

## Budget Allocation and Expenditure

The Service's initial budget allocation for 2000-01 was \$858 million, an increase of approximately 5.4% over the previous year. At the end of the financial year, the Service had recorded total operating expenses of \$816.1 million. The difference between the Service's budget allocation and total operating expenditure is mainly attributable to the increase in total assets, reflected in the Statement of Financial Position.

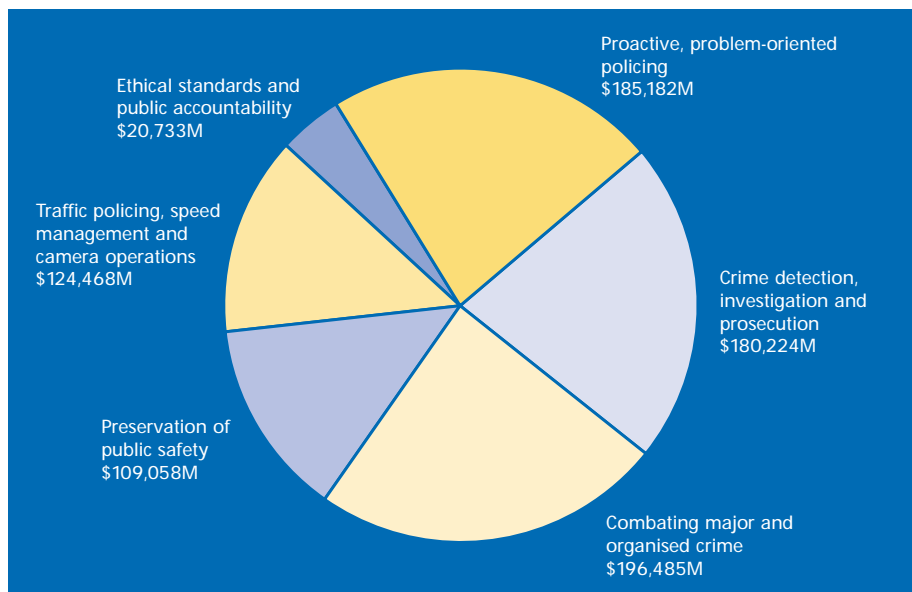
### Funding Allocated to Outputs

Under the Queensland Government's Managing for Outcomes policy framework, the Cabinet Budget Review Committee (CBRC), on behalf of Government, determines the mix of outputs that will best support the achievement of Government priorities and whole of government outcomes. Based on this assessment, the Government purchases these outputs from the various government agencies with funding provided through the State Budget process.

The Government increased its overall investment in the Service by providing equity funding to facilitate the development of critical infrastructure supporting the delivery of policing services.

Equity funding generally relates to the types of activities described in the Service's Corporate Support output. However, this funding is not reported as a discrete item. In line with the principles of Managing for Outcomes, and in recognition of the strong link between infrastructure and effective service delivery, equity funding is proportionally allocated to the Service's six outputs. In effect, this increases the unit cost of core policing services purchased by the Government.

The following graph describes the proportion of funding allocated to each of the Service's six core service outputs in 2000-01.

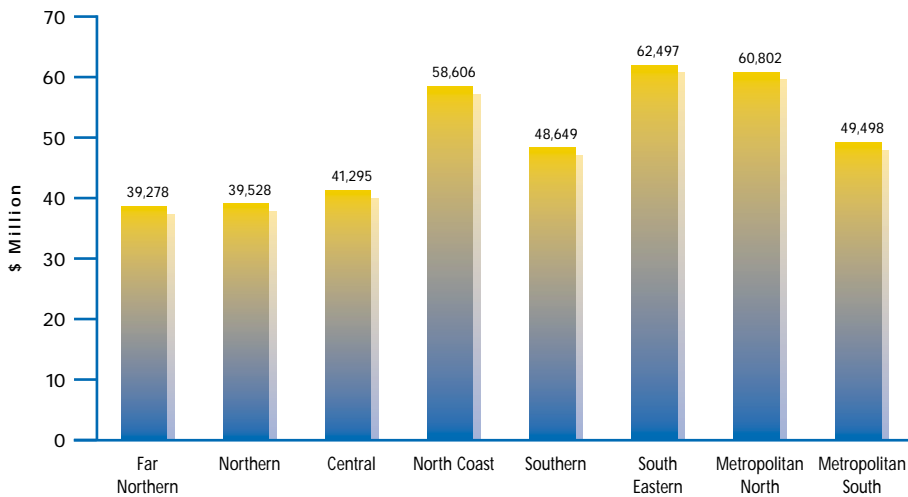


## Allocation of funding to Organisational Units

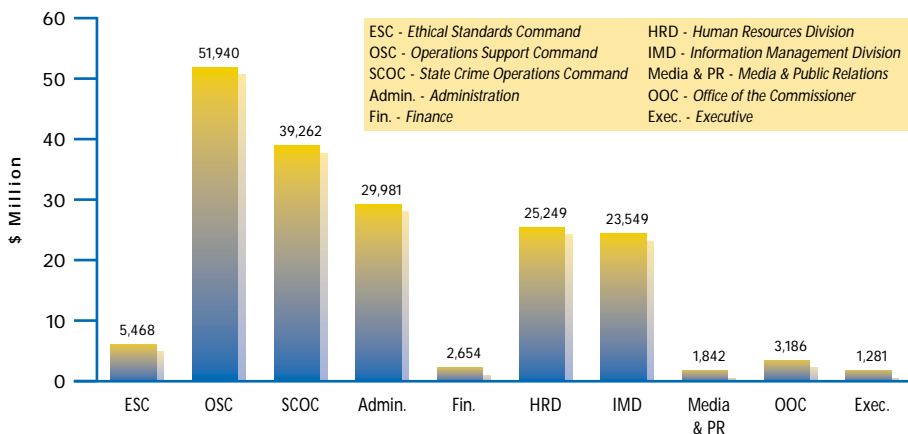
In July each year Regions, Commands and Divisions are advised of initial allocations for the forthcoming 12 month period. Finance Division monitors the Service's overall financial performance and assists the Senior Executive, through established corporate governance structures, to assess changing priorities throughout the year and make adjustments to initial allocations as required.

Funding levels are influenced by a number of factors including the number of police officers and staff members in the region, crime levels, and the size and location of communities serviced by each organisational unit. Taking into account adjustments related to these criteria, the Service allocates an equitable level of funding to each organisational unit. Managers at all levels of the organisation are required to deliver services within the parameters of local budgets and are encouraged to seek productivity gains and savings through the implementation of strategies that promote effectiveness and efficiency in the delivery of policing services. The focus on continuous improvement, together with sound financial management practices, ensures that the community continues to receive value for money.

