and drafting the plans. The project has resulted in the endorsement of 12 recovery sub-plans by local government during 2019–20.

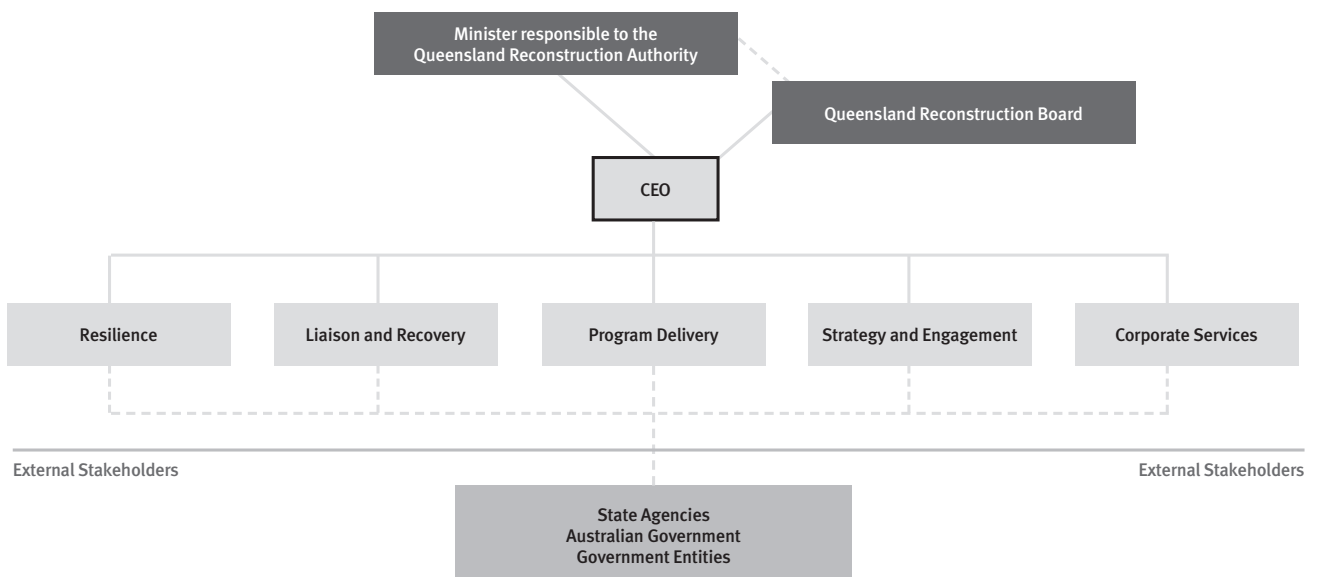
Governance – structure

QRA is headed by Mr Brendan Moon, Chief Executive Officer (CEO) and governed by the Queensland Reconstruction Board and the Minister responsible for QRA, the Honourable Cameron Dick MP.

Machinery of Government (MoG) changes have resulted in QRA moving from the former Department of State Development, Manufacturing, Infrastructure and Planning to Queensland Treasury effective from 11 May 2020. QRA's responsible Minister remained unchanged however the Minister's portfolio of responsibility changed from State Development, Manufacturing, Infrastructure and Planning to Treasurer and Minister for Infrastructure and Planning.

QRA as an organisation consists of five specialist divisions that are headed by the following General Managers who are responsible for delivery of QRA's functions as follows:

- Corporate Services – Mr Andrew Nehill, Chief Financial Officer (CFO)** responsible for providing finance, assurance, human resources, Information and Communications Technology, Program Management Office and procurement functions and support across QRA.
- Program Delivery – Mr Jason Flenley, General Manager** – responsible for the effective administration of all grant programs administered by QRA, including NDRRA, DRFA, the National Disaster Resilience Program (NDRP), QDRF and the QRRRF, including monitoring, risk management, payments, reporting and acquittal of grant programs against program requirements.
- Resilience – Mr Jimmy Scott, General Manager** – leads disaster resilience policy and guiding resilience activities for the State, including regional strategic planning for risk reduction, guiding cross-government policy and representation on key national and state disaster management committees.
- Liaison and Recovery – Ms Jo Killick, General Manager** – leads recovery activities across Queensland and supporting the delivery of recovery strategy, coordination of Queensland's functional recovery groups and engagement via the regional liaison service QRA provides to local governments and state agencies.
- Strategy and Engagement - Ms Janet England, General Manager** – leads QRAs engagement with all levels of Government, community and industry, along with managing media, communications, design, ministerial and executive relations, records management, executive services and administration.



The Queensland Reconstruction Board

QRA's Board is comprised of members with significant experience in recovery and resilience, with a strategic governance focus on strategy, risk, finance, organisational performance and corporate responsibilities. Under section 29 of the Act, the key purpose of the Board is to oversee the operations of QRA.

The Board met 8 times during 2019-20 and board membership comprised of:

- **Stuart Smith** – Chair (from 1 January 2020)
- **Richard Wilson** – Chair (to 31 December 2019)
- Margaret de Wit – Board Member (from 1 January 2018)
- Louise Abell – Board Member (from 1 January 2020)
- Dr Robert Glasser – Board Member (from 1 January 2020)
- Stephen Gollschewski – Board Member (from 1 January 2020)
- Kirsty Kelly – Board Member (from 1 January 2020)
- Belinda Murphy – Board Member (from 1 January 2020)
- Dr Anne Swinbourne – Board Member (from 1 January 2020)
- Mark Crossweller – Board Member (to 20 June 2020)
- Robert Gee – Board Member (to 31 December 2019)
- Steve Golding – Board Member (to 31 December 2019)
- Judith Zielke – Board Member (to 31 December 2019)

Stuart Smith AO, DSC - Chair *(appointed 1 January 2020)*

Major General Stuart Lyle Smith AO, DSC (Retd) completed 36 years in the Australian Regular Army. He has had command and leadership experience at the highest levels, including operational command of an infantry battalion of 800 personnel on Peacekeeping operations in East Timor in 2003, and 3000 Australian Defence personnel in the Middle East and Afghanistan in 2012 before concluding full time service as the Deputy Chief of Joint Operations Command in Canberra in 2017.

He has considerable strategic management and liaison experience including managing the Australian Defence Force earthquake/tsunami disaster relief response in Banda Aceh in 2004, leading the Australian Defence Force disaster response to Cyclone Yasi North Queensland in 2011, and leading the Australian Defence Force security support to G20 in Brisbane in 2014. On 4 December 2018 he was appointed as the State Recovery Coordinator to the Queensland Premier for the Central Queensland Bushfires and the Monsoon Floods North Queensland.

He is a graduate of the Australian Institute of Company Directors, a nationally accredited mediator, and has a Masters in Business Administration. In addition to holding the role of Chair of the Queensland Reconstruction Board, Stuart is Director of Stoic Associates Pty Ltd, specialising in motivational speaking, civil mediation and community consultation.

Richard Wilson, AO - Chair *(retired 31 December 2019)*

Major General Richard (Dick) Wilson AO (Retd) served as the Chair of the Queensland Reconstruction Board from September 2011 to 31 December 2019.

For the previous 39 years he was an officer in the Australian Regular Army where he had extensive practical command experience at all levels from infantry platoon to division. With staff experience mainly in the areas of operations, plans and strategy, Major General Wilson's operational service included an exchange with the United States Army and assignment with the United Nations in East Timor.

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 as well as the University of New South Wales and the University of New England.

Margaret de Wit OAM
(appointed 1 January 2016)

Following a successful career with Telecom Australia (Telstra) Margaret de Wit was elected as a Councillor with Brisbane City Council – a role which spanned 19 years, the last 11 of which she held the portfolios of Chairman of Infrastructure, Public and Active Transport and Chairman of Council. In 2012 she was the first woman elected as President of the Local Government Association of Queensland. Margaret is a graduate of the Institute of Company Directors.

In 2017 Margaret was awarded the Medal of the Order of Australia for services to local government and the people of Brisbane.

Margaret's other current board appointment is Director South Bank Corporation.

Louise Abell, CSC
(appointed 1 January 2020)

Louise Abell, CSC served for over 23 years in the Australian Regular Army in technical and program management roles before leaving to work in the infrastructure sector. She served on Peacekeeping Operations in East Timor in 2002 and then went on to work with the British Military teaching project management at their university after managing major projects with the Australian Army.

