



GOVERNMENT HOUSE  
QUEENSLAND

2004 ✦ 2005

ANNUAL REPORT



GOVERNMENT HOUSE  
QUEENSLAND

The Honourable A. McGrady, MP  
Speaker of the Legislative Assembly  
Parliament House  
George Street  
BRISBANE QLD 4000

Dear Mr Speaker

I am pleased to present to you the 2004–2005 Annual Report of the Office of the Governor.

The Report is submitted as a standing requirement of the *Financial Administration and Audit Act 1977*.

The Report reflects the achievements of the Office in providing an effective and accountable agency which supports the Governor of Queensland.

Yours sincerely

**Annette Bastaja**  
Official Secretary

October 2005



This report is submitted as a standing requirement of the  
*Financial Administration and Audit Act 1977.*

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# INTRODUCTION



## Aim of Report

The aim of this report is to provide a formal statement of the objectives, activities and performance of the Office of the Governor during the period 1 July 2004 to 30 June 2005. This report covers the second year in office of Her Excellency Ms Quentin Bryce AC, Governor of Queensland. In particular, the report will address:

- mission statement and corporate objectives;
- structure and outputs;
- major achievements and activities in 2004 - 2005;
- review of operations in 2004 - 2005;
- budget and associated outcomes;
- works and maintenance; and
- outlook for 2005 - 2006.

## Mission

The Office of the Governor provides administrative, logistic and personal support to enable the Governor to discharge effectively the responsibilities and duties of office.

## Corporate Objectives

The objectives of the Office of the Governor are to:

- a) provide administrative support to constitutional, legislative, official, civic and community commitments undertaken by the Governor;
- b) assist the efforts and further the interests of the people, government, institutions, commerce, industry, and associations of Queensland;
- c) support the Australian Honours and Awards program in Queensland;
- d) support philanthropic and charitable organisations of Queensland;
- e) maintain Government House as an official State residence, including the conservation and continuing development of its facilities and grounds; and
- f) maintain procedures and policies to contribute to good governance, ensuring that it remains relevant and effective in contemporary society.

# STRUCTURE AND OUTPUTS

*The Constitution of Queensland 2001 provides that there shall be a Governor in and over the State of Queensland.*

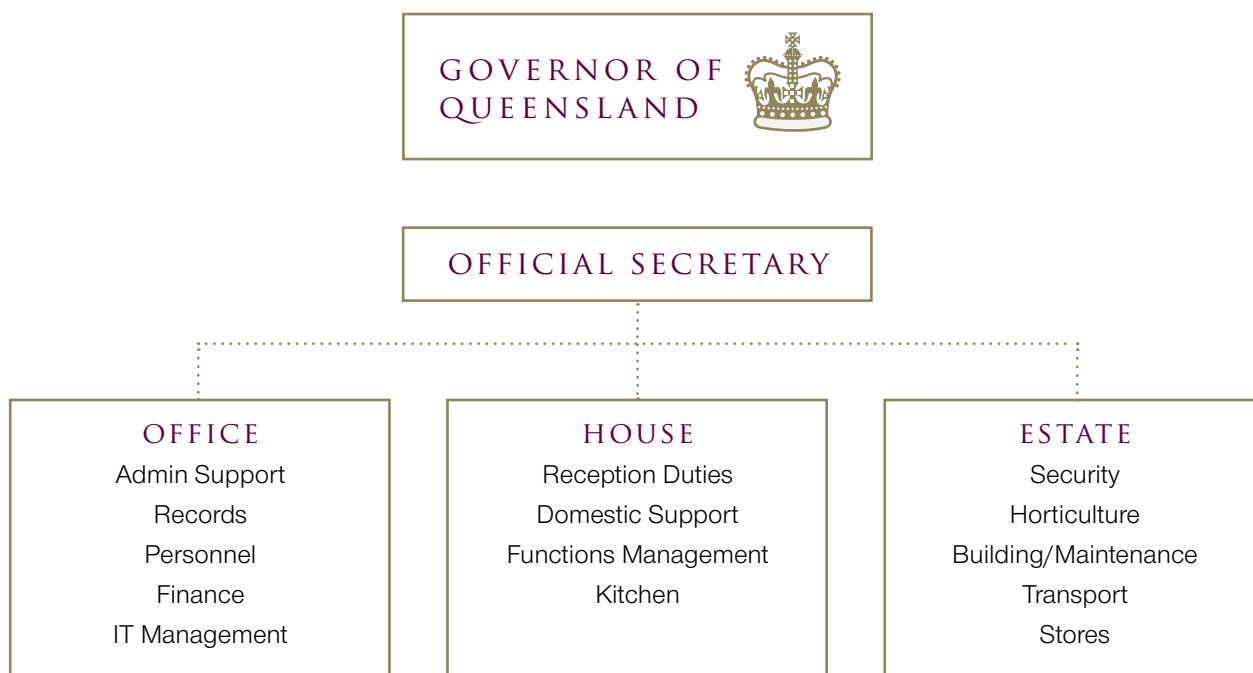
The Governor is authorised and required to do and execute all things that belong to his or her office according to the laws in force in the State.