The following graph outlines the initial operating allocations to the eight police regions in 2000-01 (in \$millions).



The following graphs outlines the initial operating allocations to the Commands and corporate services divisions in 2000-01 (in \$millions).



## ***Financial Statements***

The Service's audited Annual Financial Statements are included in this Annual Report and describe the financial position of the Service as at 30 June 2001.

While the Service maintains a much broader range of financial information to support its various management functions, the four statements included in this report provide a summary of the Service's overall financial position and operations.

## ***Statement of Financial Performance***

The Statement of Financial Performance matches income against expenses, including all expenditure items.

It is clear from the Statement of Financial Performance that the Service's largest financial commitment relates to its workforce of some 8,000 police and recruits and 3,000 staff members. The Statement of Financial Performance indicates that of the \$783 million in Government Revenue accrued in 2000-01, \$639 million was expended on employee related costs. A percentage of own source revenue is incorporated in the \$639 million.

At 30 June 2000, the Service reported a positive Operating Result of \$11.5 million.

The surplus is due to a number of factors and will assist the Service to achieve its financial targets for 2001-02. A review of the depreciation rates and residual values of some of the Service's major assets resulted in a saving in depreciation expense for the year. The remaining surplus was mainly due to the transfer of Operating funding to Equity during 2000-01.

## ***Statement of Financial Position***

The Statement of Financial Position matches assets against liabilities. Assets owned by the Service include computers, vehicles, aircraft and buildings.

As at 30 June 2001, the Service reported \$651 million in fixed assets.

## ***Cash Flow Statement***

The Cash Flow Statement provides a record of cash entering and leaving the Service's accounts during the 2000-01 financial year.

## ***Statement of Outputs/Major Activities***

The Statements of Outputs/Major Activities are now completed in line with the Managing for Outcomes policy framework. Previously, this information was reported in the form of Program Statements.

The Statement of Outputs/Major Activities describes allocation of expenditure, revenue, assets and liabilities across the Service's first six outputs. The outputs describe the core policing services purchased each year by the Government and can be reconciled to the Service's Statement of Financial Performance and Statement of Financial Position.

A number of notes are included with the Service's Annual Financial Statements to comply with legislative and regulatory obligations and to assist in the interpretation of the statements. The notes relate to significant items impacting of the Service's overall financial position and performance.

Department of Police  
Statement of Financial Performance  
for the year ended 30 June 2001

	Notes	2001 \$'000	2000 \$'000
<b>Revenues from ordinary activities</b>	2(b)		
Output revenue	4	782,828	726,358
User charges	2(c),5	12,364	11,726
Grants and other contributions	2(d),6	13,422	14,103
Other	7	19,041	16,031
<b>Total revenues from ordinary activities</b>		<b>827,655</b>	<b>768,218</b>
<b>Expenses from ordinary activities</b>	2(b)		
Employee expenses	8	639,494	595,450
Supplies and services	9	106,074	97,048
Grants and subsidies	10	394	262
Depreciation and amortisation	2(k),11	24,631	31,256
Equity return	12	32,452	32,051
Other	13	13,105	11,653
<b>Total expenses from ordinary activities</b>		<b>816,150</b>	<b>767,720</b>
<b>NET SURPLUS</b>	24	<b>11,505</b>	<b>498</b>
Increase in asset revaluation reserve	23	18,799	2,190
Net amount of each revenue, expense, valuation or other adjustment not disclosed above recognised as a direct adjustment to equity	23	453	(1,193)
<b>Total revenues, expenses and valuation adjustments recognised directly in equity</b>		<b>19,252</b>	<b>997</b>
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<b>30,757</b>	<b>1,495</b>

*The above statement of financial performance should be read in conjunction with the accompanying notes.*

Department of Police  
Statement of Financial Position  
as at 30 June 2001

	Notes	2001 \$'000	2000 \$'000
<b>Current assets</b>			
Cash	2(f),14	3,827	3,657
Receivables	2(g),15	19,319	13,168
Inventories	2(h),16	2,853	2,507
Other	17	4,298	2,057
<b>Total current assets</b>		<b>30,297</b>	<b>21,389</b>
<b>Non-current assets</b>			
Property, plant and equipment	2(j),2(k),2(l),19	651,119	607,865
Intangibles	2(n),18	8,086	4,123
<b>Total non-current assets</b>		<b>659,205</b>	<b>611,988</b>
<b>Total assets</b>	2(b)	<b>689,502</b>	<b>633,377</b>
<b>Current liabilities</b>			
Payables	2(o),20	26,386	27,036
Provisions	21	63,098	62,795
Other	22	1,240	2,536
<b>Total current liabilities</b>		<b>90,724</b>	<b>92,367</b>
<b>Total liabilities</b>	2(b)	<b>90,724</b>	<b>92,367</b>
<b>NET ASSETS</b>		<b>598,778</b>	<b>541,010</b>
<b>Equity</b>			
Contributed equity	23	148,037	121,026
Retained surpluses	23	413,312	401,354
Reserves:			
- Asset revaluation reserve	23	37,429	18,630
<b>Total equity</b>		<b>598,778</b>	<b>541,010</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

Department of Police  
Statement of Cash Flows  
for the year ended 30 June 2001

	Notes	2001 \$'000	2000 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Inflows:</i>			
User charges		12,061	11,726
Grants and other contributions		3,461	7,302
Output receipts		782,932	731,631
Interest received		457	-
GST collected on sales		4,563	-
Net GST input tax remitted/credits received		9,268	-
Other		17,580	11,304
<i>Outflows:</i>			
Employee costs		634,665	595,542
Supplies and services		99,759	89,679
Grants and subsidies		393	249
Equity return		32,452	32,051
GST paid on purchases		16,193	73
Other		6,207	11,677
<b>Net cash provided by operating activities</b>	24	<b>40,653</b>	<b>32,692</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i>Inflows:</i>			
Proceeds from sale of property, plant and equipment		25,885	31,963
<i>Outflows:</i>			
Payments for property, plant and equipment		84,696	79,308
Software development expenditure		3,578	4,451
<b>Net cash provided by (used in) investing activities</b>		<b>(62,389)</b>	<b>(51,796)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i>Inflows:</i>			
Equity injections		21,906	22,323
<b>Net cash provided by financing activities</b>		<b>21,906</b>	<b>22,323</b>
<b>Net increase/(decrease) in cash held</b>	2(f)	<b>170</b>	<b>3,219</b>
<b>Cash at beginning of the financial year</b>	2(f),14	<b>3,657</b>	<b>438</b>
<b>Cash at end of the financial year</b>	2(f),14	<b>3,827</b>	<b>3,657</b>
Non-cash financing and investing activities	25	371	2,397