She has extensive leadership, governance, strategic planning and project and program management experience. Having led the Business Operations function for organisations of over 500 people and managed and delivered multiple high-value infrastructure and technical projects at state, national and international levels she is experienced financial and commercial requirements, negotiation and contract management and developing positive cultures that are focused on delivering outcomes. She is also experienced at implementing and managing governance frameworks within both government and private entities.

She is a Fellow of The Institution of Engineers Australia, a graduate of the Institute of Company Directors and has a Masters of Business Administration, Masters of Science and an Engineering degree. She has worked for Kellogg Brown and Root Pty Ltd in Infrastructure program management roles as well as more recently in the senior leadership group managing the business assurance and governance.

Dr Robert Glasser
(appointed 1 January 2020)

Dr Robert Glasser is a Visiting Fellow at the Australian Strategic Policy Institute (ASPI), where he focuses on climate change and disaster risk. He was previously the United Nations Secretary General's Special Representative for Disaster Risk Reduction, the Head of the UN Office for Disaster Risk Reduction (UNISDR), a member of the Secretary General's Senior Management Group and the Deputy Secretary General's Climate Principals Group.

Robert has over 30 years of experience as a practitioner, advocate, and policymaker in the areas of climate change, sustainable development and disaster response. Before joining the UN he was the Secretary General of CARE International, one of the world's largest non-governmental humanitarian organisations, with over 10,000 staff active in some 80 countries. Prior positions include Chief Executive of CARE Australia and Assistant Director General at the Australian aid program (AusAID). Robert's other current board appointments include WaterAid Australia and the Climate Action Network Australia.

Stephan Gollschewski, APM
(appointed 1 January 2020)

Deputy Commissioner Steve Gollschewski APM of the Queensland Police Service (QPS) has over 40 years' experience in policing and is currently responsible for service delivery throughout Southern Queensland. He is also Queensland's State Disaster Coordinator most recently coordinating the whole of Government response to the global COVID-19 Pandemic while concurrently being the Overall Commander for the QPS COVID-19 operations.

The Deputy Commissioner performs key governance roles on Boards and Committees including the QPS Board of Management and the Demand and Resource Committee. He is also a current member of the QLD Government's Responsive Government Committee and a board member of the Department of Transport and Main Roads Customer Oriented Registration and Licensing (CORAL) Program. Additionally, he is the Domestic and Family Violence Champion for the QPS, a member of the Queensland Domestic and Family Violence Prevention Council and the QPS champion for Inclusion and Diversity.

Deputy Commissioner Gollschewski is a graduate of the AFP Management of Serious Crime Program, a graduate of and visiting fellow at the Australian Institute of Police Management and has completed post graduate studies in Leadership through Charles Sturt University and Harvard University.

Kirsty Kelly
(appointed 1 January 2020)

Kirsty Kelly is an experienced leader in the built environment, with 14 years leading professional associations within the sector. She is currently the Chief Executive Officer of the Australian Institute of Traffic Planning and Management and was previously the Chief Executive Officer of the Planning Institute of Australia, and the Illuminating Engineering Society of Australia and New Zealand.

Prior to her leadership roles she worked as an urban and regional planner in local, state and territory government, the private sector and academia. She is also an experienced Director, with previous directorships including the Australasian Society of Association Executives and the Planning Institute of Australia. During her career, she has collaborated nationally with leaders, governments, industry and professionals on issues including climate change, resilience, healthy planning and urban design.

She is a graduate of the Australian Institute of Company Directors, has a Graduate Diploma of Urban and Regional Planning and is currently completing a Masters in Business Administration.

Belinda Murphy
(appointed 1 January 2020)

Belinda Murphy was originally born in Tasmania and moved to Queensland in 1997. Belinda held a commercial pilots licence with mustering endorsement until 2005. Belinda has experience in banking and finance along with a total of 13 years working in local government in Queensland. Belinda held roles on both the operational side as a Director Corporate and Community Services from 2005-2010 and as an elected member of the McKinlay Shire in the role of Mayor from 2012-March 2020 when she stepped down to spend more time with her young family and business.

During her term as Mayor, Belinda also held the position of North West Local Government Representative on the LGAQ Policy Executive for four years and was a board member of the Outback Tourism Queensland Association for eight years, including three years as Chair.

Belinda has a graduate degree in Public Sector Management and Local Government Administration qualifications. Currently Belinda is enrolled in the Australian Institute of Company Directors Course and holds a director position on the Northern Australia Infrastructure Fund Board. Belinda resides in the North West Queensland town of Julia Creek with her husband and two children.

Dr Anne Swinbourne
(appointed 1 January 2020)

Dr Anne Swinbourne is a Senior Lecturer in Psychology at James Cook University. Anne's training is in psychology, with particular expertise in the assessment and analysis of behavioural change. She completed her undergraduate psychology and clinical psychology masters training at the University of New South Wales before completing her PhD at the University of Sydney. In 2001 Anne moved to north Queensland to take up a conjoint position as Senior Research Officer with the (then) Tropical Public Health Network, Queensland Health and James Cook University. In this role she assisted in the development and designed the evaluation of programs targeting communicable disease, environmental health, mental health and community capacity building in northern Australia. In her now full time academic role, Anne specialises in the teaching of research skills, data analysis and critical thinking.

Her research interests include best practice in information provision, population level health promotion, and the mental and physical health of Aboriginal and Torres Strait Islander peoples. More recently Anne's research has focussed on community and organisational preparation for, and recovery from extreme events. Anne's other roles have included membership and leadership of hospital and university research ethics committees.

Mark Croweller, AFSM
(retired 20 June 2020)

Mark Croweller is now the Director of Ethical Intelligence and Senior Advisor to KPMG. He is also an Academic at the Australian National University and member of the National Security College Futures Council.

Mr Croweller concluded his 35 year career in service to the community in December 2019 having most recently led national policy advice on risk reduction, resilience, vulnerability, climate and disaster risk information, and strategic risk guidance as the Head of the National Resilience Taskforce for the Australian Government Department of Home Affairs.

From fire-fighter through to Commissioner and then Director General as well as 22 years in senior executive leadership and strategic management, Mr Croweller has led major strategic reform at the national, state, territory and local government levels in governance, strategy, policy, operations and capability.

As Director-General he was responsible for briefing the Prime Minister and Cabinet on all aspects of disaster management. Mr Croweller is currently finalising his research on the ethical premise of leading people through the adversity and loss of disasters for his PhD. Mr Croweller was awarded the Commissioner's Commendation for Service in May 1999, the National medal for Distinguished Service in June 2000 and the Australian Fire Service medal in June 2003.

**Robert Gee APM, B.Bus MPA GAICD
(retired 31 December 2019)**

Robert (Bob) Gee APM was appointed as Director- General for the Department of Youth Justice in May 2019.

Prior to this, Bob was the Deputy Police Commissioner, Regional Operations in the Queensland Police Service (QPS). Bob was also the State Disaster Coordinator and the QPS Indigenous Champion prior to taking up this role.

Bob has worked in central agencies, as a university lecturer, as a consultant across a broad range of industries, been a CIO and was a Commissioned Officer of police for over 20 years. In these roles Bob demonstrated a deep commitment to building stakeholder relationships, community safety, prevention and providing pathways for people across the breadth of the State to come together to improve quality of life and resilience, particularly for those who are most vulnerable in Queensland's diverse local communities. He values research being used pragmatically to improve evidence based practice.

Bob was a member of the QRA Board from 3 May 2018 to 31 December 2019.

**Stephen Golding AM, RFD, BE, MEngSc, BEcon, Hon FIEAust, FCILT, FIML, FITE, FAICD, CPEng, RPEQ
(retired 31 December 2019)**

Stephen Golding had a long career in the Queensland Department of Main Roads, which he joined as an engineer in 1967 and retired from the position of Director-General in 2005.

In a parallel part-time career, Mr Golding enlisted as a private soldier in the active Army Reserve in 1963 and became inactive in 1998 after reaching the rank of Major General. Mr Golding was the senior Army Reserve officer in Australia, is an Honorary Fellow of Engineers Australia, a Fellow of three other professional associations including Fellow of the Australian Institute of Company Directors and a Chartered Professional Engineer. For outstanding service to the Australian Army, Mr Golding was appointed a Member of the Order of Australia (AM) in 1998.

Mr Golding was a member of the QRA Board from its inception in February 2011 to 31 December 2019. Mr Golding's other current Board appointments include: Director, North Queensland Bulk Ports Corporation and Chair, Project Steering Group, Sustainable Built Environment National Research Centre.