As an independent entity, the Office of the Governor provides administrative and logistic support which enables the Governor to exercise effectively the constitutional powers and responsibilities of office, and to undertake official, ceremonial and civic duties.

The autonomous nature of the Office enables the Governor to function independently of Government and to remain separate from the political process.

By enabling the Governor to exercise independently his or her constitutional powers and responsibilities and to undertake duties as Head of State, the Office of the Governor directly contributes to effective government leadership.

The Office of the Governor also acts as tenant and custodian of the Government House Estate at Paddington, Brisbane. The Office controls no subordinate entities or bodies.



Structure of the Office of the Governor



# MAJOR ACHIEVEMENTS



The Office of the Governor seeks to provide an excellent standard of administrative and operational support to Her Excellency the Governor in the performance of her duties.

The major achievements and activities of the Office in 2004–2005 included:

- a) support for participation by the Governor in constitutional and official commitments, including support to the 51st Parliament of Queensland;
- b) support to the Governor's official travel requirements which included visits to many regional centres and remote communities in Queensland as well as visits to the United Kingdom and the United States;
- c) support for a range of ceremonial and civic commitments including:
  - national and state commemorative events;
  - Australian Honours and Awards presentations;
  - opening of community festivals and agricultural shows;
  - assistance to the many and growing number of organisations of which the Governor and Mr Bryce are patron;
  - school and community group visits; and
  - open day programs at Government House.
- d) systems and facilities enhancements, including:
  - participating in, and support of, a 2004 review of the Office of the Governor;
  - introducing changes in accordance with the recommendations of the *Office of the Governor Review: 10 Point Summary Implementation Plan*;
  - conducting a major security review to upgrade surveillance capability at Government House;
  - commissioning a study of the electrical infrastructure on the Government House Estate to identify current and future requirements, to improve risk management and facilitate improved electrical services;
  - undertaking a horticultural replanting program to maintain the integrity of the remnant native bushland located at the rear of the Government House Estate; and
  - undertaking minor new work to maintain the safety of visitors to the Government House Estate.

# REVIEW OF OPERATIONS

The reporting period 2004–2005 was Her Excellency's second year in office.

The following overviews the Governor's principal official activities.

## Constitutional

- The Governor provided support to the 51st Parliament of Queensland.
- The Governor presided at 52 Meetings of Executive Council.
- The Governor assented to draft Bills presented by the Legislative Assembly of Queensland.

## Ceremonial

- Award ceremonies recognise and celebrate the outstanding achievements and contributions of many Queenslanders to the Queensland community. The Governor held investiture ceremonies to present Honours and Awards at Government House and in regional centres. In 2004–2005 the Governor invested 241 recipients at 16 Honours and Awards ceremonies.
- The Governor presented awards to Winston Churchill fellows and to members of the Order of St John and the Royal Humane Society. Other award ceremonies given support included those for St John Ambulance; Scouts and Guides, and the Boys' and Girls' Brigades.

- Her Excellency reviewed the ANZAC Day parade in Brisbane and participated in a range of 60th Anniversary of World War II and other remembrance ceremonies, representing the people of Queensland.

## Civic and Community

- The Governor visited 12 regional centres in Queensland. Areas visited included North Queensland – Cairns, Townsville, Laura, Einasleigh; South East Queensland – Gold Coast, Sunshine Coast; Central Queensland – Longreach, Ilfracombe, Jundah, Windorah, Biloela, Taroom; Central Coastal Queensland – Moore Park, Bundaberg, Gladstone, Mackay.

The Governor also:

- participated in 267 civic and community activities;
- undertook 175 patronage commitments;
- presented 285 speeches and official messages;
- received calls from heads of state, spiritual leaders, ambassadors and foreign dignitaries, as well as incoming and outgoing members of the Diplomatic and Consular Corps; and
- sent 1,399 letters of congratulations.





# REVIEW OF OPERATIONS

## **The Governor's program of official travel within Queensland was designed to acknowledge, encourage and assist regional communities and centres.**

In 2004–2005 the Office of the Governor planned and supported twelve regional visits by the Governor at a direct cost of \$34,893. Where feasible, the Governor's visits were hosted by local government authorities, and the Governor's program included visits, inspections, calls and speaking commitments at industry, educational, health, cultural, military, police and community facilities.