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

Department of Police  
Statement of Outputs/Major Activities  
- Controlled Expenses and Revenues  
for year ended 30 June 2001

	General duty - Proactive, problem-oriented policing		General duty - Crime detection, investigation and prosecution		Preservation of public safety	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
<b>Revenues from ordinary activities</b>						
Output revenue	177,936	187,485	173,200	138,827	104,879	113,014
User charges	2,858	3,235	2,834	2,233	1,647	1,751
Grants and other contributions	3,103	3,414	2,929	2,490	1,808	2,004
Other	3,892	3,438	3,656	3,704	2,255	1,776
<b>Total revenues from ordinary activities</b>	<b>187,789</b>	<b>197,572</b>	<b>182,619</b>	<b>147,254</b>	<b>110,589</b>	<b>118,545</b>
<b>Expenses from ordinary activities</b>						
Employee expenses	146,252	154,003	140,433	113,646	85,948	92,660
Supplies and services	23,067	23,644	24,353	19,591	13,883	14,533
Grants and subsidies	253	151	39	27	26	22
Depreciation and amortisation	5,338	7,944	5,278	5,804	3,190	4,889
Equity return	7,376	8,333	7,180	6,090	4,348	5,128
Other	2,896	3,545	2,941	2,105	1,663	1,623
<b>Total expenses from ordinary activities</b>	<b>185,182</b>	<b>197,620</b>	<b>180,224</b>	<b>147,263</b>	<b>109,058</b>	<b>118,855</b>
<b>NET SURPLUS (LOSS)</b>	<b>2,607</b>	<b>(48)</b>	<b>2,395</b>	<b>(9)</b>	<b>1,531</b>	<b>(310)</b>

The foregoing statements of outputs/major activities should be read in conjunction with the accompanying notes.

Department of Police  
Statement of Outputs/Major Activities  
- Controlled Expenses and Revenues  
for year ended 30 June 2001

	Combating major and organised crime		Traffic policing, speed management and camera operations		Ethical standards and public accountability	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
<b>Revenues from ordinary activities</b>						
Output revenue	186,731	160,598	119,829	110,014	20,253	16,420
User charges	3,029	2,613	1,838	1,798	158	96
Grants and other contributions	3,212	2,888	2,050	1,974	320	1,333
Other	6,355	4,006	2,574	2,856	309	251
<b>Total revenues from ordinary activities</b>	<b>199,327</b>	<b>170,105</b>	<b>126,291</b>	<b>116,642</b>	<b>21,040</b>	<b>18,100</b>
<b>Expenses from ordinary activities</b>						
Employee expenses	154,822	131,596	96,052	90,330	15,987	13,215
Supplies and services	25,135	22,290	16,635	14,401	3,001	2,589
Grants and subsidies	45	32	29	22	2	8
Depreciation and amortisation	5,643	6,726	4,469	5,278	713	615
Equity return	7,741	7,051	4,967	4,808	840	641
Other	3,099	2,446	2,316	1,800	190	134
<b>Total expenses from ordinary activities</b>	<b>196,485</b>	<b>170,141</b>	<b>124,468</b>	<b>116,639</b>	<b>20,733</b>	<b>17,202</b>
<b>NET SURPLUS (LOSS)</b>	<b>2,842</b>	<b>(36)</b>	<b>1,823</b>	<b>3</b>	<b>307</b>	<b>898</b>

Department of Police  
Statement of Outputs/Major Activities  
- Controlled Expenses and Revenues  
for year ended 30 June 2001

	Total	
	2001 \$'000	2000 \$'000
<b>Revenues from ordinary activities</b>		
Output revenue	782,828	726,358
User charges	12,364	11,726
Grants and other contributions	13,422	14,103
Other	19,041	16,031
<b>Total revenues from ordinary activities</b>	<b>827,655</b>	<b>768,218</b>
<b>Expenses from ordinary activities</b>		
Employee expenses	639,494	595,450
Supplies and services	106,074	97,048
Grants and subsidies	394	262
Depreciation and amortisation	24,631	31,256
Equity return	32,452	32,051
Other	13,105	11,653
<b>Total expenses from ordinary activities</b>	<b>816,150</b>	<b>767,720</b>
<b>NET SURPLUS (LOSS)</b>	<b>11,505</b>	<b>498</b>

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

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**1. Objectives of the Department**

The mission of the Department is to serve the people of Queensland by protecting life and property, preserving peace and safety, preventing crime and upholding the law in a manner which has regard for the public good and the rights of the individual.

The Department is predominantly funded by parliamentary appropriations. On a fee for service basis it provides *special services*, which include, heavy vehicle road escorts, traffic supervision at road works and security services at large sporting events.

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**2. Summary of Significant Accounting Policies**

The significant policies that have been adopted in the preparation of the financial statements are:

**(a) Basis of Accounting**

The financial statements are a general purpose financial report and have been prepared in accordance with the *Financial Administration and Audit Act 1977*, the *Financial Management Standard 1997*, Australian Accounting Standards, in particular Australian Accounting Standard AAS 29 "*Financial Reporting by Government Departments*", Statements of Accounting Concepts, Urgent Issues Group Abstracts, the *Treasurer's Minimum Reporting Requirements for Departmental Financial Statements for 2000-01* and other prescribed requirements.

The following new or revised Australian Accounting Standards became operative during the 2000-01 year and have been adopted where relevant:

- AAS 1 *Statement of Financial Performance*;
- AAS 36 *Statement of Financial Position*; and
- AAS 37 *Financial Report Presentation and Disclosures*.

Except where stated, the financial statements have been prepared in accordance with the historical cost convention. The accounting policies adopted are generally consistent with those of the previous year, except in respect of transfers of assets and liabilities between wholly Queensland Government owned entities, refer note 2(v).

The accrual basis of accounting has been adopted for both controlled transactions and balances and those administered on a whole of Government basis.

**(b) The Reporting Entity**

The financial statements include all assets, liabilities, equities, revenues and expenses of the department.

***Transactions and Balances Administered on a Whole of Government Basis***

The Department administers, but does not control, certain resources on behalf of the Government as a whole. It is accountable for the transactions involving such administered resources, but does not have the discretion to deploy the resources for the achievement of the Department's objectives.

The Department's total administered revenues and expenses and administered assets and liabilities are each below \$10 million. In accordance with the *Treasurer's Minimum Reporting Requirements for Departmental Financial Statements for 2000-01* disclosure of transactions and balances is provided in aggregate only in Notes 29 to 31.

**(c) User Charges and Services Rendered**

User charges and fees for services rendered, which are controlled by the Department, are recognised as revenues. User charges and fees for services rendered are recognised as controlled by the Department when they can be deployed for the achievement of departmental objectives.