**Ms Judith Zielke PSM
(retired 31 December 2019)**

Judi Zielke is Chief Operating Officer at CSIRO and heads its Operations Group responsible for finance, property, governance and corporate affairs.

She was previously Deputy Secretary of the Australian Government Department of Infrastructure, Regional Development and Cities. Her responsibilities included regional development and local government, territories and corporate services.

Judith was also Chief Coordinator, Joint Agency Coordination Centre, which was established by the Prime Minister in March 2014 to coordinate the Australian Government's support for the search into missing flight MH370.

Judith has had a lengthy public sector career encompassing a range of policy advice and implementation positions in the Australian Government in areas of Trade, Attorney General's, Industry and Innovation, and Infrastructure.

She has been a Director of the Board of the Australian Maritime Safety Authority (AMSA), Australian New Car Assessment Program (ANCAP), the National Association of Testing Authorities (NATA) and the Joint Accreditation System of Australia and New Zealand (JAS-ANZ). Judith was a member of the QRA Board from 1 January 2018 to 31 December 2019.

Chief Executive Officer

Brendan Moon

Brendan Moon was appointed to the role of CEO of QRA in June 2016, after acting in the position since November 2015. Prior to this, he was Deputy CEO and has been at QRA since 2011 as General Manager, Operations.

As CEO, Brendan leads the strategic direction of QRA, Queensland's permanent disaster recovery organisation.

This includes the efficient and effective coordination of natural disaster reconstruction efforts across Queensland with administrative responsibility for \$16.1 billion in restoration and recovery funding under NDRRA, DRFA and the State Disaster Relief Arrangements.

He led QRA's operations for Tropical Cyclones Oswald and Marcia, and state-wide reconstruction and recovery efforts from all significant natural disasters in Queensland since late 2015 including Severe Tropical Cyclone Debbie in 2017, the Central Queensland Bushfires in 2018, the North and Far North Queensland monsoon trough flooding event in early 2019 and the Queensland Bushfires of late 2019.

Brendan is also the State Recovery Policy and Planning Coordinator. This standing role's purpose is to lead recovery planning, policy and recovery capability development to ensure better preparedness of government agencies and the community for recovery operations.

He is a regular contributor to national and international dialogue on disaster risk and resilience and has addressed the United Nations Office of Disaster Risk Reduction's Asian Ministerial Conferences on multiple occasions.

Brendan previously held the role of General Manager, Environment, Biodiversity and Sustainability of Wyaralong Dam Alliance, responsible for the procurement and delivery of what was, at the time, the largest vegetation and carbon offset project in Queensland.

Brendan is a graduate of the University of Queensland.

Governance – risk management

Governance

QRA has a risk management framework that incorporates governance arrangements and risk reporting and analysis. The framework helps ensure QRA meets its strategic objectives and fulfils its legislative mandate within the QRA Act, which was amended in 2019 to reflect QRA's current powers and functions for all hazards, and as Queensland's lead for resilience and recovery policy. Governance structures require regular monitoring and revision to meet the changing environment in which it operates. QRA has systems in place to ensure regular monitoring and reporting occurs.

Risk management and accountability

Risk management is part of QRA's day-to-day operations and is undertaken at divisional levels as well as at the senior management and Board level. The implementation of an effective risk management framework is an executive responsibility of the QRA CEO with endorsement of the Board and support of general managers and directors.

QRA's Risk Management Policy and Procedures set the organisation's underlying risk governance framework with an overall aim to ensure that organisational capabilities and resources are employed in an efficient and effective manner to manage both opportunities and threats towards the achievement of QRA's strategic objectives.

QRA has undertaken detailed risk assessments during 2019–20 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 key strategic and operational risks are reviewed regularly by the QRA management team, and status updates are provided to the Board at each meeting.

Internal assurance

QRA has established an internal assurance function to assess operational and financial risks in relation to the provision and acquittal of disaster recovery funding and other funding programs.

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 relevant funding guidelines.

A core element of DRFA arrangements is for the State to establish the amount it claims for estimated reconstruction costs through a 'management system' that addresses 16 control objectives set by the Commonwealth.

QRA has documented its DRFA Management System for the estimated reconstruction costs to reconstruct eligible essential public assets owned by Queensland local governments and state agencies in accordance with *ASAE 3150 Assurance Engagements on Controls*.

QRA engaged the Queensland Audit Office (QAO) during 2019-20 in relation to conducting an audit of its DRFA Management System and compliance with *ASAE 3150*.

External scrutiny

The state's annual claim to the Australian Government for reimbursement of NDRRA and DRFA expenditure is prepared by QRA and is subject to both external audit by the QAO and an assurance review by Emergency Management Australia (EMA) prior to acquittal and payment of the claim.

The 2018–19 claim was submitted in accordance with requisite timeframes in March 2020 and supported by a compliant, unmodified audit opinion by QAO. The claim was subsequently reviewed by Pricewaterhouse Coopers on behalf of EMA before the Australian Government acquitted the claim and made the full amount of the payment due to the state on 30 June 2020 without identification of any adjustments in relation to QRA's administration of NDRRA and DRFA.

Information systems and record keeping

QRA's information management approach ensures compliance with the *Public Records Act 2002*, through the implementation of the Records Governance Policy and the use and maintenance of QRA's electronic document and records management system (eDRMS).

All staff are made aware of their recordkeeping obligations on commencement and throughout their employment. Record keeping and QRA's eDRMS is a part of all business processes and is integrated with internal primary systems including Microsoft suite. QRA's Information Management is a controlled and stable environment and the staff employed in this area have high-level skills in recordkeeping, security classification, retention and disposal and system maintenance.

2019–20 key achievements and activities for ongoing compliance include:

- implementing a digitisation and disposal policy to digitise and dispose of eligible physical public records that have been assessed as low risk, low value records
- continued recordkeeping training provided throughout QRA for all the staff.

Governance – human resources

Staffing

The number of full time equivalent positions as at 30 June 2020 is 93. QRA also draws on secondments and interchange agreements to and from other government agencies, contractors and agency staff to support its operations and surge requirements during disaster events. QRA supports to the extent where practicable, part-time and flexible working hours and promotes a healthy work life balance.

Over the last 12 months, QRA has placed a greater focus on promoting better work-life balance and mental and physical wellbeing across the organisation. Specific initiatives have included improved management of resourcing levels to assist with workloads, providing staff training on managing stress, office ergonomics and the implementation of other targeted health programs.

There were no redundancy or early retirement packages during the reporting period.

Workforce planning

QRA has adopted the Public Service Commission principles in its strategic workforce management, leadership and capability development activities. QRA is committed to continued review and assessment of the organisation's workforce profile in alignment with these principles.

QRA is in the process of implementing a new strategic workforce plan that outlines these strategies to ensure QRA is an inclusive workforce composed of the right people, skills and capabilities to deliver on the strategic objectives. Integrating the workforce plan into the business performance and financial planning process ensures a clear focus on achieving QRA objectives and builds a culture that is aligned to our guiding principles.

Performance development agreements (PDA) for employees are produced annually and reviewed six monthly. Through the PDA process, employees develop a clear understanding of their contribution to the achievement of QRA's strategic vision.

Public Sector Ethics Act

QRA adheres to the *Code of Conduct for the Queensland Public Service* (the Code) which is aligned to the principles and values outlined in the Public Sector Ethics Act 1994.

The Code gives QRA a framework to ensure the organisation maintains its professional standards. The code outlines the expectations for all staff and provides information on the ethical values and behaviour required in QRA's daily business activities. QRA continues to apply mandatory comprehensive training on an annual basis to ensure that employees and contractors are aware of their obligations under the Code and the ethics principles of the *Public Sector Ethics Act 1994*.

Information on the Code is provided to all new employees during their induction and electronic copies are available for ongoing reference. Managers monitor that employees are adhering to the Code and are meeting performance expectations regarding their conduct.

Human rights

QRA received no human rights complaints during the 2019–20 year.

QRA commenced to review and update its relevant policies and procedures in 2019–20 to ensure alignment with the implementation of the Human Rights Act 2019.

Professional development and training

QRA is committed to the development of our workforce and building a high performing and sustainable culture.

Throughout 2019–20, QRA continued to focus on building communication, project management, leadership and management capabilities. To enhance these capabilities QRA has utilised online and face to face training modules.