In addition, the Governor maintained efforts aimed at encouraging and supporting the cultural, trade and tourism initiatives of the public and private sectors in Queensland by providing access, hospitality and personal support to events of significance. Examples of such activities include:

- acting as host to delegations visiting Queensland to discuss bilateral, trade or cultural events;
- opening major trade, industry, business, professional, education and philanthropic conventions and conferences;
- hosting Vice-Regal functions in support of particular initiatives or events; and
- providing public access to Government House and grounds on a regular basis.

During October 2004 the Governor and Mr Bryce, accompanied by one staff member, travelled to London at a cost of \$40,976. The visit was to pay an official call upon Her Majesty the Queen. While in London the Governor also met the Queensland Government Agent-General, other state and federal government representatives and business leaders.

In January 2005 the Governor and Mr Bryce, accompanied by one staff member, travelled to Los Angeles at the invitation of the Premier to represent Queensland at Australia Week 2005. Her Excellency was accorded high level access to both the public and private sectors and was able to promote Queensland's commercial, scientific, social, educational and cultural interests. Costs of the visit were met by the Queensland Government.

Public access to Government House and its grounds is encouraged through scheduled public Open Days, visits by school and community groups, and support for on-site functions by community and philanthropic organisations. Approximately 8,041 people visited Government House in 2004–2005 as part of the Open Day and Visits Programs. Public attendance figures at Open Days in 2004–2005 were slightly down on previous years due to inclement weather. It is the intention of the Office of the Governor to encourage actively public access to Government House.

In 2004–2005 the Governor and Mr Bryce provided extensive support to the more than 150 community and charitable organisations of which they are Patron. This included visits, letters of encouragement and introduction, hospitality and participation in functions and ceremonies of many kinds. As part of her representational duties in the wider community, the Governor delivered formal and informal speeches, provided written messages and forewords, and opened a range of events, buildings and facilities.

The Governor continued her involvement in the Australian Honours and Awards system and other community-based awards by hosting investiture and presentation ceremonies for recipients in Queensland. Sixteen presentation ceremonies were held in 2004–2005. A total of 241 Queenslanders received awards, including 22 recognised for bravery.

# BUDGET AND ASSOCIATED OUTCOMES

## **The Queensland Audit Office undertook an independent audit of financial management in 2004–2005.**

The audit report concluded that the Office of the Governor has complied with prescribed requirements in respect of the establishment and keeping of accounts in all material respects, and that financial statements presented a true and fair view in accordance with prescribed accounting standards.

The certified Financial Statements are part of this report. The Office of the Governor has achieved a successful budget outcome in 2004–2005 with reasonable labour and operating expenditure, and further modernisation of systems and facilities. The audited actual budget position at 30 June 2005 was a net surplus of \$142,000. The actual gross operating cost for the Office increased by 6.2% compared with the previous year.

Salaries and employee related expenses represented the largest expenditure item at \$2,209,000 for

2004–2005. The Office of the Governor has adopted more flexible work practices, including flexible hours for part time employees, the introduction of working from home and other contemporary work practices.

Staff at the Office of the Governor are covered by the *Queensland Government - Office of the Governor Agency Agreement 2003*, which replicates pay increases available to public servants under the *State Government Departments Certified Agreement 2003*. The period of operation of the agreement is 1 May 2003 to 31 July 2006. This is the fourth agreement entered into by employees at the Office of the Governor.

Staff turnover increased by approximately 20 % in the year 2004–2005. Reasons for this increase included retirement, voluntary early retirement and resignation. Some Government House staff were recruited by local and international agencies. The ability to recruit replacement personnel expeditiously meant that overall staffing levels remained acceptable.



# BUDGET AND ASSOCIATED OUTCOMES



## Consultancies

The Office of the Governor does not engage consultants unless it is cost-effective to do so, or particular expertise or skills are required. In 2004–2005, the Office paid \$3,235 to Queensland Parliamentary Services for the provision of payroll services.

## Works and Maintenance

No major works projects were conducted by the Office of the Governor in 2004–2005. Minor works measures included:

- internal refurbishment (painting, carpets, curtains) for one employee residence;
- upgrade of electrical safety switches;
- repair and restoration of swimming pool;
- installation of upgraded security surveillance equipment; and
- horticulture replanting program to maintain integrity of remnant native bushland.

## Waste Management

The Waste Management Policy is contained in the agency's *Code of Conduct*.