Taxes, fees and fines collected by the Department but not controlled by it are not recognised as revenues, but are reported as administered revenue in Notes 29 to 31.

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

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**(d) Grants and Other Contributions**

Grants, donations and gifts which are non-reciprocal in nature are recognised as revenue in the year in which the Department obtains control over them.

Where non-reciprocal contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature and amounts of those undischarged conditions are disclosed. Where grants are received that are reciprocal in nature, revenue is accrued over the term of the funding arrangements.

Contributions of assets are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

**(e) Output Revenue/Administered Item Revenue**

Appropriation payments to the Department were based on the value of the outputs that it delivered in the year.

Amounts appropriated to the Department for transfer to other entities in accordance with legislation or other requirements are not controlled by the Department and such amounts are reported as administered revenues and expenses.

**(f) Cash**

For financial reporting purposes, cash includes all cash and cheques received but not banked as well as deposits at call with financial institutions. It also includes highly liquid investments with short periods to maturity, which are convertible readily to cash on hand at the investor's option and which are subject to an insignificant risk of changes in value.

**(g) Receivables**

Receivables are recognised at the amount due at the time of sale or service delivery. The collectability of receivables is assessed periodically with provision being made for doubtful debts. All known bad debts have been written off. Settlement on trade debtors is generally required within 30 days.

**(h) Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost is assigned on a weighted average cost formula.

**(i) Acquisition of Assets**

Cost is used for the initial recording of all acquisitions of assets controlled and administered by the Department unless these have been received as a result of an administrative restructure. Assets acquired at no cost or for nominal considerations are recognised at their fair value at date of acquisition. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees.

**(j) Property, Plant and Equipment**

All items of property, plant and equipment with a cost, or other value, in excess of \$1,000 are recognised in the year of acquisition. Items with a lesser value are expensed.

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

**(k) Amortisation and Depreciation of Intangibles, Property, Plant and Equipment**

Land, being an asset with an unlimited useful life, is not depreciated.

Depreciation is calculated on a straight-line basis so as to write off the values of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the entity. Work-in-Progress is not depreciated until it has reached service delivery capacity. Leasehold improvements are amortised over the estimated useful life of the asset.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset.

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

<b>Class</b>	<b>Depreciation Rates</b>
Buildings	2.0%
Aircraft	9.2%
Computers	26.4%
Motor vehicles	13.7%
Vessels	23.5%
Plant and equipment	
■ Office equipment	13.9%
■ Staff amenities	8.8%
■ Scientific equipment	8.2%
■ Photographic equipment	12.6%
■ Audio/visual equipment	14.3%
■ Other	9.2%
Radio equipment	14.3%
Fixtures and fittings	12.5%
Leasehold improvements	2.0%
Intangibles	26.1%

All rates are averaged.

**(l) Revaluations of Property, Plant and Equipment**

All non-current physical assets are valued on the deprival basis in accordance with the *Financial Management Standard* and Queensland Treasury's guidelines "*Recording and Valuation of Non-Current Physical Assets in the Queensland Public Sector*". Under this concept, assets are valued at an amount that represents the loss that might be expected to be incurred if the Department was deprived of the future economic benefits of the assets at the reporting date.

The Department has an Asset Revaluation Threshold for Land, Buildings, Leasehold Improvements, Aircraft and Other Assets of \$1.0 million, with other class revaluation thresholds for Vessels (\$0.5 million) and Computer Equipment (\$0.1 million). A comprehensive revaluation is performed at five-year intervals with interim revaluations, using suitable indices, being otherwise performed on an annual basis. Regarding land and buildings, the Department had a three-year arrangement for progressive revaluation with the Department of Natural Resources. During 2000-01 the Department of Natural Resources finalised the revaluation arrangement and revalued the remaining 33.3% of land and buildings including leasehold improvements, recorded at in excess of one million dollars by inspection and evaluation. The valuation date used by the Department of Natural Resources was 1 July 2000.

Celsius Hawker Pacific and Cessna Pacific carried out comprehensive revaluations of Aircraft as at 1 July 2000. New estimates of residual values were also made at this date in accordance with AAS 4.

Det Norske Veritas, marine surveyors, carried out comprehensive revaluations of Vessels as at 1 July 2000. New estimates of residual values were also made at this date in accordance with AAS 4.

An election has been made to continue to use deprival value as the basis of valuation until 30 June 2001. However, from 1 July 2001 Land, Buildings and Leasehold Improvements will be revalued using fair value principles in accordance with AAS 38 *Revaluation of Non-Current Assets*.

Other non-current physical assets will be valued at cost.

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

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**(m) Leases**

A distinction is made in the financial statements between finance leases, that effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership, and operating leases under which the lessor retains substantially all risks and benefits.

Where a non-current physical asset is acquired by means of a finance lease, the asset is recognised at an amount equal to the present value of the minimum lease payments. The liability is recognised at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are representative of the patterns of benefits derived from the leased assets and accordingly are charged to the Statement of Financial Performance in the periods in which they are incurred.

There were no finance leases held by the Department as at 30 June 2001.

The Department has entered into a number of operating leases whereby the lessor retains substantially all the risks and benefits. Non-cancellable operating lease commitments are disclosed under Note 26 - Lease Commitments.

**(n) Intangibles**

All intangible assets with a cost or other value greater than \$50,000 are recognised as assets, items with a lesser value are expensed. Each intangible asset is amortised over its estimated useful life.

**(o) Payables**

Creditors are recognised at the amount expected to be paid for the goods and services received.

**(p) Provisions - Employee Entitlements**

*Wages, Salaries and Annual Leave*

Liabilities for wages, salaries and annual leave are recognised in the Statement of Financial Position as the amount unpaid at reporting date in respect of all employee services and related on-costs.

*Long Service Leave*

In 1999-2000, a new long service leave scheme became operative whereby a levy is made on the Department to cover this expense and amounts paid to employees for long service leave are claimed from the scheme as a reimbursement. Accordingly, a provision for long service leave is no longer recognised.

*Superannuation*

The State Actuary determines employer contributions for superannuation expenses. No liability is recognised for accruing superannuation benefits as this liability is held on a whole of Government basis and reported in the whole of Government financial statements prepared in terms of AAS 31 "Financial Reporting by Governments".

**(q) Taxation**

The Department's activities are exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ("GST"). As such, input tax credits receivable and GST payable from/to the Australian Tax Office are recognised and accrued.

**(r) Resources Received Free of Charge or for Nominal Value**

Resources received free of charge or for nominal value, which can be reliably measured, are recognised as revenues, and as expenses or assets as appropriate.

**(s) Allocation of Overheads to Departmental Activities**

The Queensland Police Service has the necessary information systems to allocate overhead items to outputs/activities and this is reflected in the Statement of Outputs/Major Activities.

