



THE NATIONAL INJURY INSURANCE  
AGENCY QUEENSLAND

# 2018-19 Annual Report

Making lives better

# Chris

Chris is a Gomeri man and NIISQ participant who sustained a spinal cord injury in a motor accident in Queensland in September 2017. NIISQ has supported Chris throughout his recovery.

Chris loves being out in the elements, in the sun, near trees and beside water. Through NIISQ, Chris was able to access necessary and reasonable treatment, care and support which helped him to get out during the day and get back into life after his injury. He is now working toward his goal of being able to drive his car. This will help him to get back to community where he can be with his family and spend time at his favourite place along the river.



“ NIISQ has made my recovery journey easier. Knowing I have support and help with organising my rehabilitation and care decreases my stress.

ISSN:2208 - 102X



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### NIISQ Agency

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Visit [www.niis.qld.gov.au](http://www.niis.qld.gov.au) to view this annual report.

Copies of the report are also available in paper format. To request a copy, contact us using the details above.

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### Acknowledgement

We acknowledge the Traditional Owners of the lands on which we operate and recognise their connection to land, waters and community. We pay our respects to them and their cultures, and to Elders both past and present.

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# LETTER OF COMPLIANCE/ CERTIFICATION OF FINANCIAL STATEMENTS

26 August 2019

The Honourable Jackie Trad MP  
Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships  
GPO Box 611  
BRISBANE Qld 4001

Dear Deputy Premier

I am pleased to submit for presentation to the Parliament the Annual Report 2018-2019 and financial statements for the National Injury Insurance Agency, Queensland.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009* and the *National Injury Insurance Scheme (Queensland) Act 2016*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found at Appendix 4 of this annual report or at [www.niis.qld.gov.au](http://www.niis.qld.gov.au).

Yours sincerely



Julie-Anne Schafer  
**Chairperson**  
**Board of the National Injury Insurance Agency, Queensland**

## OUR VISION

Making lives better

## OUR ROLE / PURPOSE

Build capability to provide financially sustainable lifetime care and support for participants through individual choice and independence

## OUR GUIDING PRINCIPLES

Participant-centred

Financially sustainable

Value for money services within community expectations

Empower participants through decision making and choice

Focus on health and social outcomes

Dignity and respect are paramount



# CHAIRPERSON FOREWORD



It is my pleasure to present the 2018-19 Annual Report of the National Injury Insurance Agency, Queensland (NIISQ Agency). My Board colleagues and I continue to be impressed by the hard work and dedication of our staff in providing high quality services to all National Injury Insurance Scheme, Queensland (NIISQ) participants and stakeholders.

In 2018-19, NIISQ accepted 68 interim participants into the Scheme, bringing the total number of interim and lifetime accepted participants to 186. We accepted our first lifetime participant and will continue to dedicate our time and resources to providing our participants with the treatment, care and support they need to achieve their goals.

After three years of administering NIISQ, we are now seeing some emerging patterns. 76 per cent of the Scheme's participants are male with a large proportion of participants being young when they are accepted in to the Scheme. This highlights the importance of a Scheme that delivers lifetime support to seriously injured participants, inclusive of those who are young when they enter the NIISQ.

Our participants predominately include those who are living with traumatic brain injuries, permanent spinal cord injuries, and amputations. As a state-wide Scheme, NIISQ Agency Support Planning team work with participants located in many regions of Queensland. Our operational plan includes a focus on working to spread the message about NIISQ to service providers and health care professionals in more remote parts of the state so that eligible participants are able to access the support they need.

“  
**Our dedicated team of NIISQ Agency staff will continue to ensure our participants and their families remain at the forefront of all that we do.**