## Women's Initiatives

Women are currently represented at all salary levels within the Office of the Governor. The office provides flexible working hours and leave arrangements, where practical. A work-from-home initiative began in 2004–2005.

## Public Liability

The Office of the Governor maintains liability insurance cover (property and general liability) against insurable risks with the Queensland Government Insurance Fund (QGIF). The current policy cover provided by QGIF, which has few exclusions and no upper limit on claims, covers the Office of the Governor for legal liability which may ensue as a result of activities conducted by the Office.

The policy does not extend to other formal entities which may participate in activities sponsored by the Office. It is the practice of the Office of the Governor to confirm the liability insurance position of these organisations before inviting them to participate in activities at Government House.

# OUTLOOK FOR 2005–2006

The outlook for 2005–2006 is for continued effective support to the Governor and the Vice-Regal program.

The following tasks or significant projects are proposed for the 2005–2006 operations period:

- finalisation of implementing recommendations of the *2004 Office of the Governor Review: 10 Point Summary Implementation Plan*;
- in collaboration with the Department of Public Works, the refurbishment of one employee residence on the Estate;
- the installation of an on-site emergency electricity generator; and
- development of an educational resource to complement the Government House schools visits program.



# FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 30 JUNE 2005

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# FOREWORD

These general purpose financial statements have been prepared on an accrual basis in accordance with prescribed requirements. They comprise a Statement of Financial Performance, a Statement of Financial Position and a Statement of Cash Flows. As required and as appropriate, notes supporting the statements are provided.

As distinct from the traditional cash basis of reporting, the accrual method brings revenues and expenses to account when they are incurred as well as any acquired asset or liability without regard to the date of receipt or payment of cash.

The Statement of Financial Performance identifies the operating result for the year as well as the impact on the net assets of the Office.

# STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$'000	2004 \$'000
<b>Revenues from ordinary activities</b>			
Output revenue	3	3,720	3,379
Grants and other contributions	4	52	-
Other	5	4	15
<b>Total revenues from ordinary activities</b>		<b>3,776</b>	<b>3,394</b>
<b>Expenses from ordinary activities</b>			
Employee expenses	6	2,209	2,056
Supplies and services	7	1,273	1,200
Depreciation expense	8	127	150
Other	9	25	13
<b>Total expenses from ordinary activities</b>		<b>3,634</b>	<b>3,419</b>
<b>Net Operating Result</b>		<b>142</b>	<b>(25)</b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>	16	<b>142</b>	<b>(25)</b>

The accompanying notes form part of these statements.

# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2005

	Notes	2005 \$'000	2004 \$'000
<b>Current assets</b>			
Cash assets	10	130	2
Receivables	11	23	29
Inventories	12	25	18
<b>Total current assets</b>		<b>178</b>	<b>49</b>
<b>Non-current assets</b>			
Plant and equipment	13	1,326	1,398
<b>Total non-current assets</b>		<b>1,326</b>	<b>1,398</b>
<b>Total assets</b>		<b>1,504</b>	<b>1,447</b>
<b>Current liabilities</b>			
Payables	14	142	112
Provisions	15	59	59
<b>Total current liabilities</b>		<b>201</b>	<b>171</b>
<b>Net assets</b>		<b>1,303</b>	<b>1,276</b>
<b>Equity</b>			
Retained surpluses	16	539	397
Contributed equity	16	764	879
<b>Total equity</b>		<b>1,303</b>	<b>1,276</b>

The accompanying notes form part of these statements.

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$'000	2004 \$'000
<b>Cash flows from operating activities</b>			
<i>Inflows:</i>			
Output receipts		3,720	3,379
Interest receipts		2	7
GST input tax credits from ATO		131	133
GST collected from customers		7	14
<i>Outflows:</i>			
Employee expenses		(2,212)	(2,167)
Supplies and services		(1,191)	(1,108)
GST paid to suppliers		(127)	(133)
GST remitted to ATO		(7)	(16)
Other		(17)	(30)
<b>Net cash provided by operating activities</b>	17	<b>306</b>	<b>79</b>
<b>Cash flows from investing activities</b>			
<i>Inflows:</i>			
Sales of plant and equipment		61	132
<i>Outflows:</i>			
Payments for plant and equipment		(125)	(232)
<b>Net cash used in investing activities</b>		<b>(64)</b>	<b>(100)</b>
<b>Cash flows from financing activities</b>			
<i>Outflows:</i>			
Equity withdrawals		(114)	(114)
<b>Net cash used in financing activities</b>		<b>(114)</b>	<b>(114)</b>
<b>Net increase/(decrease) in cash held</b>		<b>128</b>	<b>(135)</b>
<b>Cash at beginning of financial year</b>		<b>2</b>	<b>137</b>
<b>Cash at end of financial year</b>	10	<b>130</b>	<b>2</b>

The accompanying notes form part of these statements.