Overseas travel

Information relating to overseas travel by QRA staff in 2019–20 is published through the Queensland Government Open Data website www.qld.gov.au/data.

Culture and values

QRA's culture and values continue to underpin how we deliver on our strategic objectives, and guide how we continue to learn, grow and innovate as a leading organisation in disaster recovery and resilience.

QRA's culture and value statements are:

Purpose

- Everything we do is focused on helping communities recover from disasters and making Queensland the most disaster resilient state in Australia
- We act responsibly, ethically and with authenticity.

Results

- We achieve results not only through action, but also through coordination and collaboration
- We 'step up' when we need to strive for excellence
- We are accountable for our actions and deliver on our promises.

Learning

- We always seek to deliver smarter and more efficiently
- We challenge the 'norms' of how we do things, embrace new ideas and encourage innovation
- We recognise that developing our staff's skills benefits all of us
- We continuously seek and provide constructive feedback.

Caring

- We foster a healthy, sustainable workplace
- We collaborate with and respect our colleagues
- We are always approachable
- We are one team.

Enjoyment

- We have fun at work, and celebrate our achievements and personal milestones
- We recognise each other's successes
- We are inclusive and celebrate diversity
- We provide opportunities to contribute to the community.

Financial Performance

The financial statements included in this annual report provide specific information about QRA's financial performance and position for 2019-20.

Operating Result

QRA recorded an operating profit of \$0.733 million for the 2019–20 financial year. This result was driven by disaster recovery grant expenditure being slightly lower than the revenue QRA received from Queensland Treasury to fund grant payments during the year. A small amount of grants payments for the 2019 North and Far North Monsoon Trough expected to be paid in 2019–20 will now be paid in 2020–21.

The following table summarises the financial results of QRA for the last two financial years:

Summary of Financial Results for QRA

Queensland Reconstruction Authority	2020 \$'000	2019 \$'000
Income	870,840	554,391
Expenses	870,107	555,527
Profit (loss) for the year	733	(1,136)

QRA's income of \$870.840 million consists of \$818.362 million grants received from the state to fund NDRRA and DRFA disaster recovery grant payments, other state grant funding of \$17.485 million, including for Get Ready Queensland and QDRF, operational funding of \$34.634 million received as grant revenue from Queensland Treasury and other income of \$0.359 million that is sourced from other government agencies for which QRA provides ICT related services at cost.

QRA's expenses of \$870.107 million consists of grants expenses (96 per cent) and expenditure for operations (4 per cent).

Grant expenses totalling \$834.182 million were paid in 2019–20 for disaster recovery grants and other grants to councils, state agencies and non-government organisations in relation to NDRRA, DRFA, Get Ready Queensland and QDRF.

QRA's expenditure for operations was \$35.925 million and comprises costs for employee expenses of \$14.098 million, supplies and services of \$20.229 million, other expenses of \$0.700 million and depreciation and amortisation of \$0.898 million.

Financial position

The net asset position reported in the financial statements for QRA at 30 June 2020 is \$48.788 million.

At 30 June 2020, QRA held assets of \$51.182 million, comprising cash holdings of \$40.005 million, receivables of \$6.068 million, intangible assets of \$4.455 million associated with QRA's MaRS grants management system and other assets of \$0.654 million.

QRA's assets were offset by \$2.394 million of current liabilities, comprising trade creditors, other payables and accrued employee benefits.

The following table summarises the net assets of QRA for the last two financial years:

Summary of Financial Position for QRA

Queensland Reconstruction Authority	2020 \$'000	2019 \$'000
Assets	51,182	50,444
Liabilities	2,394	2,389
NET ASSETS	48,788	48,055



Financials

Queensland Reconstruction Authority

ABN 13 640 918 183

Financial Statements

For the year ended 30 June 2020

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Queensland Reconstruction Authority

Statement of Comprehensive Income

For the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Income			
Grant revenue	2	870,481	554,143
Other income	3	359	248
Total income		870,840	554,391
Expenses			
Grant expenses	4	834,182	523,845
Employee expenses	5	14,098	13,027
Supplies and services	7	20,229	18,160
Depreciation and amortisation	8	898	350
Other expenses	9	700	145
Total expenses		870,107	555,527
Profit (loss) for the year		733	(1,136)
Total comprehensive income (loss) for the year		733	(1,136)

The accompanying notes form part of these financial statements.

Queensland Reconstruction Authority

Statement of Financial Position

As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Current assets			
Cash and cash equivalents	10	40,005	37,668
Receivables	11	6,068	9,069
Other current assets	12	430	205
Total current assets		46,503	46,942
Non-current assets			
Property, plant and equipment	13	224	117
Intangibles	14	4,455	3,385
Total non-current assets		4,679	3,502
Total assets		51,182	50,444
Current liabilities			
Payables	15	2,020	1,819
Accrued employee benefits	16	374	570
Total current liabilities		2,394	2,389
Total liabilities		2,394	2,389
Net assets		48,788	48,055
Equity			
Accumulated surplus		47,049	46,316
Contributed equity	17	1,739	1,739
Total equity		48,788	48,055

The accompanying notes form part of these financial statements.

Queensland Reconstruction Authority

Statement of Changes in Equity

For the year ended 30 June 2020

	Contributed equity \$'000	Accumulated surplus \$'000	Total \$'000
Balance at 1 July 2018	1,739	47,452	49,191
Operating Result			
Profit (loss) for the year	-	(1,136)	(1,136)
Balance at 30 June 2019	1,739	46,316	48,055
Operating Result			
Profit (loss) for the year	-	733	733
Balance at 30 June 2020	1,739	47,049	48,788

The accompanying notes form part of these financial statements.

Queensland Reconstruction Authority

Statement of Cash Flows

For the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Grants		870,481	556,690
GST refunded from ATO		88,662	51,278
GST collected from customers		60	28
Other		359	245
		959,562	608,241
<i>Outflows:</i>			
Employee costs		(14,394)	(13,023)
Supplies and services		(19,427)	(19,234)
Grants		(834,818)	(534,011)
GST paid to suppliers		(85,811)	(54,367)
Other		(700)	(145)
		(955,150)	(620,780)
Net cash provided/(used) in operating activities	18	4,412	(12,539)
Cash flows from investing activities			
<i>Outflows:</i>			
Payments for property, plant and equipment		(162)	(109)
Payments for intangibles		(1,913)	(2,278)
Net cash used in investing activities		(2,075)	(2,387)
Cash flows from financing activities			
<i>Inflows:</i>			
Equity contribution		-	1,739
Net cash provided by financing activities		-	1,739
Net increase/(decrease) in cash and cash equivalents		2,337	(13,187)
Cash and cash equivalents at beginning of reporting period		37,668	50,855
Cash and cash equivalents at end of reporting period	10	40,005	37,668

The accompanying notes form part of these financial statements.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

- Note 1: Basis of Financial Statement preparation
- Note 2: Grant revenue
- Note 3: Other income
- Note 4: Grant expenses
- Note 5: Employee expenses
- Note 6: Key management personnel and remuneration
- Note 7: Supplies and services
- Note 8: Depreciation and amortisation
- Note 9: Other expenses
- Note 10: Cash and cash equivalents
- Note 11: Receivables
- Note 12: Other current assets
- Note 13: Property, plant and equipment
- Note 14: Intangibles
- Note 15: Payables
- Note 16: Accrued employee benefits
- Note 17: Contributed Equity
- Note 18: Reconciliation of Profit (loss) for the year to net cash flow from operating activities
- Note 19: Commitments
- Note 20: Related Parties
- Note 21: Events after the end of the reporting period
- Note 22: Other information
- Note 23: Budget vs actual comparison

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

1. Basis of Financial Statement preparation

(a) General Information

The Queensland Reconstruction Authority (QRA) 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 is a Statutory Body under the *Financial Accountability Act 2009*.

QRA's principal place of business is situated at Level 11, 400 George Street, BRISBANE QLD 4000.

(b) Principal activities

QRA is charged with managing and coordinating the Queensland Government's program of recovery and reconstruction works within disaster-affected communities, with a focus on working with state and local government partners to deliver best practice administration of public reconstruction and resilience funds.

QRA is also the State's lead agency responsible for disaster recovery and resilience policy, working collaboratively with stakeholders to improve risk reduction and disaster preparedness.

(c) Compliance with prescribed requirements and basis of accounting

The financial statements have been prepared in compliance with the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2019.