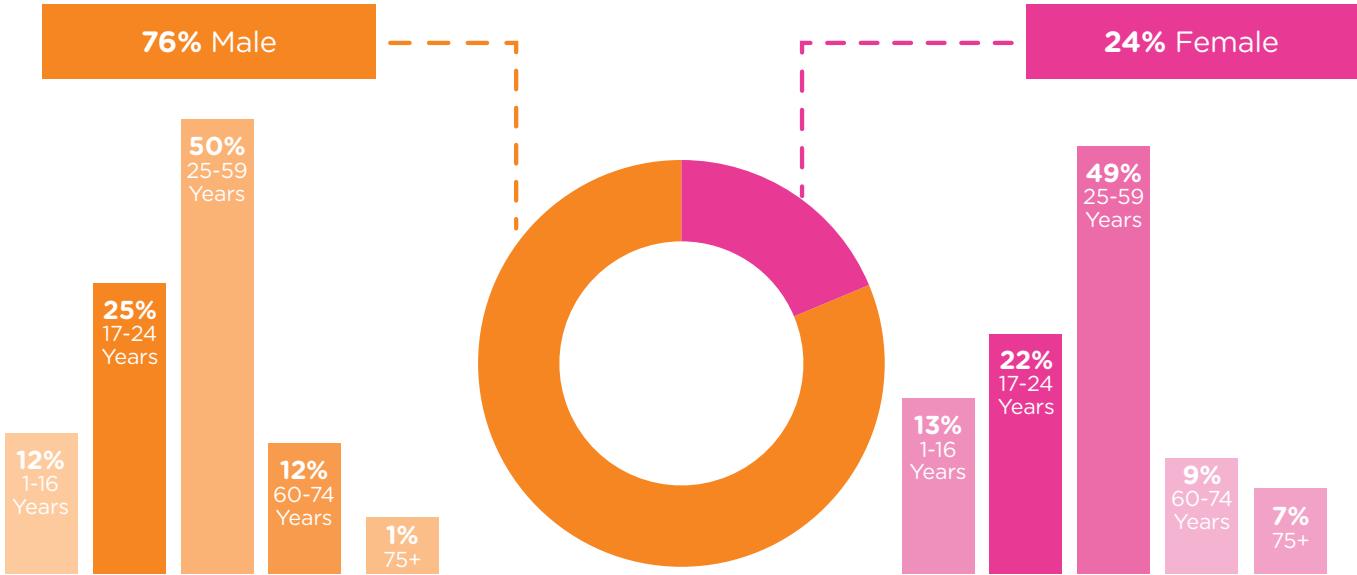
The NIISQ Agency is now entering its fourth year of operation, and our focus will continue to be on our evolving structure as we finalise arrangements to operate as an independent Agency run separately from the Insurance Commission. Our dedicated Support Planning team and NIISQ Agency staff will continue to ensure our participants and their families remain at the forefront of all that we do, and are committed to best practice to enhance effectiveness.

I would like to thank CEO Sally Noonan for her leadership and focus in ensuring our work continues to be undertaken through innovation, collaboration and partnerships with our stakeholders. I also acknowledge the contribution Neil Singleton and Natalie Garnett have both made to NIISQ in their respective leadership roles as they helped to guide the Agency through its foundation years. I offer my thanks to Deputy Chairperson Michael Willis, along with the rest of the NIISQ Board, as we continue to guide and advise the NIISQ Agency and I look forward to the challenges and opportunities the coming year will bring.

**Julie-Anne Schafer**  
Chairperson

## Participants by gender and age range

Interim and lifetime accepted open cases as at 30 June 2019



**Note:** Rounded to nearest percentage



# ABOUT US

## About NISQ

The National Injury Insurance Scheme, Queensland (NISQ) funds necessary and reasonable treatment, care and support for people who sustain an eligible serious personal injury in a motor accident in Queensland, on or after 1 July 2016.

Anyone at any time can be seriously injured in a motor accident. NISQ is a no-fault scheme, meaning treatment, care and support can be funded regardless of who was at fault in the accident, as long as the injured person meets all eligibility criteria outlined in the *National Injury Insurance Scheme (Queensland) Act 2016* (NISQ Act) and *National Injury Insurance Scheme (Queensland) Regulation 2016* (NISQ Regulation).

Eligible serious personal injuries:



Permanent spinal cord injuries



Traumatic brain injuries



Multiple or high-level limb amputations



Permanent injury to the brachial plexus



Severe burns



Traumatic blindness caused by trauma

After a person applies and is accepted as an interim participant in NISQ, they will receive funding for necessary and reasonable treatment, care and support related to their motor accident injuries for the first two years. Towards the end of those two years, a participant is assessed to see if they are eligible to become a lifetime participant. Different criteria apply for children who are accepted in to NISQ.

Necessary and reasonable treatment, care and support funded under NISQ:



Medical and pharmaceutical treatment



Dental treatment



Rehabilitation



Respite care



Aids and appliances



Prostheses



Educational and vocational training



Home and transport modifications



Attendant care and support services



Ambulance transportation

## About the NISQ Agency

Established under the NISQ Act on 1 July 2016, the National Injury Insurance Agency, Queensland (NISQ Agency) has a positive, collaborative and innovative working culture that contributes to the delivery of high-quality service for participants.