**(t) Rounding**

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

Department of Police  
Notes to and forming part of the Financial Statements  
for year ended 30 June 2001

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(u) **Comparative Information**

Where applicable, comparatives have been adjusted to agree with changes in presentation in the financial statements for the current reporting period.

(v) **Change in Accounting Policy**

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland public sector entities, are accounted for as adjustments to contributed equity in accordance with UIG Abstract 38 *Contributions by Owners Made to Wholly Owned Public Sector Entities*. Previously, such transfers were accounted for as items of revenue and expense in prior reporting periods. However this requirement has not been adopted in respect of the leave liability transferred to/from other public sector entities, as a record of transferred employees was not maintained during the year. Processes will be implemented to maintain an appropriate record in future.

As the foregoing represents a change in accounting policy arising from the initial adoption of an Urgent Issues Group Consensus View, the cumulative financial effect of the change as if the new accounting policy had always been applied, has not been calculated.

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3. **Outputs/Major Activities of the Department**

The identity and purpose of each output/major activity undertaken by the Department during the year is summarised below. Corporate Services expenditure is allocated across the outputs as it is incurred.

• **General Duty – Proactive, Problem-Oriented Policing**

This output places an increasing emphasis on the importance of addressing the causes of crime - not just the symptoms. Strategies for addressing the causes of crime are multifaceted, frequently involving the community both in their development and implementation.

• **General Duty – Crime Detection, Investigation and Prosecution**

This output involves effectively managing and responding to calls for service from the community through the allocation of human resources and the provision of supporting infrastructure, operational equipment and training necessary for general duties policing.

• **Preservation of Public Safety**

The preservation of public safety during civil disturbance or crisis and special events is a key responsibility of the Queensland Police Service. The provision of effective policing responses minimises the risks to personal and public safety and contributes to the development of safer, more supportive communities.

• **Combating Major and Organised Crime**

This output involves the more detailed investigations of offences or groups of offences by specialists in criminal investigation.

• **Traffic Policing, Speed Management and Camera Operations**

This output covers the regulation and control of traffic in Queensland with the aim of improving the safety of all road users.

• **Ethical Standards and Public Accountability**

This output addresses the Queensland Police Service's obligation to ensure that services are provided in an ethical and accountable manner by minimising the risk of corruption and maintaining the highest standards.

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

	2001 \$'000	2000 \$'000
<b>4. Reconciliation to Payments from Consolidated Fund</b>		
<b>Output Revenue</b>		
Budgeted output appropriation	776,611	719,645
plus/less transfers from/to other headings	-	11,986
plus supplementary appropriations*	6,321	-
Total output receipts	<u>782,932</u>	<u>731,631</u>
less opening balance of output revenue receivable	(104)	(5,377)
plus closing balance of output revenue receivable	-	104
Output revenue recognised in Statement of Financial Performance	<u>782,828</u>	<u>726,358</u>

\* Supplementary appropriation mainly relates to additional funding for employer superannuation contributions.

**Equity Adjustment (Controlled)**

Budgeted equity adjustment appropriation	20,631	35,201
plus/less transfers from/to other headings	-	(11,986)
less lapsed equity adjustment appropriation	-	(892)
plus supplementary appropriations#	1,275	-
Total equity adjustment receipts (payments)	<u>21,906</u>	<u>22,323</u>
less opening balance of equity adjustment receivable	(5,745)	(2,827)
plus closing balance of equity adjustment receivable	8,000	5,745
	<u>24,161</u>	<u>25,241</u>
plus opening balance of equity withdrawal payable	2,594	-
less closing balance of equity withdrawal payable	-	(2,594)
Equity adjustment recognised in Contributed Equity	<u>26,755</u>	<u>22,647</u>

# Supplementary appropriation mainly relates to the net result of unutilised output funds for 1999-2000 returned to QPS offset by unutilised 2000-2001 funds.

**5. User Charges**

Special services	7,166	7,345
Traffic incident reporting system	803	835
Rental of government property	310	256
Sale of other goods and services	4,085	3,290
	<u>12,364</u>	<u>11,726</u>

**6. Grants and Other Contributions**

Grants	* 4,482	3,334
Resources received free of charge or for nominal value	8,700	9,337
Industry contributions	240	1,432
	<u>13,422</u>	<u>14,103</u>

\* Included in grants are contributions of (\$0.688m) for the National Campaign against Drug Abuse, (\$0.127m) for the Community Housing Renewal Project, (\$1.176m) for Breaking the Unemployment Cycle and (\$2.0m) for Olympic Games funding.

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

	2001 \$'000	2000 \$'000
<b>7. Other Revenues</b>		
Taxes, fees and fines	125	107
Interest	616	166
Salary related and other reimbursements	16,747	13,718
Gain on sale of property, plant and equipment	666	2,040
Sale of plant and equipment (non-assets)	510	-
Assets not previously recognised	377	-
	<b>19,041</b>	<b>16,031</b>

**8. Employee Expenses**

Wages, salaries, annual leave and sick leave	519,426	483,857
Employer superannuation contributions	70,283	66,514
Long service leave levy	7,765	7,388
Payroll Tax	29,246	26,591
Workers compensation premium	11,552	7,536
Other related expenses	1,222	3,564
	<b>639,494</b>	<b>595,450</b>

The Chief Executive of the Department is in the CEO 3 level of salary bands as outlined below.

Level	Superannuable Salary (\$ per annum)	
	Min \$	Max \$
CEO3	182,335	197,939

The Chief Executive is not eligible for a performance bonus as this was removed from the employment contract upon request from the CEO.

**9. Supplies and Services**

Consultants and contractors	1,425	2,503
Materials	25,806	20,928
Repairs and maintenance	23,122	22,072
Transfer costs	4,335	4,427
Travel	6,945	6,379
Communications	16,273	14,985
Accommodation and public utilities	8,132	7,625
Resources received below fair value	7,233	8,241
Contributions to national/state agencies	1,755	1,587
Training fees - courses/membership	1,359	862
Other	9,689	7,439
	<b>106,074</b>	<b>97,048</b>

**10. Grants and Subsidies**

Queensland Police-Citizens' Youth Welfare Association	270	192
Queensland Blue Light Association Inc.	25	25
Community Policing Grants - various local authorities	62	-
Community Policing Grant - Dept. Tourism, Sport and Racing	-	5
Policing Grants - various community groups	37	40
	<b>394</b>	<b>262</b>

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

		2001 \$'000	2000 \$'000
<b>11. Depreciation and Amortisation</b>			
Buildings	a	6,647	7,350
Aircraft	b	(3,077)	2,073
Vessels	c	102	562
Computing equipment		6,969	10,143
Motor vehicles		6,410	4,489
Plant and equipment (general)		2,270	1,632
Radio equipment		3,171	2,772
Fixtures and fittings		240	269
Leasehold improvements	d	(366)	538
Office equipment		1,140	1,073
Staff amenities		29	27
Internal use software		1,096	328
		<b>24,631</b>	<b>31,256</b>

a Includes a prior year adjustment of (\$0.704 million) due to incorrect calculation of depreciation in previous years.

b Includes a prior year adjustment of (\$3.654 million) due to residual values being applied for the first time in 2000-2001.

c Includes a prior year adjustment of (\$0.671 million) due to residual values being applied for the first time in 2000-2001.

d Includes a prior year adjustment of (\$1.220 million) due to incorrect calculation of depreciation in previous years.