Comparatives for GST inflows and outflows, other inflows, employee expenses, supplies and services and other outflows have been adjusted due to reclassification in 2004-05 (refer to notes 5, 6, 7 and 9).

# NOTES

## TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

### 1. Objectives of the Office

The Office is responsible for providing -

*"Personal, administrative and logistic support to the Governor and management of the Government House Estate."*

The provision of personal, administrative and logistical support to the Governor enables the Governor to exercise her statutory and constitutional, official and ceremonial, and civic and social duties. As a separate entity, the Office enables the Governor to provide independent, non-political authority to the parliamentary process.

The Office also has a custodial responsibility for the management of the Government House Estate.

### 2. Summary of Significant Accounting Policies

#### (a) Basis of Accounting

The financial statements are a general purpose financial report and have been prepared in accordance with applicable Australian Accounting Standards (principally *AAS 29 Financial Reporting by Government Departments*), the *Treasurer's Financial Reporting Requirements for Departmental Financial Statements 2004-05* and other authoritative pronouncements.

Except where stated, the financial statements have been prepared in accordance with the historical cost convention. The accounting policies adopted are materially consistent with those adopted in the preceeding year.

The Office is not responsible for administering any resources, which it does not control, on a whole-of-Government basis. The accrual basis of accounting has been adopted for the controlled transactions of the Office.

#### (b) The Reporting Entity

The financial statements include all assets, liabilities, equities, revenues and expenses of the Office. The Office has no controlled entities.

#### (c) Cash Assets

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June 2005.

#### (d) Inventories

Inventories, which comprise household supplies purchased, have been valued at the lower of cost and net realisable value.

#### (e) Receivables

Receivables comprise monies owed to the Office at the end of the financial year, where an invoice has been issued or where an amount is determined to be owing to the Office.

#### (f) Plant and Equipment

Land, buildings, infrastructure and heritage and cultural assets must be valued and recognised at 'fair value' and all other classes of non-current physical assets valued and recognised at cost in accordance with Australian Accounting Standard *AASB 1041 Revaluation of Non-Current Assets* and Queensland Treasury's *Non-Current Asset Accounting Guidelines for the Queensland Public Sector*.

In terms of the requirements of AASB 1041, all classes of non-current physical assets held by the Office are recorded at cost. All items of Plant and Equipment with a cost or other value of \$1,000 or higher are capitalised in the year of acquisition. Any items below \$1,000 are expensed.



# NOTES

## TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

### 2. Summary of Significant Accounting Policies (continued)

#### (g) Depreciation of Non-Current Assets

Depreciation is provided on a straight line basis on all plant, machinery, motor vehicles, furniture and fittings and office equipment other than antiques, works of art and replaceable equipment (refer note 2(h)).

Depreciation rates are calculated to allocate the cost less the estimated residual value at the end of the useful lives of the assets against revenue over those estimated lives.

For each class of depreciable asset the following depreciation rates are used:

Class	Depreciation Rate
Motor Vehicles	10%
Plant and Machinery	15%
Furniture and Fixtures	15%
Office Equipment	15%
Computer Equipment	40%

#### (h) Replaceable Equipment

Replaceable equipment including silver, crockery, cutlery, glassware and tableware has been capitalised at cost. This equipment will be retained in the Statement of Financial Position at cost, without depreciation. Expenditure on replacement items will be charged to the Statement of Financial Performance as incurred.

#### (i) Payables

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

#### (j) Output Revenue

The Office is funded by parliamentary appropriations. Appropriation payments to the Office under the Annual Appropriations Act are recognised as revenue when received.

#### (k) Employee Benefits

##### *Wages, Salaries, Annual Leave and Sick Leave*

Wages, salaries and annual leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement and include related on-costs such as long service leave levies and employer superannuation contributions.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to recur in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

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

Provision is made for annual leave estimated to be payable to employees on the basis of statutory and contractual requirements.

##### *Long Service Leave*

Under the Queensland Government's long service leave scheme, a levy is made on the Office to cover this expense. Amounts paid to employees for long service leave are claimed from the scheme as and when leave is taken.

No provision for long service leave is required in the financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 - *Financial Reporting by Governments*.

##### *Superannuation*

The State Actuary determines the rate of employer contributions for superannuation expense. These contributions are paid to QSuper, the superannuation plan for Queensland Government employees.

No liability is recognised for accruing superannuation benefits in the Statement of Financial Position, as the liability is held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS31 - *Financial Reporting by Governments*.