QRA is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

The historical cost convention is used unless otherwise stated.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in 1(f).

(d) Presentation

Currency and rounding

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

Comparatives

Comparative information reflects the audited 2018-19 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.

(e) Authorisation of Financial Statements for issue

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

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

1. Basis of Financial Statement preparation (cont'd)

(f) New and revised accounting standards

QRA is not permitted to early adopt new or amended accounting standards ahead of their specified commencement date unless approval is obtained from Queensland Treasury (QT). Consequently, QRA has not applied any Australian Accounting Standards and interpretations that have been issued but are not yet effective. All Australian accounting standards and interpretations with future effective dates are either not applicable to QRA or expected to have no material impact to QRA.

Accounting Standards effective for the first time in 2019-20:

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

These standards require revenue to be recognised progressively as control of a good or service transfers to a customer. Impacts to QRA identified at the date of this report are as follows:

- Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. QRA receives several grants for which there are no enforceable and/or not sufficiently specific performance obligations. These grants continue to be recognised as revenue upfront.
- Other Revenue for the provision of Information and Communications Technology (ICT) related services, in circumstances where QRA receives cash but has not met its associated performance obligations would be reported as a liability. However it is QRA practice to invoice for such revenue only once the performance obligations have been met, therefore revenue continues to be recognised upfront.

AASB 16 Leases and AASB 2018-8 Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit-Entities

This standard requires companies to bring the majority of operating leases on-balance sheet. Property and equipment leases previously recognised off-balance sheet will be accounted for as a right-of-use (ROU) asset and lease liability.

- QRA has analysed its existing operating lease commitments at Note 19. QRA's material operating lease commitments comprise internal-to-Government lease arrangements for office accommodation through the Queensland Government Accommodation Office. According to Queensland Treasury policy, QRA's office accommodation arrangements are exempt from AASB 16. Therefore, the lease payments continue to be expensed through the statement of comprehensive income.
- QRA has also analysed its existing photocopier lease commitments and determined that there is no requirement under AASB 16 for QRA to recognise a lease liability and right of use asset for the photocopiers under this standard, given the variability of lease payments. The lease payments continue to be expensed through the statement of comprehensive income.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

	2020 \$'000	2019 \$'000
2. Grant revenue		
<i>Queensland Government Grants:</i>		
Disaster recovery funding	818,362	500,406
Operational funding	34,634	32,312
Other state funding	17,485	21,425
Total	870,481	554,143

Queensland Government Grants

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. Disaster recovery funding comprises of the Natural Disaster Relief and Recovery Arrangements (NDRRA) and the Disaster Recovery Funding Arrangements (DRFA).

Other state funding includes funding programs such as Get Ready Queensland (GRQ), Natural Disaster Resilience Program (NDRP), Queensland Disaster Recovery Funding (QDRF) and other state funded recovery and resilience projects.

Queensland Government Grants revenue are, in principal appropriations made by Queensland Treasury through the Department of State Development Manufacturing, Infrastructure and Planning (DSDMIP). MoG changes have resulted in QRA moving from the former DSDMIP to Queensland Treasury from 11 May 2020. The amount of grant revenue QRA receives is based on budgeted financial year expenditure (both for grant and operational expenditure) through the state budget process. Underspends in grant revenue are rolled into accumulated surplus, as no liability exists to return unspent grant revenue. Historically QRA has drawn down on accumulated surplus instead of grant revenue when it is required. At 30 June 2020, QRA's accumulated surplus was \$47.049 million.

3. Other income

Expenditure reimbursed	358	194
Other	1	54
Total	359	248

Other Income

Expenditure reimbursed relates to revenue from on-charging QRA ICT related services at cost to other Government Departments and Agencies in accordance with pre-agreed arrangements.

4. Grant expenses

Disaster recovery grants	814,956	503,229
Other grants	19,226	20,616
Total	834,182	523,845

Grants expenses

Grants made by QRA are done in accordance with an agreement between QRA and the recipient 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. The agreement allows for an advance of grant monies prior to the approval of projects. All grants are required to be spent in accordance with the agreement and relevant grant program requirements. Disaster recovery grants disclosed in this note comprises of NDRRA and DRFA which became effective on 1 November 2018. NDRRA expenditure will progressively phase out over the next two financial years and replaced by DRFA.

Disaster Recovery Grants - State Departments and Agencies (SDAs) and Non-Government Organisations (NGOs)

Department of Transport & Main Roads	179,937	20,726
Department of Communities, Disability Services & Seniors	71,913	8,296
Queensland Rural & Industry Development Authority	55,000	86,044
Queensland Fire & Emergency Services	34,447	4,671
Department of Housing & Public Works	7,164	5,022
Department of Environment and Science	2,332	11,897
Other	16,323	4,897
Total	367,116	141,553

Other grants comprise of State and Commonwealth grant funding programs for recovery and resilience initiatives linked to natural disasters, including Get Ready Queensland (GRQ), Natural Disaster Resilience Program (NDRP), Queensland Disaster Resilience Fund (QDRF) and other state funded recovery and resilience projects.

Grant expenses include grant advances and grants for expenditure incurred on approved projects.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

4. Grant expenses (cont'd)

Disaster Recovery Grants - Local Government Authorities

	2020 \$'000	2019 \$'000		2020 \$'000	2019 \$'000
Aurukun Shire Council	963	1,061	Logan City Council	180	403
Balonne Shire Council	25	26	Longreach Regional Council	11,275	6,995
Banana Shire Council	1,360	2,177	Mackay Regional Council	2,703	3,525
Barcaldine Regional Council	11,379	2,334	Mapoon Aboriginal Shire Council	191	40
Barcoo Shire Council	7,762	2,312	Maranoa Regional Council	456	516
Blackall-Tambo Shire Council	6,128	804	Mareeba Shire Council	5,439	3,816
Boulia Shire Council	7,274	3,575	McKinlay Shire Council	22,281	7,070
Bulloo Shire Council	500	83	Mornington Shire Council	2,370	12,590
Bundaberg Regional Council	1,193	342	Mount Isa City Council	2,900	2,373
Burdekin Shire Council	1,664	1,427	Murweh Shire Council	853	317
Burke Shire Council	7,296	5,975	Napranum Aboriginal Shire Council	1,553	60
Cairns Regional Council	4,155	2,067	Noosa Shire Council	1,275	54
Carpentaria Shire Council	37,863	23,405	North Burnett Regional Council	1,577	7,021
Cassowary Coast Regional Council	8,295	2,919	Northern Peninsula Area Regional Council	2,456	1,801
Central Highlands Regional Council	4,254	10,862	Palm Island Aboriginal Shire Council	3,380	513
Charters Towers Regional Council	32,548	5,747	Paroo Shire Council	1,776	-
Cloncurry Shire Council	14,602	20,584	Porpuraaw Aboriginal Shire Council	1,608	1,627
Cook Shire Council	44,524	24,332	Quilpie Shire Council	1,942	76
Croydon Shire Council	7,626	5,839	Redland City Council	86	-
Diamantina Shire Council	4,111	2,517	Richmond Shire Council	10,445	5,191
Doomadgee Aboriginal Shire Council	799	108	Rockhampton Regional Council	3,769	5,686
Douglas Shire Council	7,917	4,147	Scenic Rim Regional Council	8,591	27,942
Etheridge Shire Council	3,712	5,958	Somerset Regional Council	974	-
Flinders Shire Council	10,581	2,411	South Burnett Regional Council	826	1,209
Fraser Coast Regional Council	906	718	Southern Downs Regional Council	3,361	2,704
Gladstone Regional Council	4,686	8,912	Sunshine Coast Regional Council	1,275	-
Gold Coast City Council	7,854	1,448	Tablelands Regional Council	2,515	303
Goondiwindi Regional Council	668	303	Toowoomba Regional Council	2,741	-
Gympie Regional Council	275	498	Torres Shire Council	2,903	420
Hinchinbrook Shire Council	8,347	5,228	Torres Strait Island Regional Council	3,179	10,458
Hope Vale Aboriginal Shire Council	1,807	1,836	Townsville City Council	664	31,617
Ipswich City Council	225	-	Western Downs Regional Council	1,137	-
Isaac Regional Council	15,769	33,407	Whitsunday Regional Council	43,589	25,321
Kowanyama Aboriginal Shire Council	3,527	3,055	Winton Shire Council	13,286	5,481
Livingstone Shire Council	2,591	3,574	Woorabinda Aboriginal Shire Council	782	260
Lockhart River Aboriginal Shire Council	8,345	3,457	Wujal Wujal Aboriginal Shire Council	1,635	2,160
Lockyer Valley Regional Council	244	375	Yarrabah Aboriginal Shire Council	94	305
			Total	447,840	361,676
			Total Disaster recovery grants	814,956	503,229

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

	2020 \$'000	2019 \$'000
5. Employee expenses		
<i>Employee benefits</i>		
Wages and salaries	10,445	9,708
Annual leave levy	1,057	934
Long service leave levy	255	210
Employer superannuation contributions	1,358	1,249
Board fees	41	12
Other employee benefits	114	112
	13,270	12,225
<i>Employee related expenses</i>		
Payroll tax	639	606
Other employee related expenses	189	196
	828	802
Total	14,098	13,027

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. As QRA expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts. Wages and salaries includes \$107,112.50 of \$1,250 one-off, pro-rata payments for 87 full-time equivalent employees (announced in September 2019).