**12. Equity Return**

An equity return rate of 6 percent has been set by the Government for 2000-01. Queensland Treasury invoices the Department for this amount on a quarterly basis. The return is calculated on a pro-rata daily basis using the opening net asset position of the Department for each quarter, plus or minus equity injections or withdrawals.

**13. Other Expenses**

External audit fees		143	215
Property, plant and equipment write-offs and decrement		2,664	902
Inventory write-offs		(3)	23
Bad and doubtful debts		179	86
Operating leases and rental of premises		5,037	7,067
Loss on disposal of fixed assets		3,329	2,462
Other	*	1,756	898
		<b>13,105</b>	<b>11,653</b>

\* Includes special payments of \$0.259m comprising ex-gratia liability compensation and settlement costs \$0.082m and spouse payments for one and two person police stations \$0.177m.

Department of Police  
Notes to and forming part of the Financial Statements  
for year ended 30 June 2001

	2001 \$'000	2000 \$'000
<b>14. Cash</b>		
Cash on hand	168	217
Cash at bank	3,659	3,440
	<b>3,827</b>	<b>3,657</b>
<b>15. Receivables</b>		
<b>Current</b>		
Trade debtors	3,362	2,736
Less provision for doubtful debts	(257)	(118)
	<u>3,105</u>	<u>2,618</u>
GST input tax credits receivable	3,830	72
GST payable	(580)	-
Net receivable	<u>3,250</u>	<u>72</u>
Interest receivable	159	-
Long service leave receivable	1,763	1,587
Loans and advances	3,042	3,042
Output revenue receivable	-	104
Equity injection receivable	8,000	5,745
	<u>12,964</u>	<u>10,478</u>
<b>Total Current Receivables</b>	<b>19,319</b>	<b>13,168</b>
<b>16. Inventories</b>		
<b>Current</b>		
Inventory not held for resale		
General inventories	2,853	2,507
	<b>2,853</b>	<b>2,507</b>
<b>17. Other Assets</b>		
<b>Current</b>		
Prepayments	3,629	1,857
Unexpended advances	669	200
	<b>4,298</b>	<b>2,057</b>
<b>18. Intangibles</b>		
Internal use software		
At cost	7,058	1,460
Accumulated amortisation	(2,242)	(328)
	<u>4,816</u>	<u>1,132</u>
Internal use software work in progress		
At cost	3,270	2,991
	<u>3,270</u>	<u>2,991</u>
<b>Total intangibles</b>	<b>8,086</b>	<b>4,123</b>

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

	2001 \$'000	2000 \$'000
<b>19. Property, Plant and Equipment</b>		
Land		
- at cost	6,741	4,682
- at independent valuation	111,102	111,161
	<b>117,843</b>	<b>115,843</b>
Buildings		
- at cost	72,428	61,405
- at valuation	439,729	416,942
- accumulated depreciation	(139,014)	(126,838)
	<b>373,143</b>	<b>351,509</b>
Aircraft		
- at cost	-	10,197
- at valuation	22,464	7,202
- accumulated depreciation	(1,805)	(5,327)
	<b>20,659</b>	<b>12,072</b>
Computing equipment		
- at cost	62,365	60,564
- accumulated depreciation	(50,293)	(45,743)
	<b>12,072</b>	<b>14,821</b>
Motor vehicles		
- at cost	52,102	51,484
- accumulated depreciation	(6,410)	(4,866)
	<b>45,692</b>	<b>46,618</b>
Plant and equipment (general)		
- at cost	25,865	22,298
- accumulated depreciation	(13,042)	(11,298)
	<b>12,823</b>	<b>11,000</b>
Vessels		
- at cost	2,670	7,089
- at valuation	8,900	1,192
- accumulated depreciation	(4,267)	(2,368)
	<b>7,303</b>	<b>5,913</b>
Radio equipment		
- at cost	32,365	28,295
- accumulated depreciation	(16,152)	(14,933)
	<b>16,213</b>	<b>13,362</b>
Fixtures and fittings		
- at cost	2,628	2,071
- accumulated depreciation	(961)	(604)
	<b>1,667</b>	<b>1,467</b>
Leasehold improvements		
- at cost	5,950	13,679
- at valuation	24,283	12,234
- accumulated amortisation	(4,069)	(4,297)
	<b>26,164</b>	<b>21,616</b>
Office equipment		
- at cost	10,642	10,245
- accumulated depreciation	(5,853)	(5,788)
	<b>4,789</b>	<b>4,457</b>
Staff amenities		
- at cost	817	770
- accumulated depreciation	(420)	(392)
	<b>397</b>	<b>378</b>

Department of Police  
Notes to and forming part of the Financial Statements  
for year ended 30 June 2001

	2001 \$'000	2000 \$'000
Capital works in progress		
- Buildings at cost	12,354	8,808
- Marine vessels at cost	-	1
	<b>12,354</b>	<b>8,809</b>
<b>Total Property Plant and Equipment - net book value</b>	<b>651,119</b>	<b>607,865</b>
<p>Valuations of land, leasehold improvements, buildings, aircraft and vessels, were performed in accordance with Queensland Treasury's guidelines "Recording and Valuation of Non-Current Physical Assets in the Queensland Public Sector". Refer also to note 2 (l)</p>		
<b>20. Payables</b>		
Long service leave levy payable	1,999	1,836
Trade creditors	15,003	20,343
Equity withdrawal payable	-	2,594
Other payables	9,384	2,263
	<b>26,386</b>	<b>27,036</b>
<b>21. Provisions</b>		
<b>Current</b>		
Annual leave	63,098	62,795
	<b>63,098</b>	<b>62,795</b>
<b>22. Other Liabilities</b>		
<b>Current</b>		
Unearned revenues	1,240	2,536
	<b>1,240</b>	<b>2,536</b>

Department of Police  
Notes to and forming part of the Financial Statements  
for year ended 30 June 2001