### Our key functions are to:

- administer, monitor and review the operation of NISQ, including the treatment, care and support received by NISQ participants
- provide information to the community about NISQ
- conduct research and collect statistics about NISQ
- give advice and information to the Treasurer and the Insurance commission about the administration, efficiency and effectiveness of NISQ
- provide support and funding for programs, research and education relevant to the treatment, care and support of participants in the scheme
- manage the NISQ fund that pays for the costs of providing necessary and reasonable treatment, care and support to participants
- keep a register of providers of services under NISQ.

Under an agreement with Queensland workers' compensation insurers, we are engaged to perform the insurers functions to ensure workers' with serious personal injury receive necessary and reasonable treatment, care and support.

The NISQ Agency office is located in Brisbane.

### Strategic risks and challenges

Risks and challenges in relation to the operating environment of the NISQ Agency, and as described in our Strategic Plan 2016-2020 (revised 2019):

- Inability to budget for, and manage demand for services
- Effective management and evolution from changes to legislation and regulation
- Privacy, information security and data breach
- IT system adequacy to support service delivery
- Inability to source and secure adequate services and to manage outsourced arrangements

### How NISQ and the NISQ Agency contribute to the Queensland Government objectives for the community

We deliver quality front-line services by providing services that improve outcomes for people seriously injured in motor accidents and workplace accidents, irrespective of fault.

We help participants to set and achieve their individual goals, maximise their independence and participate in the community and employment. NISQ benefits Queensland communities through improved health outcomes, and improved social and economic participation by the person who is injured, their family and carers.

We also contribute to building safe, caring and connected communities by collaborating with government agencies and service providers to deliver integrated services.



From left to right: Leigh; Genevieve; Lisa; Sean; Trang; Andrea; Renee; Tracey; Samantha; Kerry; Rachel; Hannah; Roslyn

### Our Support Planning team

NISQ Participants are assigned a dedicated member of our skilled Support Planning team who works closely with the participant to assess their treatment, care and support needs and to help them access services in their community.

Reflecting the various stages of a participant's journey, the team is comprised of Support Planner, Support Planner - Community, Community Services Coordinator, Case Assessor and Team Support roles. A day in the life of this team focuses on participant-centred case management to maximise health and community participation, support independence and assist participants to achieve their goals.

The team work together to deliver quality coordinated, efficient and evidence-based services to participants and their families, all throughout Queensland, regardless of where a participant lives.

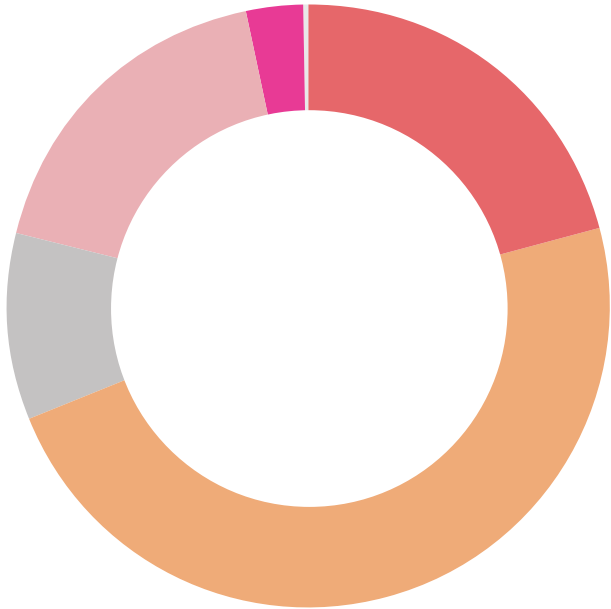
The team share a genuine passion for making lives better.