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

Annual and Long Service Leave

Under the Queensland Government's Annual and Long Service Leave Schemes, a levy is made on QRA to cover the cost of employees' annual (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 and long service leave are claimed from the scheme quarterly in arrears.

Employer Superannuation Contributions

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

Board Fees

New appointments were made to the Queensland Reconstruction Board at 1 January 2020, in which board membership increased in comparison to 2018-19.

Employee related expenses

Payroll tax, workers' compensation insurance and fringe benefit tax (FBT) are consequences of employing employees, but are not counted in an employees' total remuneration package. They are not employee benefits and are recognised separately as employee related expenses. QRA pays workers' compensation insurance premiums to WorkCover in Queensland in respect of its obligations for employee compensation.

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis at 30 June 2020 is:

	No.	No.
QRA employees	93	94
Total	93	94

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

6. Key management personnel and remuneration

(a) Key management personnel

QRA's responsible Minister is identified as part of QRA's key management personnel (KMP). QRA's Minister for the period between 1 July 2019 to 10 May 2020 was the Minister for State Development, Manufacturing, Infrastructure and Planning. From 11 May 2020, QRA's responsible Minister remained unchanged however the Minister's portfolio of responsibility changed to Treasurer and Minister for Infrastructure and Planning.

The following details for non-Ministerial KMP reflect those agency positions that had authority and responsibility for planning, directing and controlling the activities of the agency during 2019-20.

Position	Responsibilities under the <i>Queensland Reconstruction Authority Act 2011</i>	Contract classification and appointment authority	Name	Date appointed to/ or ceased from 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>	Brendan Moon	Appointed 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	Ceased 31/12/2019
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>	Stuart Smith	Appointed 01/01/2020
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>	Margaret de Wit Anne Swinbourne Belinda Murphy Kirsty Kelly Louise Abell Robert Glasser Stephan Gollschewski Judith Zielke Steve Golding Robert Gee Mark Crosweller	Appointed 01/07/2016 Appointed 01/01/2020 Appointed 01/01/2020 Appointed 01/01/2020 Appointed 01/01/2020 Appointed 01/01/2020 Appointed 01/01/2020 Appointed 01/01/2018 Ceased 31/12/2019 Appointed 21/02/2011 Ceased 31/12/2019 Appointed 03/05/2018 Ceased 31/12/2019 Appointed 01/01/2018 Ceased 22/06/2020

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

6. Key management personnel and remuneration (cont'd)

(b) Remuneration

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. QRA 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 is 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 for QRA's non-Ministerial KMP is set by the Governor in Council.

Remuneration packages for KMP 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 and forming part of the Financial Statements

For the year ended 30 June 2020

6. Key management personnel and remuneration (cont'd)

(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.

2019-20		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	Brendan Moon	390	-	9	48	-	447
Chair ¹	Richard Wilson	58	-	16	4	-	78
Chair ²	Stuart Smith	42	-	-	4	-	46
Board Member ¹	Steve Golding	3	-	-	-	-	3
Board Member	Margaret de Wit	9	-	-	1	-	10
Board Member ²	Louise Abell	6	-	-	1	-	7
Board Member ²	Robert Glasser	6	-	-	1	-	7
Board Member ²	Kirsty Kelly	6	-	-	1	-	7
Board Member ²	Belinda Murphy	6	-	-	1	-	7
Board Member ²	Anne Swinbourne	6	-	-	1	-	7
Total		532	-	25	62	-	619

1. Ceased 31/12/2019

2. Appointed 01/01/2020

Judith Zielke, Mark Crossweller, Robert Gee and Stephan Gollschewski were not remunerated as they are Public Sector employees.

2018-19		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	Brendan Moon	390	-	8	48	-	446
Chair	Richard Wilson	84	-	2	8	-	94
Board Member	Steve Golding	6	-	-	-	-	6
Board Member	Margaret de Wit	6	-	-	-	-	6
Total		486	-	10	56	-	552

Judith Zielke, Mark Crossweller and Robert Gee were not remunerated as they are Public Sector employees.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

	2020 \$'000	2019 \$'000	
7. Supplies and services			
Contractors	13,668	11,393	Contractors Contractors employed through labour hire agencies are not classified as employees. There is no contractual relationship between the entity and the individual in the arrangement and are classified as supplies and services.
ICT managed services	2,084	2,360	
Occupancy costs	947	1,165	Occupancy costs Occupancy costs include QRA's operating lease rental. The payments for this operating lease are representative of the pattern of benefits derived from the leased asset and are expensed in the periods in which they are incurred.
Travel	804	1,268	
Supplies and consumables	1,447	756	
Other supplies and services	1,279	1,218	
Total	20,229	18,160	
8. Depreciation and amortisation			
Depreciation	55	8	Depreciation and Amortisation Depreciation is principally related to an office refurbishment that QRA undertook during 2019/20 to increase floor capacity. Amortisation is related to internally developed software for QRA's grant management system. The software has a useful life of 5 years. Amortisation is calculated on a straight line basis over the estimated useful life of the asset. Straight line amortisation is used reflecting the expected consumption of economic benefit on a progressive basis over the intangible's useful life. The residual value of the intangible asset is zero.
Amortisation	843	342	
Total	898	350	
9. Other expenses			
Audit and other assurance fees - external	700	145	Audit and other assurance services fees Total audit fees quoted by the Queensland Audit Office (QAO) relating to the audit of the 2019-20 financial statements of QRA is \$41,000 (2018-19: \$40,000) and for the audit of the 2018-19 Commonwealth NDRRA / DRFA Certificate which occurred in 2019-20 was \$263,475 (2018-19: \$179,000). Other assurance services fees relating to the assurance engagement on controls of the 2018-20 DRFA Management system is \$272,206 (2018-19: \$30,000).
Total	700	145	
10. Cash and cash equivalents			
Cash at bank - Grant account	27,996	24,009	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 received but not banked at 30 June 2020.
Cash at bank - Operating accounts	12,009	13,659	Grant funds are held in a separate bank account to operating funds. 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.
Total	40,005	37,668	
11. Receivables			
GST receivable	5,906	8,817	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.
Trade receivables	66	66	
Annual leave reimbursements	75	177	Credit risk exposure of receivables The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets inclusive of any provision for impairment. No impairment loss has been recognised for 2019-20 financial year. No receivables are past due or impaired.
Long service leave reimbursements	21	9	
Total	6,068	9,069	
12. Other Current Assets			
Prepayments	430	205	Other Current Assets Payments for goods and services which are to be provided in future periods are recognised as prepayments.
Total	430	205	

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

	2020 \$'000	2019 \$'000
13. Property, plant and equipment		
<i>Plant and equipment</i>		
At cost	18	18
Less: Accumulated depreciation	(17)	(10)
<i>Furniture and fittings</i>		
At cost	271	109
Less: Accumulated depreciation	(48)	(0)
Total	224	117

Property, plant and equipment

Property, plant and equipment are measured at historical cost. 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.

Furniture and fittings

QRA undertook a partial office refurbishment during the 2019–20 Financial Year to increase floor capacity in its tenancy at 400 George Street.

14. Intangibles

Software: internally generated

At cost	5,640	3,445
Less: Accumulated amortisation	(1,185)	(342)

Software: work in progress

At cost	-	282
Total	4,455	3,385

Intangibles

Intangible assets with a historical cost or other value equal to or greater than \$100,000 are recognised in the financial statements, whereas items with a lesser value are expensed.

