

B. How we prepared this report

Queensland Audit Office reports to parliament

The Queensland Audit Office (QAO) is Queensland's independent auditor of public sector entities and local governments.

QAO's independent public reporting is an important part of our mandate. It brings transparency and accountability to public sector performance and forms a vital part of the overall integrity of the system of government.

QAO provides valued assurance, insights and advice, and recommendations for improvement via the reports it tables in the Legislative Assembly, as mandated by the *Auditor-General Act 2009*. These reports may be on the results of our financial audits, on the results of our performance audits, or on our insights. Our insights reports may provide key facts or a topic overview, the insights we have gleaned from across our audit work, the outcomes of an investigation we conducted following a request for audit, or an update on the status of Auditor-General recommendations.

We share our planned reports to parliament in our 3-year forward work plan, which we update annually: www.qao.qld.gov.au/audit-program.

A fact sheet on how we prepare, consult on, and table our reports to parliament is available on our website: www.qao.qld.gov.au/reports-resources/fact-sheets.

About this report

QAO prepares its reports on the results of financial audits under the *Auditor-General Act 2009*:

- section 60, which outlines the Auditor-General must prepare a report to the Legislative Assembly on each audit conducted of a public sector entity.
- section 62, which outlines the Auditor-General may combine reports on any 2 or more audits.
- section 63, which outlines the discretion the Auditor-General has for reporting to parliament.

This report summarises the audit results of Queensland's local government entities, also known as councils. They are the first line of connection to our communities, providing Queenslanders with a wide range of services such as roads, water and waste, libraries, and parks. To help deliver their corporate objectives and services to the public, some create council-related entities, for example in the pastoral, property services, and arts sectors.

Through our financial audit program, we form opinions about the reliability of local government financial statements. These audits are conducted in accordance with the Auditor-General Auditing Standards and comply with the relevant standards issued by the Australian Auditing and Assurance Standards Board.

The information and insights highlighted in this report to parliament are the result of our annual financial audits of these entities.

What we cover

Through our financial audit program, we form opinions about the reliability of entities' financial statements. QAO completes these audits under the related Auditing and Assurance Standards Board standards. Each entity publishes our audit opinions in their annual report.

Our financial audit reports to parliament provide the results of our audits and assess the quality and effectiveness of internal controls. They also consider public sector-specific risks. These include the probity of matters associated with entity stewardship; propriety of administrative decisions; acts or omissions that give rise to a waste of public resources; and compliance with relevant Acts, regulations, and policies.



This report highlights key insights and information from across our work. It discusses the financial audit results of local government entities and considers the challenges faced by the sector.

Entities included in this report

- 77 local governments
- 89 council-related entities

Refer to [Appendix E](#) for the names of the above entities.

Our approach

This report has been prepared in accordance with the Auditor-General Auditing Standards.

In this report, we present our graphs with comparative data going back to either 2019 or 2023 (2 to 6 comparative years) to show the relevant movements where appropriate.

We used information available at the 31 October statutory reporting date to prepare our report

We compiled this report using information available at the 31 October 2024 statutory reporting date. In the following paragraphs, we summarise how we applied this cut-off date for available information.

Final information from councils' financial statements

We have collated the financial information throughout this report using one of the following:

- councils' 2023–24 certified financial reports, if they were certified by 31 October 2024
- councils' most recently certified financial reports, if their 2023–24 reports were not certified by 31 October 2024.

Ratios measuring the financial sustainability of councils

We explain the ratios used to measure the financial sustainability of councils in [Appendix J](#).

We have used the same approach for financial sustainability ratios as for financial information. If councils' 2023–24 certified financial reports were available as of 31 October 2024, we have used this information.

Otherwise, we have used their most recently certified financial report available at that date.

Where ratios are calculated using a 5-year average, we have used the average of the most recent 5 years that are certified as of 31 October 2024.

Internal control weaknesses

This report and [Appendix I](#) only include internal control weaknesses reported to councils by 31 October 2024.

Often, councils that do not have their financial statements certified by 31 October have higher numbers of internal control weaknesses, so we expect the total number of weaknesses to increase when these councils have their financial statements certified.

In next year's local government report, we will report any further internal control weaknesses communicated to councils from 1 November 2024 that relate to our 2023–24 audits.