# NOTES

## TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

### 2. Summary of Significant Accounting Policies (continued)

#### (l) Taxation

The Office is a State body as defined under the Income Tax Assessment Act 1936 and is exempt Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). As such, GST credits receivable from/payable to the Australian Taxation Office (ATO) are recognised and accrued.

#### (m) Insurance

The Office's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. In addition, the Office pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

#### (n) Rounding and Comparatives

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where the amount is \$500 or less, to zero.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

#### (o) Services Received Free of Charge or for Nominal Value

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

#### (p) Adoption of International Financial Reporting Standards

The Financial Reporting Council has determined that all entities preparing general purpose financial statements will apply the Australian Equivalents to International Financial Reporting Standards (IFRSs) for reporting periods beginning on or after 1 January 2005.

The Office has made arrangements for the assistance of qualified accounting professionals to address the adoption of these standards.

To date, the Office has not identified any key differences in accounting policies which will arise from the adoption of the Australian equivalent of IFRSs which will materially impact on the financial reports.

Policy decisions made at a whole-of-Government level in relation to the limiting of options in the Australian Equivalent to IFRSs may have additional impacts on financial reports prepared using these schedules and these will continue to be monitored.

#### *Mandated Changes to Policy on Transition to AEIFRS*

In addition to the amendments required on adoption of Australian Equivalents to International Financial Reporting Standards, a number of mandated policies will be introduced, the commencement date of which will coincide with the implementation of the new standards. The financial impact of the introduction of the new policies will be reported in the 2005-06 financial statements.

# NOTES

TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

	2005 \$'000	2004 \$'000
<b>3. Reconciliation of Payments from Consolidated Fund to Output Revenue Recognised in Statement of Financial Performance</b>		
Budgeted output appropriation	3,594	3,353
Plus: supplementary appropriations	126	26
<b>Output revenue recognised in Statement of Financial Performance</b>	<b>3,720</b>	<b>3,379</b>
<b>Reconciliation of Payments from Consolidated Fund to Equity Adjustment Recognised in Contributed Equity (Note 16)</b>		
Budgeted equity adjustment appropriation	(114)	(114)
Transfer from asset revaluation reserve	–	(1,550)
<b>Equity adjustment recognised in Contributed Equity (Note 16)</b>	<b>(114)</b>	<b>(1,664)</b>
<b>4. Grants and Other Contributions</b>		
Services received at below fair value	52	–
<b>Total</b>	<b>52</b>	<b>–</b>
<b>5. Other Revenues</b>		
Gain on sale - plant and equipment	–	8
Interest	4	7
<b>Total</b>	<b>4</b>	<b>15</b>
Gain on disposal of assets and Interest have been reclassified in 2004-05. This amount was previously recorded in 2003-04 as Gain on disposal of assets and Interest and has now been reclassified to Other Revenues.		
Recovery of expenditure has been reclassified in 2004-05. This amount was previously recorded in 2003-04 as Other Revenue and has now been reclassified to Supplies and Services.		
<b>6. Employee Expenses/Number of Employees/Official Secretary's Remuneration</b>		
<b>Employee Expenses</b>		
Wages and salaries	1,905	1,704
Salary related taxes	84	137
Employer superannuation contributions	171	174
Long service leave levy	19	22
Other	30	19
<b>Total</b>	<b>2,209</b>	<b>2,056</b>

# NOTES

## TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

2005  
\$'000

2004  
\$'000

### 6. Employee Expenses/Number of Employees/Official Secretary's Remuneration (continued)

Training and Conferences, LSL Levy Expense and Other Employee Expenses have been reclassified in 2004-05. These amounts were previously recorded in 2003-04 as Supplies and Services and have now been reclassified to Employee Expenses.

<b>Number of Employees</b>	<b>34.5</b>	<b>34</b>
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The number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.

#### Official Secretary's Remuneration

	Min	Max
Level SO1	93,561	97,902
Level SES2	100,316	119,119

During the year, the position of Official Secretary was reviewed and reclassified as Level SES2.

The Official Secretary is not eligible for consideration of a performance bonus.

The superannuable salary does not include industry and like allowances, leave loading and fringe benefits such as private use of a motor vehicle and employer superannuation contributions.

### 7. Supplies and Services

Contracted services	562	600
Household costs	268	206
Administration costs	150	150
Estate operations	124	140
Travel	98	47
Archival services	33	–
Motor vehicle running costs	31	45
Repairs and maintenance	7	12
<b>Total</b>	<b>1,273</b>	<b>1,200</b>

Recovery of expenditure has been reclassified in 2004-05. This amount was previously recorded in 2003-04 as Other Revenue and has now been reclassified to Supplies and Services.