Intangible assets comprise of internally developed software for QRA's grant management system. There is no active market for this intangible asset so the asset is recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Expenditure on research or training activities relating to internally generated intangible assets is recognised as an expense in the period in which it is incurred.

The useful lives of intangible assets are assessed to be finite. Intangible assets are tested for impairment where an indicator of impairment exists. Principally, the intangible asset is assessed for impairment by reference to the actual and expected continuing use of the asset by QRA, including discontinuing the use of the software.

15. Payables

Trade creditors	1,725	1,086
Grants payable	-	636
Other payables	295	97
Total	2,020	1,819

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 in 2018-2019 financial year related to the Airlie Beach Foreshore precinct project that QRA administered to Whitsunday Regional Council as agent for DSDMIP. The project was completed and all funding paid in the 2019-2020 financial year.

16. Accrued employee benefits

Current accrued employee benefits

Annual leave levy payable	300	252
Long service leave levy payable	74	53
Wages payable	-	265
Total	374	570

Accrued employee benefits

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*.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

	2020 \$'000	2019 \$'000
17. Contributed Equity		
Net transfer in from other Queensland Government entity	1,739	1,739
Total	1,739	1,739

Contributed equity

The contribution of equity relates to \$1.739 million transferred to QRA from DSDMIP for savings realised following the acquittal of NDRP for 2015 to 2017 by the former Department of Infrastructure, Local Government and Planning (DILGP). QRA assumed responsibility for administering NDRP from DILGP during 2017-18. DILGP transferred the equity to DSDMIP in 2017-18 as part of the Machinery of Government (MOG). The Minister of DSDMIP approved the transfer on to QRA on 13 June 2018.

18. Reconciliation of Profit (loss) for the year to net cash flow from operating activities

Profit/(loss) for the year	733	(1,136)
<i>Non-cash items included in operating result:</i>		
Depreciation and amortisation expense	898	350
<i>Changes in assets and liabilities:</i>		
Decrease/(increase) in receivables	3,001	(1,368)
Adjustment to receivables due to equity contribution transfer from DSDMIP (note 17)	-	(1,739)
(Increase) in other current assets	(225)	(10)
Increase/(decrease) in payables	201	(8,651)
(Decrease)/increase in accrued employee benefits	(196)	15
Net cash provided/(used) in operating activities	4,412	(12,539)

QRA received NDRRA advance funding from Queensland Treasury in 2010-11, 2011-12, 2013-14 and 2016-17 resulting in surpluses reported in the financial statements for those years. The losses for 2017-18 and 2018-19 were funded from the prior year surpluses.

19. Commitments

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	1,090	1,041
Later than one year and not later than five years	4,905	4,679
Later than five years	2,079	3,385
Total	8,074	9,105

Operating leases are entered into as a means of acquiring access to office accommodation. The Operating lease terms expire in December 2026. Lease payments are fixed with annual escalation of 3.5% in January of each year.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

20. Related Parties

Transactions with other Queensland Government-controlled entities.

QRA's predominate source of funding is grant funding from Queensland Treasury made through DSDMIP. (refer Note 2).

Disaster recovery grants are made to various Queensland Government controlled entities (refer Note 4).

QRA makes payments to Queensland Government controlled entities for general operating expenditure. Examples of this expenditure include officer interchange costs, payroll tax, workers compensation premiums, payments for payroll services provided, and occupancy costs. These payments are made based on agreed terms and are consistent with the terms provided to other government entities.

QRA is reimbursed by other Queensland Government controlled entities for the provision of ICT related services at cost (refer Note 3).

21. Events after the end of the reporting period

No 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.

22. Other information

Taxation

QRA is exempt from income tax under the Income Tax Assessment Act 1936 and is exempted from other forms of Commonwealth taxation with the exception of FBT and GST. GST credits receivable from, and GST payable to, the Australian Taxation Office (ATO) are recognised (refer to Note 11).

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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.

Financial Instruments

QRA's activities expose it to limited financial risk. QRA has implemented a financial risk management framework that seeks to minimise potential adverse effects on the financial performance of QRA.

QRA's financial instruments comprise of Receivables and Payables. QRA does not enter into transactions for speculative purposes, nor for hedging.

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

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.

Climate Risk

QRA's key climate related risk relates to operational impacts on its grant administration and recovery operations from a potential increase in the number and severity of natural disasters in the future. However, this risk is not relevant to the financial report at the reporting date and QRA has not identified any other material climate related risks relevant to the financial report at the reporting date.

COVID-19

QRA has not identified any material COVID impacts relevant to the financial report at the reporting date.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

23. Budget vs actual comparison

Statement of Comprehensive Income

	Variance Note	Budget 2020 \$'000	Actual 2020 \$'000	Variance \$'000	Variance % of Budget
Income					
Grant revenue	v1	645,692	870,481	224,789	35%
Other revenue		-	359	359	100%
Total income		645,692	870,840	225,148	35%
Expenses					
Grant expenses	v2	609,808	834,182	(224,374)	-37%
Employee expenses		14,742	14,098	644	4%
Supplies and services		19,602	20,229	(627)	-3%
Depreciation and amortisation		928	898	30	3%
Other expenses		612	700	(88)	-14%
Total expenses		645,692	870,107	(224,415)	-35%
Profit (loss) for the year		-	733	733	100%
Total comprehensive income (loss) for the year		-	733	733	100%

Explanations of major variances

- v1** The increase in grants funding is due to the damage estimates for the 2019 North and Far North Monsoon Trough being greater than initially estimated.
- v2** The increase in grant expenses is due to the impact of the 2019 North and Far North Monsoon Trough being greater than initially estimated.

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

23. Budget vs actual comparison (cont'd)

Statement of Financial Position

	Variance Note	Budget 2020 \$'000	Actual 2020 \$'000	Variance \$'000	Variance % of Budget
Current assets					
Cash and cash equivalents	v3	42,345	40,005	(2,340)	-6%
Receivables		5,961	6,068	107	2%
Other current assets		196	430	234	119%
Total current assets		48,502	46,503	(1,999)	-4%
Non-current assets					
Property, plant and equipment		15	224	209	1394%
Intangibles	v4	3,443	4,455	1,012	29%
Total non-current assets		3,458	4,679	1,221	35%
Total assets		51,960	51,182	(778)	-1%
Current liabilities					
Payables		2,214	2,020	194	9%
Accrued employee benefits		555	374	181	33%
Total current liabilities		2,769	2,394	375	14%
Total liabilities		2,769	2,394	375	14%
Net assets		49,191	48,788	(403)	-1%
Equity					
Accumulated surplus		47,452	47,049	(403)	-1%
Contributed equity		1,739	1,739	-	0%
Total equity		49,191	48,788	(403)	-1%

Explanations of major variances

- v3** Cash and Cash Equivalents are less than budget due to QRA's beginning cash balance being lower than expected due to high grants payments made toward the end of 2018-19 which were made after the budget was finalised.
- v4** The increase in intangibles relates to the capital cost of internally developing QRA's grants management and reporting system (MaRS).

Queensland Reconstruction Authority

Notes to and forming part of the Financial Statements

For the year ended 30 June 2020

23. Budget vs actual comparison (cont'd)

Statement of Cash Flows

	Variance Note	Budget 2020 \$'000	Actual 2020 \$'000	Variance \$'000	Variance % of Budget
Cash flows from operating activities					
<i>Inflows:</i>					
Grants	v5	645,692	870,481	224,789	35%
Other (including GST refunded from ATO and collected from customers)	v6	56,692	89,081	32,389	57%
<i>Outflows:</i>					
Employee costs		(14,742)	(14,394)	348	2%
Supplies and services (including GST paid to suppliers)	v7	(76,201)	(105,238)	(29,037)	-38%
Grants	v8	(609,808)	(834,818)	(225,010)	-37%
Other		(705)	(700)	5	1%
Net cash provided by operating activities		928	4,412	3,484	375%
Cash flows from investing activities					
<i>Outflows:</i>					
Payments for property, plant and equipment		-	(162)	(162)	-100%
Payments for intangibles	v9	(1,266)	(1,913)	(647)	-51%
Net cash (used in) investing activities		(1,266)	(2,075)	(809)	64%
Cash flows from financing activities					
<i>Inflows</i>					
Equity contribution		-	-	-	-100%
Net cash provided by investing activities		-	-	-	100%
Net increase/(decrease) in cash and cash equivalents		(338)	2,337	2,675	-791%
Cash and cash equivalents at beginning of reporting period		42,683	37,668	(5,015)	-12%
Cash and cash equivalents at end of reporting period		42,345	40,005	(2,340)	-6%

Explanations of major variances

- v5** The increase in grants is due to the damage estimates for the 2019 North and Far North Monsoon Trough being greater than initially estimated.
- v6** The increase is due to GST refunds being higher than expected as a result of increased grants and supplies and services payments for reconstruction and recovery activities for the 2019 North and Far North Monsoon Trough.
- v7** The increase is due to GST paid on increased Grants Revenue for the 2019 North and Far North Monsoon Trough.
- v8** The increase in grants is due to the damage estimates for the 2019 North and Far North Monsoon Trough being greater than initially estimated.
- v9** Payments for intangibles relates to the capital cost of internally developing QRA's grants management and reporting system (MaRS).

