

A. Full responses from agencies

As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to:

- Director-General, Department of the Premier and Cabinet
- Under Treasurer, Queensland Treasury.

We also provided a copy of the report to the Premier, all ministers, and accountable officers of core departments, as well as specifically the following entities, and gave them the option of providing a response:

- Chief Executive Officer, Gladstone Ports Corporation Limited
- Chief Executive Officer, Sunwater Limited.

This appendix contains the detailed responses we received.

The heads of these entities are responsible for the accuracy, fairness, and balance of their comments.



Comments received from Director-General, Department of the Premier and Cabinet



Department of the
Premier and Cabinet

Ms Rachel Vagg
Auditor-General of Queensland
Queensland Audit Office
qao@qao.qld.gov.au


Dear Ms Vagg

I refer to your email of 18 March 2025 regarding the Queensland Audit Office's proposed State Entities 2024 Report (the Report).

I am pleased to note from the Report that you consider that the Department of the Premier and Cabinet's (DPC) financial statements are reliable and that all departments, including DPC and related portfolio entities, received unmodified audit opinions.

A significant effort will be required across the sector to implement climate-related financial reporting requirements and DPC will work with Queensland Treasury to embed the required reporting processes to comply with the legislative financial disclosure requirements.

The Report findings regarding controls over payroll, accounts payable and expenditure, procurement and contract management and information systems, are noted.

DPC will have a fully independent Audit and Risk Management Committee (ARMC) by 1 July 2025. DPC is well-progressed in updating its policy and procedures relating to procure to pay and contract management processes, in line with the *Queensland Procurement Policy 2023*.

In addition, DPC is continuing to implement actions to address recommendations raised from prior Queensland Audit Office State entities reports (Appendix E of the Report), for which status updates are regularly reported and monitored through DPC's ARMC.

Thank you for providing the Report and the opportunity to comment.

Yours sincerely


Damien Walker
Director-General

1 / 4 / 2025

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Comments received from Under Treasurer, Queensland Treasury



Queensland Treasury

Our Ref: QT01363-2025
Your Ref: PRJ04160

Ms Rachel Vagg
Auditor-General of Queensland
Queensland Audit Office
PO Box 15396
CITY EAST QLD 4002

Email: QAO.Mail@qao.qld.gov.au

Dear Ms Vagg

Thank you for your email of 18 March 2025 enclosing the draft report to Parliament *State entities 2024*. I value the opportunity to comment on the draft report.

I note this year's report does not make any new recommendations but highlights recommendations from previous years' reports which the Queensland Audit Office (QAO) considers require further action. I also acknowledge the expanded focus on information systems controls deficiencies. This is an important area of focus and in relation to potential third-party security risks, Queensland Treasury maintains appropriate processes to address these risks, including an Information Security Management System (ISMS) and is ISO27001:2022 certified.

I acknowledge the need to ensure all entities have in place clear policies and procedures outlining when a special payment is appropriate. Queensland Treasury continues to engage with State entities to ensure the obligations relating to special payments are understood and are being adopted in internal policies and processes.

Audit committees play a critical role in supporting management establish and maintain effective internal controls. In response to recommendation 1 of the *State entities 2022* report, I note the Audit Committee Guidelines require audit committees to familiarise themselves with and monitor the implementation of accepted audit recommendations.

I understand the requirement for all audit committee members to be independent under the Audit Committee Guidelines from 1 July 2025. Queensland Treasury complies with the current requirement to have an independent chair and at least one other independent audit committee member, and continues to progress toward meeting the requirements to be in place from 1 July 2025.

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I support the work of Queensland Treasury in leading the development of an overall approach to changes in climate-related financial reporting from 2025–26, including the development of a framework, guidance, and a tool for public sector entities to use in measuring greenhouse gas emissions.

The QAO has identified a number of governance deficiencies for Gladstone Ports Corporation (GPC) and I can advise that GPC is taking appropriate action in response to the issues identified and is continuing to improve systems and processes in these areas. Queensland Treasury continues to provide guidance and expectations to government owned corporations on a range of governance policy issues.