23. Changes in Equity

	Retained Surpluses		Asset Revaluation Reserve	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
Balance at 1 July	401,354	402,049	18,630	16,440
Net surplus	11,505	498	-	-
Transfers to (from) retained surpluses:				
Fixed assets not previously recognised	-	2,075	-	-
Liability not previously recognised	-	(2,138)	-	-
Adjustments in accordance with transitional arrangements of AAS29 to correct amounts previously recognised as assets and liabilities	-	(1,130)	-	-
Increment (decrement) on revaluation of:				
Vessels	-	-	1,425	-
Aircraft	-	-	4,992	-
Land and buildings	-	- *	12,517	745
Lease improvements	-	-	318	1,445
Transfer to Accumulated surplus:				
Sale of revalued assets	453	-	(453)	-
<b>Balance at 30 June</b>	<b>413,312</b>	<b>401,354</b>	<b>37,429</b>	<b>18,630</b>
			Contributed Equity	
Balance at 1 July			121,026	-
Equity injections			26,755	22,647
Assets received			256	-
Adjustment due to elimination of opening balance of provision for long service leave			-	98,379
<b>Balance at 30 June</b>			<b>148,037</b>	<b>121,026</b>

\* Includes a prior year adjustment of \$15.248 million due to incorrect calculation of the revaluation in 1998-99.

Department of Police  
Notes to and forming part of the Financial Statements  
for year ended 30 June 2001

	2001 \$'000	2000 \$'000
<b>24. Reconciliation of Net Surplus to Net Cash Provided by (Used in) Operating Activities</b>		
<b>Net surplus</b>	11,505	498
<i>Non-cash items:</i>		
Depreciation expense	23,535	30,391
Amortisation expense	1,096	866
Assets donated	(371)	(1,097)
Loss on sale of property, plant and equipment	3,330	2,462
Gain on sale of property, plant and equipment	(668)	(2,040)
Bad Debts	179	86
Inventory write-offs	(2)	23
Plant and equipment write-offs	2,664	901
Assets not previously recognised	(377)	-
Prior period adjustment to equity	-	(10,375)
Other non-cash items	-	112
<i>Changes in assets and liabilities for operating activities:</i>		
(Increase)/decrease in output revenue receivable	104	5,273
(Increase)/decrease in net GST receivable	(2,361)	(73)
(Increase)/decrease in LSL reimbursement receivable	(176)	-
(Increase)/decrease in trade receivables	(505)	-
(Increase)/decrease in receivables	-	(2,601)
(Increase)/decrease in inventories	12	(351)
(Increase)/decrease in interest receivable	(159)	-
(Increase)/decrease in prepayments	(1,772)	5,785
(Increase)/decrease in other assets	-	(185)
Increase/(decrease) in unearned revenue	(1,308)	-
Increase/(decrease) in employee provisions	304	(4,354)
Increase/(decrease) in accounts payable	259	196
Increase/(decrease) in LSL payable	163	-
Increase/(decrease) in other liabilities	-	2,536
Increase/(decrease) in accruals	5,203	4,863
<b>Net cash provided by (used in) operating activities</b>	<b>40,653</b>	<b>32,692</b>

**25. Non-Cash Financing and Investing Activities**

Property, plant and equipment received by donation	371	2,397
	<b>371</b>	<b>2,397</b>

**26. Non-Cancellable Operating Lease Commitments**

Commitments under non-cancellable operating leases at reporting date are inclusive of GST

and are payable as follows:

Not later than one year	2,893	3,015
Later than one year and not later than five years	1,909	1,745
Later than five years	6	73

<b>Total commitments</b>	<b>4,808</b>	<b>4,833</b>
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Input tax credits anticipated	437	439
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Operating leases are entered into as a means of acquiring access to office accommodation and storage facilities. Rental payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined. No renewal or purchase options exist in relation to operating leases and no operating leases contain restrictions on financing or other leasing activities.

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

	2001 \$'000	2000 \$'000
<b>27. Capital Expenditure Commitments</b>		
Capital expenditure commitments inclusive of GST contracted for at the reporting date but not provided for in the financial statements includes:		
Construction/improvements of police stations, watchhouses and residences	10,709	11,934
Purchase of plant and equipment	3,628	46
Payable as follows:		
Payable no later than one year	14,337	11,898
Payable later than one and not later than five years	-	82
Later than five years	-	-
	<b>14,337</b>	<b>11,980</b>
Input tax credits anticipated	1,303	1,089

**28. Contingencies**

(a) Litigation in progress

As at 30 June 2001, the following cases were filed in the courts:

	Cases
Federal Court	1
Supreme Court	23
Magistrates Court	9
District Court	28
<b>Total</b>	<u><u>61</u></u>

The Department's legal advisers and management believe that it would be misleading to estimate the final amounts payable (if any) in respect of litigation before the courts at this time.

The Department has also received notification of a number of other cases that are not yet subject to court action. These may result in subsequent litigation.

(b) Native title claims over departmental land

As at 30 June 2001, native title claims have been made on departmental land but as yet these claims have not been determined by the National Native Title Tribunal.

(c) Details and estimated amounts of contingent liabilities (for which no provisions are included in the financial statements) arising in respect of:

Reimbursement of legal costs incurred by police officers who have been charged criminally whilst acting in the execution of their duty.	-	23
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(d) Financial guarantees and undertakings

The Department has not provided any financial guarantees or undertakings of a material nature to any other entity.

Department of Police  
Notes to and forming part of the Financial Statements  
for year ended 30 June 2001

	2001 \$'000	2000 \$'000
<b>29. Expenses and Revenues Administered on Behalf of the Whole of Government</b>		
Total revenues*	5,372	9,270
Total expenses	4,205	5,274
Transfers of Administered Revenue to Government	1,429	2,101
<b>NET SURPLUS (DEFICIT)</b>	<b>(262)</b>	<b>1,895</b>
* Includes administered item revenue of \$4.167 million (refer note 32)		
<b>30. Assets and Liabilities Administered on Behalf of the Whole of Government</b>		
Total current assets	3,726	3,585
<b>Total assets</b>	<b>3,726</b>	<b>3,585</b>
Total current liabilities	2,107	1,704
<b>Total liabilities</b>	<b>2,107</b>	<b>1,704</b>
<b>ADMINISTERED NET ASSETS</b>	<b>1,619</b>	<b>1,881</b>
<b>Equity</b>		
Retained surpluses	1,619	1,881
<b>Total administered equity</b>	<b>1,619</b>	<b>1,881</b>
<b>31. Cash Flows Administered on Behalf of the Whole of Government</b>		
Net cash provided by (used in) operating activities	203	1,853
Net increase (decrease) in cash held	203	1,853
Administered cash at the beginning of financial year	3,525	1,672
Administered cash at the end of financial year	3,728	3,525
<b>32. Reconciliation to Payments from Consolidated Fund Administered on Behalf of the Whole of Government</b>		
Budgeted administered item appropriation	4,383	6,945
plus/less transfers from/to other departments	(1,021)	-
plus supplementary appropriations*	805	-
Total	<u>4,167</u>	<u>6,945</u>
* Supplementary appropriation relates to grant funding for the Prostitution Licensing Authority.		