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), section 39 of the Financial and Performance Management Standard 2019 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 2020 and of the financial position of QRA at the end of that year; and


We acknowledge responsibility under sections 7 and 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.



Brendan Moon
Chief Executive Officer

Queensland Reconstruction Authority

Date: 18 August 2020



Stuart Smith, Major General AO, DSC (Retd)
Chairperson

Queensland Reconstruction Authority

Date: 18 August 2020



Independent
Auditor's
Report

INDEPENDENT AUDITOR'S REPORT

To the Board of Queensland Reconstruction Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Queensland Reconstruction Authority.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2020, 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 2020, 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 entity 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 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 entity 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 the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity'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 entity 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 entity'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 entity.
- Conclude on the appropriateness of the entity'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 entity'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 entity 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 Board 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

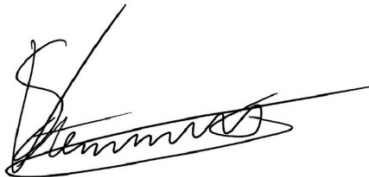
Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2020:

- a) I received all the information and explanations I required.
- b) I consider that, 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 entity's transactions and account balances to enable the preparation of a true and fair financial report.



Vaughan Stemmett
as delegate of the Auditor-General

18 August 2020
Queensland Audit Office
Brisbane

Ministerial Directions

Under Section 12(3)(a) of the QRA Act, QRA must include in its Annual Report details of any direction or notice given by the Minister during the financial year to which the report relates.

The accompanying table lists Ministerial Directions provided to QRA in 2019–20 to administer DRFA and NDRRA for the listed disaster events.

Event	Date Ministerial Direction signed
Tropical Cyclone Esther and related flooding, 23 February - 8 March 2020	30 April 2020
South West Queensland Flooding 20 - 26 February 2020	30 April 2020
Southern Queensland Heavy Rainfall and Flooding 8 - 14 February 2020	30 April 2020
Queensland Monsoon Flooding, 23 January – 3 February 2020	30 April 2020
Southern Qld Upper Level Trough, 22 - 25 April 2019	29 July 2019

Annual Report Requirements

Summary of requirement	Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7 5
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1 4, 54
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2 3
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3 3
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4 3
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5 3
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10.1 8
	<ul style="list-style-type: none"> Machinery of Government changes 	ARRs – section 10.2, 31 and 32 16
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2 8
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3 8
Non-financial performance	<ul style="list-style-type: none"> Government’s objectives for the community 	ARRs – section 11.1 9
	<ul style="list-style-type: none"> Other whole-of-government plans / specific initiatives 	ARRs – section 11.2 12
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3 10, 11, 12, 13, 14, 15
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4 57
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1 24
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1 16
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2 17, 18, 19, 20, 21
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3 NA
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4 23
	<ul style="list-style-type: none"> Human Rights 	ARRs – section 13.5 23
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6 9

Summary of requirement		Basis for requirement	Annual report reference
Governance – risk management and accountability	• Risk management	ARRs – section 14.1	22
	• Audit committee	ARRs – section 14.2	NA
	• Internal audit	ARRs – section 14.3	22
	• External scrutiny	ARRs – section 14.4	22
	• Information systems and recordkeeping	ARRs – section 14.5	22
Governance – human resources	• Strategic workforce planning and performance	ARRs – section 15.1	23
	• Early retirement, redundancy and retrenchment	Directive No.04/18 Early Retirement, Redundancy and Retrenchment ARRs – section 15.2	23
Open Data	• Statement advising publication of information	ARRs – section 16	3
	• Consultancies	ARRs – section 33.1	https://data.qld.gov.au
	• Overseas travel	ARRs – section 33.2	https://data.qld.gov.au
	• Queensland Language Services Policy	ARRs – section 33.3	https://data.qld.gov.au
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	48
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	50
FAA	Financial Accountability Act 2009		
FPMS	Financial and Performance Management Standard 2019		
ARRs	Annual report requirements for Queensland Government agencies		

Glossary

ARRs	Annual report requirements for Queensland Government Agencies
CEO	Chief Executive Officer
DRFA	Disaster Recovery Funding Arrangements
eDRMS	electronic Document and Records Management System
EMA	Emergency Management Australia
FTE	Full Time Equivalent
GIS	Geographic Information System
MaRS	Management and Reporting System
NDRRA	Natural Disaster Relief and Recovery Arrangements
NDRP	Natural Disaster Resilience Program
PDA	Performance Development Agreement
QAO	Queensland Audit Office
QDRF	Queensland Disaster Resilience Fund
QRA	Queensland Reconstruction Authority
QRA Act	Queensland Reconstruction Authority Act 2011
QRRRF	Queensland Risk Reduction and Resilience Fund
Resilient Queensland	Resilient Queensland 2016 - implementing the Queensland Strategy for Disaster Resilience
Retd	Retired
ROC	Regional Organisation of Councils
SFMP	Brisbane River Strategic Floodplain Management Plan
SRC	State Recovery Coordinator
The Code	Code of Conduct for the Queensland Public Service

Performance indicators and service standards

Coordination of natural disaster recovery and resilience activities

The objective of this service area is to demonstrate accountability in the use of natural disaster and resilience funding and support the Queensland economy and job growth by coordinating the rapid restoration of communities following natural disasters and building their resilience to future events.

This service area recognises that QRA is responsible for actively managing and coordinating Queensland's program of recovery and reconstruction works within disaster impacted communities to ensure timely reconstruction, value for money is achieved and expenditure claimed is eligible for Australian Government reimbursement under NDRRA and DRFA through:

- managing the close-out and acquittal of NDRRA expenditure to obtain an unqualified audit opinion from the QAO in relation to claims for Australian Government reimbursement of eligible expenditure
- as natural disasters occur, assisting with disaster recovery operations and supporting local governments in their recovery processes, and undertaking rapid damage assessments of commercial, residential (in conjunction with Queensland Fire and Emergency Services) and council infrastructure in the worst hit areas.

Coordination of natural disaster recovery and resilience activities	2019–20 Target/Est	2019–20 Actual
Service standards		
Effectiveness measure Percentage of reconstruction projects completed within required timeframes ¹	100%	100%
Efficiency measures Immediate disaster recovery operating costs per dollar of new disaster event damage ²	0.25%	0.05%
Get Ready Queensland operating costs to administer/manage community activities as a percentage of the total Get Ready Queensland grant program ³	15%	16.4%

Notes:

1. This service standard assesses the effectiveness of QRA's administration of reconstruction programs and management of delivery agent risk. Projects delivered under NDRRA, DRFA and other grants programs associated with recovery must be completed within set timeframes to be eligible for funding. Works not completed within timeframes expose disaster-impacted communities to the financial risk that expenditure incurred will not be reimbursed.
2. This service standard reflects organisational efficiency in the delivery of services in the immediate disaster response and recovery operations. The objective of this measure is to ensure that QRA continues to deliver services consistent from one event to the next. The calculation methodology is based on a benchmark percentage from previous disaster events.
3. This service standard assesses the efficiency of QRA's administration of the Get Ready Queensland program's community led activities by measuring the costs associated with delivering these activities as an overall percentage of the total Get Ready Queensland program. Consequential to the unprecedented bushfires faced by Queensland in 2019-20, additional operating costs were allocated to special Get Ready Queensland advertising campaigns and initiatives in order to raise community awareness specific to bushfire preparedness. These additional costs were funded from QRA operational funding.