Training and Conferences, LSL Levy Expense and Other Employee Expenses have been reclassified in 2004-05. These amounts were previously recorded in 2003-04 as Supplies and Services and have now been reclassified to Employee Expenses.

Administration Expenses, Car and Tractor Expenses, Works and Maintenance and Travel have been reclassified in 2004-05. These amounts were previously recorded in 2003-04 as Other Expenses and have now been reclassified to Supplies and Services.

# NOTES

## TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

	2005 \$'000	2004 \$'000
<b>8. Depreciation</b>		
Depreciation incurred in respect of:		
Plant, machinery and motor vehicles	42	47
Furniture and fixtures	60	75
Office equipment	25	28
<b>Total</b>	<b>127</b>	<b>150</b>

### 9. Other Expenses

Losses from disposal of non-current assets	8	-
External audit fees	10	9
Insurance	7	4
<b>Total</b>	<b>25</b>	<b>13</b>

Administration Expenses, Car and Tractor Expenses, Works and Maintenance and Travel have been reclassified in 2004-05. These amounts were previously recorded in 2003-04 as Other Expenses and have now been reclassified to Supplies and Services.

Insurance has been reclassified in 2004-05. This amount was previously recorded as Supplies and Services and has now been reclassified to Other Expenses.

### 10. Cash Assets

Cash at bank	130	2
<b>Total</b>	<b>130</b>	<b>2</b>

*The above figures are reconciled to cash at the end of the year as shown in the Statement of Cash Flows.*

### 11. Receivables

#### Current

GST receivable	13	17
Sundry debtors	10	12
<b>Total</b>	<b>23</b>	<b>29</b>



# NOTES

TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

	2005 \$'000	2004 \$'000
<b>12. Inventories</b>		
<i>Current</i>		
Household supplies - not held for sale	25	18
<b>Total</b>	<b>25</b>	<b>18</b>

## 13. Plant and Equipment

Plant, machinery and motor vehicles - at cost	406	416
Less: Accumulated depreciation	(193)	(166)
	213	250
Furniture and fixtures - at cost	1,003	978
Less: Accumulated depreciation	(476)	(416)
	527	562
Office equipment - at cost	176	151
Accumulated depreciation	(133)	(108)
	43	43
Silver, crockery, glass and linen - at cost	183	183
Paintings, works on paper and decorative art - at cost	360	360
<b>Total</b>	<b>1,326</b>	<b>1,398</b>

## Reconciliation

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current reporting period.

	Carrying amount at start of year 2005 \$'000	Acquisitions 2005 \$'000	Disposals 2005 \$'000	Depreciation 2005 \$'000	Carrying amount at end of year 2005 \$'000
Plant, machinery and motor vehicles	250	75	70	42	213
Furniture and fixtures	562	25	–	60	527
Office equipment	43	25	–	25	43
Silver, crockery, glass and linen	183	–	–	–	183
Paintings, works on paper and decorative art	360	–	–	–	360
<b>Total</b>	<b>1,398</b>	<b>125</b>	<b>70</b>	<b>127</b>	<b>1,326</b>

# NOTES

TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

	2005 \$'000	2004 \$'000
<b>14. Payables</b>		
<i>Current</i>		
Trade creditors	78	50
Sundry accruals	64	62
<b>Total</b>	<b>142</b>	<b>112</b>
<b>15. Provisions</b>		
<i>Current</i>		
Employee benefits	59	59
<b>Total</b>	<b>59</b>	<b>59</b>
<b>16. Changes in Equity</b>		
<b>Contributed Equity</b>		
Balance 1 July	879	(557)
Equity withdrawal (refer note 3)	(114)	(114)
Transfer from asset revaluation reserve	–	1,550
Rounding	(1)	–
Balance 30 June	764	879
<b>Retained Surpluses</b>		
Balance 1 July	397	422
Net surplus/(deficit)	142	(25)
Balance 30 June	539	397
<b>Asset Revaluation Reserve</b>		
Balance 1 July	–	1,550
Transfer to contributed equity	–	(1,550)
Balance 30 June	–	–
<b>Closing Balance at 30 June</b>	<b>1,303</b>	<b>1,276</b>

# NOTES

TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2005

	2005 \$'000	2004 \$'000
<b>17. Reconciliation of Net Operating Result to Net Cash Provided by Operating Activities</b>		
<b>Net operating result from ordinary activities</b>	<b>142</b>	<b>(25)</b>
<b>Non-cash items:</b>		
Depreciation/amortisation expense	127	150
Net loss on sale of plant and equipment	8	–
Gain on sale of plant and equipment	–	(8)
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in net receivables	2	(4)
(Increase)/decrease in GST input tax credits receivable	4	–
(Increase)/decrease in inventories	(7)	–
Increase/(decrease) in accounts payable	30	2
Increase/(decrease) in employee provisions	–	(36)
<b>Net Cash provided by operating activities</b>	<b>306</b>	<b>79</b>

## 18. Events Occurring after Balance Date

No matter or circumstance has arisen since the end of the financial year that has significantly affected or may significantly affect the operation or financial performance of the Office or the financial position of the Office in subsequent financial years.

