



INDEPENDENT AUDIT REPORT

TO THE ACCOUNTABLE OFFICER OF THE QUEENSLAND AUDIT OFFICE

Matters Relating to the Electronic Presentation of the Audited Financial Report

The audit report relates to the financial report of QAO for the financial year ended 30 June 2009 included on www.qao.qld.gov.au. The Accountable Officer is responsible for the integrity of the QAO web site. We have not been engaged to report on the integrity of the QAO 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 electronic data communications they are advised to refer to the hard copy of the audited financial report, available from QAO, to confirm the information included in the audited financial report presented on this web site.

Report on the Financial Report

I have audited the accompanying financial report of the Queensland Audit Office which comprises the balance sheet as at 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year ended on that date, and a summary of significant accounting policies, other explanatory notes and certificates given by the accountable officer and officer responsible for the financial administration of the Queensland Audit Office.

The Accountable Officer's Responsibility for the Financial Report

The Accountable Officer is responsible for the preparation and fair presentation of the financial report in accordance with prescribed accounting requirements identified in the *Financial Administration and Audit Act 1977* and the *Financial Management Standard 1997*, including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility to express an opinion on the financial report based on the audit is prescribed in the *Auditor-General Act 2009*. This Act, including transitional provisions, came into operation on 1 July 2009 and replaces the previous requirements contained in the *Financial Administration and Audit Act 1977*. The audit was conducted in accordance with *Australian Auditing Standards* which require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Accountable Officer, as well as evaluating the overall presentation of the financial report and any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

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

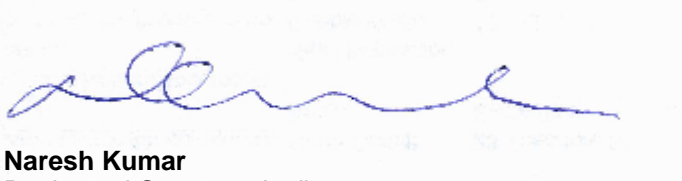
Independence

In conducting my audit, I followed applicable independence requirements of the Australian professional ethical pronouncements.

Audit Opinion

In accordance with the *Auditor-General Act 2009*:

- (a) I have received all the information and explanations which I have required: and
- (b) in my opinion -
 - (i) the prescribed requirements in 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 Queensland Audit Office for the financial year 1 July 2008 to 30 June 2009 and of the financial position as at the end of that year.



Naresh Kumar
Registered Company Auditor

Brisbane
Date: 27 August 2009