### Services paid in 2018-19

Payments made between 1 July 2018 to 30 June 2019

**Key:**

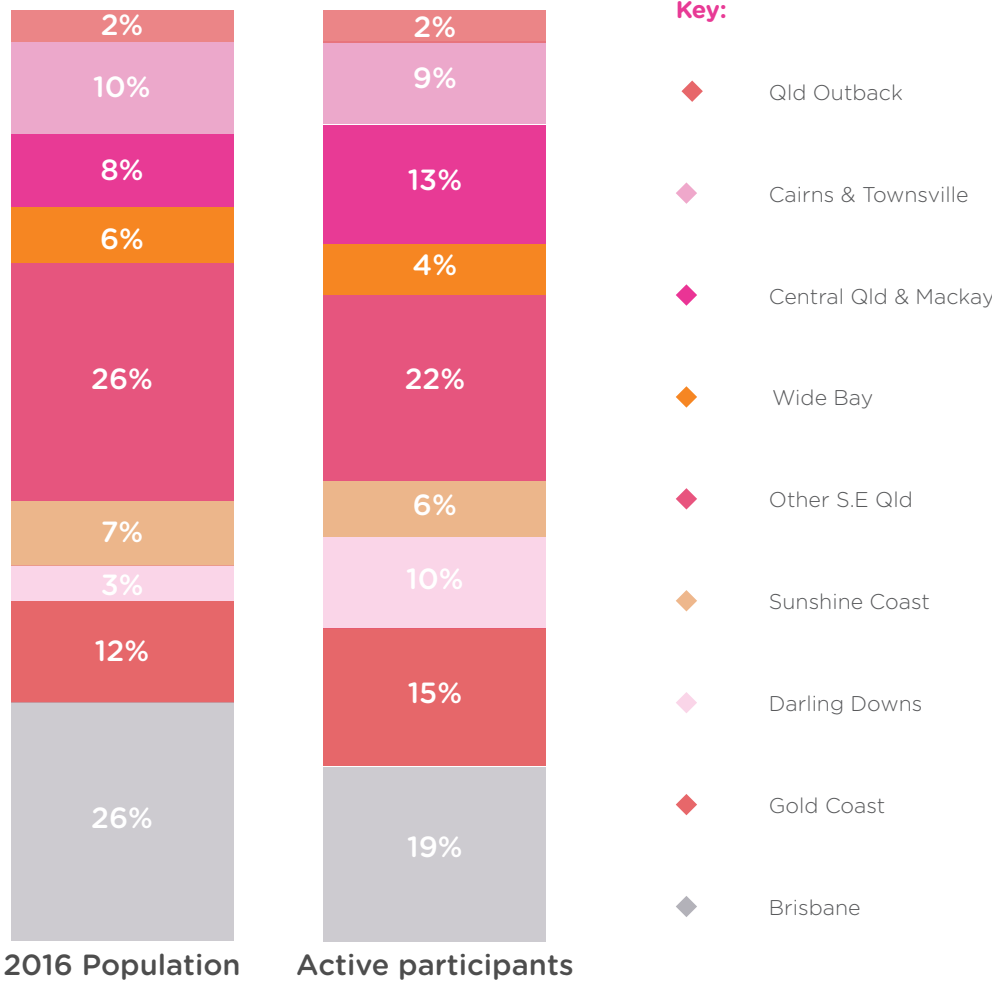
- ◆ Treatment and rehabilitation (21%)
- ◆ Attendant care (48%)
- ◆ Modifications (10%)
- ◆ Equipment (18%)
- ◆ Hospital and medical services (3%)
- ◆ Legal costs (0%)



**Note:** Rounded to nearest percentage

### Queensland population compared to Participant locations

Mix by ABS (SA4) Regions







NIISQ has supported me immensely. I think my quality of life would be so low compared to what it is like now. I honestly can't imagine life without help from the NIISQ Agency.

## PARTICIPANT STORY: ZACH

**Zach is a NIISQ participant who lost his right leg in a motorbike accident in February 2018.**

Zach's Support Planner worked closely with Zach and his very supportive family to ensure his ongoing recovery. Zach received initial funding under NIISQ for a sitting prosthesis and various other injury related equipment including a manual wheelchair. NIISQ also funded necessary home modifications to help make Zach's life easier, including installing a disability compliant ramp leading to Zach's backyard, minor modifications to the front stair treads and major bathroom modifications to accommodate his ongoing physical needs.

"The funding is not the only thing I have received from NIISQ. From the beginning, my Support Planner was amazing. She went above and beyond her duty to get stuff done for me. I am so glad she was assigned to me," said Zach.

Zach is now working with his Support Planner - Community to continue focussing on his community based rehabilitation.

Zach is like any other young person who likes to get out of the house, visit friends and do things for himself. He recently judged the deadlift component of a powerlifting competition and he is aiming to commence University study soon. Vehicle modifications funded under NIISQ have allowed Zach to drive his car to maintain his social and community connections. He has also returned to paid employment, where he currently works to assist with the placement of labour hire candidates for program services.

Recently, the NIISQ Agency has supported funding a prosthetic lower limb for Zach and the ongoing rehabilitation and modifications required to assist Zach to return to walking, his primary goal. If Zach can return to walking in some capacity, he can work towards a more active life and general wellbeing.

"I am so glad I have the NIISQ Agency by my side as my injury related needs change throughout my life," said Zach.



# CHIEF EXECUTIVE OFFICER'S REPORT



When I stepped into the NIIAQ Agency in January 2019, I was overwhelmed by the warm and enthusiastic welcome I received from my new team. As I got to know my colleagues better I quickly learned that this is “the NIIAQ way”, and that my welcome was typical of how our participants, their families, our providers, our partners, and our broad range of stakeholders’ experience NIIAQ. The NIIAQ Agency is made up of a caring, committed and highly professional group of people who delight in making the lives of others better.