# NOTES

## TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

### 19. Financial Instruments

#### (a) Interest Rate Risk Exposure

The Office has only minimal exposure to interest rate risk arising from its holding of cash at bank.

The Office's exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities are shown in the following table:

	Floating Rate	Contractual Repricing / Maturity Date				Total	Weighted Average Rate
		1 year or less	1 to 5 years	Greater than 5 years	Non- Interest Bearing		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
<b>Financial Assets</b>							
Cash	130	–	–	–	–	130	4.55
Receivables	–	–	–	–	23	23	
<b>Total</b>	<b>130</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>23</b>	<b>153</b>	
<b>Financial Liabilities</b>							
Payables	–	–	–	–	142	142	
<b>Total</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>142</b>	<b>142</b>	

#### (b) Credit Risk Exposure

The Office's maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the carrying amount of those assets net of any provisions for doubtful debts as indicated in the Statement of Financial Position.

No significant credit risks have been identified.

#### (c) Net Fair Value

The net fair value of cash, cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts.

# MANAGEMENT CERTIFICATE

These general purpose financial statements have been prepared pursuant to Section 40(1) of the *Financial Administration and Audit Act 1977* (the Act), and other prescribed requirements. In accordance with Section 40(3) of the Act I certify that in my opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Office of the Governor for the financial year ended 30 June 2005 and of the financial position of the Office at the end of that year.

26 September 2005

**Annette Bastaja**  
Official Secretary



# INDEPENDENT AUDIT REPORT

TO THE ACCOUNTABLE OFFICER OF THE OFFICE OF THE GOVERNOR

## **MATTERS RELATING TO THE ELECTRONIC PRESENTATION OF THE AUDITED FINANCIAL REPORT**

The audit report relates to the financial report of the Office of the Governor for the financial year ended 30 June 2005 included on the Office of the Governor's web site. The Accountable Officer is responsible for the integrity of the Office of the Governor's web site. We have not been engaged to report of the integrity of the Office of the Governor's web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from the electronic data communications they are advised to refer to the hard copy of the audited financial report, available from the Office of the Governor, to confirm the information included in the audited financial report presented on this website.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

## **SCOPE**

### **The Financial Report**

The financial report of the Office of the Governor consists of the statement of financial performance, statement of financial position, statement of cash flows, notes to and forming part of the financial statements and certificate given by the Accountable Officer of the Governor, for the year ended 30 June 2005.

### **The Accountable Officer's Responsibility**

The Accountable Officer is responsible for the preparation and true and fair presentation of the financial report, the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

### **Audit Approach**

As required by law, an independent audit was conducted in accordance with *QAO Auditing Standards* to enable me to provide an independent opinion whether in all material respects the financial report is presented fairly in accordance with the prescribed requirements, including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

Audit procedures included -

- examining information on a test/sample basis to provide evidence supporting the amounts and disclosures in the financial report;
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Accountable Officer;
- obtaining written confirmation regarding the material representations made in conjunction with the audit; and
- reviewing the overall presentation of information in the financial report.

# INDEPENDENT AUDIT REPORT

TO THE ACCOUNTABLE OFFICER OF THE OFFICE OF THE GOVERNOR

## INDEPENDENCE

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor-General and QAO authorised auditors.

The Auditor-General is the auditor of all public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised.

The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

## AUDIT OPINION

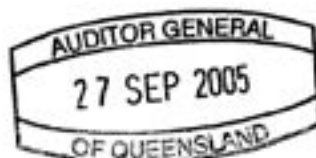
In accordance with section 40 of the *Financial Administration and Audit Act 1977* -

(a) I have received all the information and explanations which I have required; and

(b) in my opinion -

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the Office of the Governor for the financial year 1 July 2004 to 30 June 2005 and of the financial position as at the end of that year.

**GG POOLE** FCPA  
Auditor-General of Queensland



Queensland Audit Office  
Brisbane

# OFFICE OF THE GOVERNOR, QUEENSLAND

## Contact Officer

For enquiries about this Report, please contact:

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