If you require any further information, [REDACTED]

Yours sincerely



Paul Williams
Under Treasurer

2 / 4 / 2025



Comments received from Acting Chief Executive Officer, Gladstone Ports Corporation



Our Ref: #1998232

7 April 2025

Ms Rachel Vagg
Auditor-General
Queensland Audit Office

Email: gao.mail@qao.qld.gov.au

Dear Ms Vagg

Gladstone Ports Corporation Limited (GPC) acknowledges turnover within key management personnel during the year but has taken steps to address this. GPC is in the final stages of its recruitment for a permanent Chief Executive Officer and a subsequent campaign for other key executive roles will follow.

All of the deficiencies raised have also been addressed by updates to policy documentation and additional mechanisms including education and training. Additional levels of approval have been applied within updated policy documentation to ensure an appropriate level of rigour is required in decision making.

The appointment of a new Chair and with a board consisting of two continuing and three new directors, work with management is well underway to build on improving the culture through an organisation wide reset and the return to a stable and committed organisation.

Yours sincerely

A handwritten signature in black ink, appearing to read "Jenelle Druce".

Jenelle Druce
ACTING CHIEF EXECUTIVE OFFICER

Comments received from Acting Director-General, Department of Housing and Public Works

Our reference: MN03587-2025

07 APR 2025

Ms Rachel Vagg
Auditor-General
Queensland Audit Office
qao@qao.qld.gov.au



Office of the
Director-General

Department of
Housing and Public Works

Dear Ms Vagg

I refer to your email of 18 March 2025 to Mr Mark Cridland, Director-General regarding the draft report to Parliament, *State Entities 2024*.

The Department of Housing and Public Works appreciates the opportunity to make comments and provide feedback. The department is constantly reviewing internal controls throughout the department and will review and consider the current recommendations as part of the annual Chief Finance Officer's assurance process.

The department remains committed to delivering more social and affordable homes and thanks the Queensland Audit Office for providing the financial update about the Housing Investment Fund and the State's interest in the development of the Queen's Wharf Precinct. The Auditor-General's observation regarding the need to monitor the Queen's Wharf development is noted.

On 29 August 2024, a significant milestone was achieved with the opening of the casino and the State entering into the long-term lease. The department will continue to work with other stakeholders to ensure Queenslanders achieve the intended benefits from the development.

If you require further information or assistance in relation to this matter, [REDACTED]

I trust this information is of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sarah Amos".

Sarah Amos
Acting Director-General

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Brisbane Queensland 4000
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Comments received from Director-General, Department of Trade, Employment and Training



Department of
Trade, Employment
and Training

Our ref: TF25/816; D25/6169

Ms Rachel Vagg
Auditor-General
Queensland Audit Office
Email: gao.mail@gao.qld.gov.au

Dear Ms Vagg

Thank you for your email dated 18 March 2025 regarding the proposed State Entities 2024 report to Parliament.

I have noted the report's findings and the increased focus in this year's report on information system controls. Thank you for the opportunity to provide comment.

The Department of Trade, Employment and Training is committed to the continual improvement of the important matters raised in your report, with all Queensland Audit Office recommendations reported and monitored through the department's Audit and Risk Committee.

Yours sincerely


Peter McKay
Director-General
04/04/2025

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Comments received from Director-General, Department of Transport and Main Roads



Office of the
Director-General

Department of
Transport and Main Roads

Our ref: DG47446

2 April 2025

Ms Rachel Vagg
Auditor-General
Queensland Audit Office
qao@qao.qld.gov.au

Dear Ms Vagg

Thank you for your email of 18 March 2025 advising of the proposed report to parliament *State Entities 2024*.

The Department of Transport and Main Roads (TMR) acknowledges the content of the report and the conclusion that internal systems and processes entities have in place to support reliable financial reporting are generally effective.

TMR continues to mature the information system controls in place across the department. Deficiencies reported in Queensland Audit Office (QAO) reports are being progressed with regular updates reported to management and TMR's Audit and Risk Committee. TMR will continue to work closely with QAO on the implementation of management actions to close these deficiencies.

TMR appreciates the opportunity to provide comments on this proposed report. If you require any further information, please contact [redacted]

I trust this information is of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read "SStannard".

Sally Stannard
Director-General
Department of Transport and Main Roads

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