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

2001  
\$'000                      2000  
\$'000

**33. Trust Transactions and Balances**

As the Department performs a custodial role in respect of these transactions and balances, they are not recognised in the financial statements, but are disclosed for information purposes.

**Unremitted Agency Collections**

**Current assets**

Cash	1,367	1,515
<b>Total current assets</b>	<b>1,367</b>	<b>1,515</b>
<b>Total assets</b>	<b>1,367</b>	<b>1,515</b>

Transactions and balances are subject to audit by the Auditor-General.

**34. Controlled Entities**

The Department has no controlled entities.

**35. Financial Instruments**

**35(a) Terms, Conditions and Accounting Policies**

The Department's accounting policies, including the terms and conditions of each class of financial asset and financial liability at balance date are as follows:

Financial Instrument	Related Notes	Accounting Policies	Terms & Conditions
<b>Financial Assets</b>			
Cash	2(f),14	Cash includes cash on hand and imprest account totals.	Cash deposited with the Queensland Treasury Dept. earns interest at 5% calculated on daily balances. Overdraft balances attract a 9% penalty interest charge.
Receivables - Trade Debtors	2(g),15	Recognition - upon delivery of goods or provision of services to customers. Measurement - recorded at nominal amounts due less any provision for doubtful debts. Provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
Other Receivables	2(g),15	Amounts are carried at nominal values.	Other than receivables from Government, terms are 30 days net.
<b>Financial Liabilities</b>			
Payables	2(o),20	Recognition - upon receipt of goods or services received irrespective of whether an invoice has been received. Measurement - based on agreed purchase/contract costs.	The amounts are unsecured and are normally settled on 30 day terms.

**Department of Police**  
**Notes to and forming part of the Financial Statements**  
**for year ended 30 June 2001**

**35. Financial Instruments (continued)**

**35(b) Interest Rate Risk Exposure**

The Department's exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities are shown in the following table. All assets and liabilities are shown by maturity or contractual repricing dates and at face value.

Financial Instrument	Contractual Repricing/Maturity Date:						Weighted Average Rate
	Floating Rate	1 Year or Shorter	1 to 5 years	Longer than 5 years	Non Interest Bearing	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Financial Assets</b>							
Cash	3,659				168	3,827	5%
Receivables					19,319	19,319	
<b>Total Financial Assets</b>	<b>3,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,487</b>	<b>23,146</b>	
<b>Financial Liabilities</b>							
Payables					26,386	26,386	
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,386</b>	<b>26,386</b>	

(a) Floating interest rate represents the most recently administered market rate applicable to the instrument at 30 June 2001.

**35(c) Credit Risk Exposures**

The credit risk on financial assets which have been recognised in the Statement of Financial Position is the carrying amount net of any provisions for doubtful debts.

Concentration of credit risk is minimised because major customers are public sector or local government entities.

**35(d) Net Fair Values**

The net fair value is determined as follows:

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

The carrying amounts and estimated net fair values of financial assets and financial liabilities held at balance date are given below:

Financial Instrument	Total Carrying Amount		Net Fair Value	
	2001 \$'000	2000 \$'000	2001 \$'000	2000 \$'000
<b>Financial Assets</b>				
Cash	3,827	3,657	3,827	3,657
Trade receivables	3,105	2,618	3,105	2,618
Other receivables	16,214	10,550	16,214	10,550
<b>Total Financial Assets</b>	<b>23,146</b>	<b>16,825</b>	<b>23,146</b>	<b>16,825</b>
<b>Financial Liabilities</b>				
Payables	26,386	27,036	26,386	27,036
<b>Total Financial Liabilities</b>	<b>26,386</b>	<b>27,036</b>	<b>26,386</b>	<b>27,036</b>

**36. Subsequent Event**

Subsequent to 30 June 2001, the Department joined the Queensland Government Insurance Fund. Membership of this Fund will provide increased coverage of departmental assets and against certain events. Some previously existing contingent liabilities may also be covered.

CERTIFICATE OF THE QUEENSLAND POLICE SERVICE

The foregoing financial statements have been prepared pursuant to section 40 of the *Financial Administration and Audit Act 1977* and other prescribed requirements. We certify that:

- (a) the statements together with other information and notes to and forming part thereof are in the form required by the Treasurer and are in agreement with the accounts of the Department of Police; and
- (b) in our opinion –
  - (i) the prescribed requirements for the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the statements have been drawn up so as to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of Police for the financial year ended 30 June 2001 and of the financial position as at the end of that year.



P.J. BROWN  
A/Director, Finance Division  
27/09/2001



R. ATKINSON  
Commissioner  
27/09/2001

## INDEPENDENT AUDIT REPORT

### To the Commissioner of the Police Service

#### Scope

I have audited the General Purpose Financial Statements of the Department of Police prepared by the Accountable Officer for the year ended 30 June 2001 in terms of s.40 of the *Financial Administration and Audit Act 1977*. The financial statements comprise the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Outputs/Major Activities - Controlled Expenses and Revenues, Notes to and forming part of the financial statement and certificates given by the Accountable Officer and officer responsible for the financial administration of the Department.

The Accountable Officer is responsible for the preparation and the form of presentation of the financial statements and the information they contain. I have audited the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with *QAO Auditing Standards*, which incorporate Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with the prescribed requirements and prescribed accounting standards.

The audit opinion expressed in this report has been formed on the above basis.

#### Audit Opinion

In accordance with section 40 of the Financial Administration and Audit Act I certify that -

- (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 Statements have been drawn up so as to present a true and fair view in accordance with the prescribed accounting standards, of the transactions of the Department of Police for the financial year 1 July 2000 to 30 June 2001 and of the financial position as at the end of that year.

V P MANERA  
Deputy Auditor-General  
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office  
Brisbane



Your ref:

Our ref:

01-4600 JL  
Mr John Haron (07) 3405 1158

27 September 2001

Mr B Atkinson APM  
Commissioner of Police  
GPO Box 1440  
BRISBANE QLD 4001

Dear Mr Atkinson

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**Department of Police**

Your General Purpose Financial Statements for 2000-2001 have been certified without qualification and are enclosed. Copies have been forwarded to your Minister and the Treasurer.

Yours faithfully

V P MANERA  
Deputy Auditor-General