Our participants are why we work at the NIIAQ Agency. We are grateful for the generosity of all participants and their families for allowing us into your lives. Our Support Planning team are dedicated to developing face-to-face, personal relationships with each participant and their family. We get to know each participant, their personal circumstances and life goals and we bring the pieces together to meet participant needs. It is that personal approach that sets us apart. Our Support Planners love sharing stories about the progress that NIIAQ participants are making in reaching their goals. Regardless of our role in the Agency we know that we are all working towards such wonderful participant achievements.

I would like to thank my predecessors, Mr Neil Singleton and Ms Natalie Garnett, for their great work in getting the foundations of NIIAQ culture, service and governance so firmly on the right track. These foundations have held us in good stead as we have become independent from the Insurance Commission, and shaped our own identity as Queensland’s dedicated lifetime care scheme for people seriously injured by motor accidents.



**We bring the pieces together to meet participant needs. Our personal approach is what sets us apart.**

I would also like to thank our Chairperson, Ms Julie-Anne Schafer, and the NIIAQ Board for their support and guidance to the NIIAQ Agency. The Board brings together a wealth and diversity of experience and knowledge to provide a robust approach to direction setting, governance, and oversight. The Board’s insights underpin our commitment to be a fiscally responsible and innovative agency that works for the benefit of our participants wherever they are in Queensland. As a state-wide Agency, it is a challenge ensuring that all stakeholders are aware of the Scheme and how it operates to help those who have been injured. This year I would particularly like to express my gratitude to the Board for working to address this challenge by helping to raise the profile of NIIAQ to health practitioners in regional, rural and remote Queensland. They held their June Board meeting concurrently with the Rural Doctors Association Queensland Annual Conference in Cairns. Moving forward, this state-wide engagement will remain a key focus for us as it is so important that everyone in Queensland who is eligible can access NIIAQ.

Also, to help us reach everyone we can support, we have worked closely with the First Peoples Disability Network (Australia) to implement *Getting Strong Again*, a dedicated resource to help our Aboriginal and Torres Strait Islander participants to have planning conversations with Support Planners in a culturally safe way. My thanks to Uncle Paul Calcott for his wisdom and guidance in the preparation of this resource.

Working with others, and learning from others, is how we support participants to achieve their goals. We are committed to continually looking for better ways of doing things. We are open to collaboration, innovation and change. We thank our service providers, and stakeholders in the health and care sectors, legal and insurance communities, research sector, and across other government organisations for helping the NIIAQ Agency to provide the best participant service possible.

I feel fortunate to be part of the work of the NIIAQ Agency. We believe in what we are doing for participants and we are striving to build the best organisation to do this. I look forward to what the next year will bring.

**Sally Noonan**  
Chief Executive Officer

## Participant serious personal injuries

Interim and lifetime accepted open cases as at 30 June 2019



**79%**  
Traumatic brain injuries



**18%**  
Permanent spinal cord injuries



**1%**  
Permanent injury to the brachial plexus



**2%**  
High-level or multiple limb amputations

**Note:** Rounded percentages

REPORT CARD

Key Strategies <sup>1</sup>	Progress Highlights
Objective 1. Effective partnerships and engagement	
Strategic partnerships	Launch of culturally safe resource for participants, <i>Getting Strong Again</i> , developed in partnership with First Peoples Disability Network (Australia)
Engage with communities to build awareness	Development of stakeholder communication and engagement strategy Engagement with Statewide rural and remote based General Practitioners
Provide integrated services	Engagement with Queensland Health to formalise information-sharing pathways Delivery on in-service series to Queensland Health Engagement with WorkCover Queensland
Objective 2. Deliver high quality services	
Provide necessary and reasonable services to all participants in all communities throughout the State	Improvement Action Planning introduced to facilitate continuous improvement in response to feedback, compliments and complaints Reviewed case management framework to improve participant service delivery and alignment with legislation
Services are integrated and promote participants' capability and wellness	All internal review applications actioned within legislative time frames
Services are participant centred	Research and Education Funding Strategy approved by the NISQ Board NISQ Agency registered providers available on NISQ website
Objective 3. Capable, agile and innovative organisation	
An agile, high performing and engaged workforce	Engagement with other NIS jurisdictions to share best practice standards and processes
Drive a culture of innovation and continuous improvement	Increased staff training, mentoring and knowledge sharing and peer review initiatives to ensure innovative and best practice case management provided to participants
Sharing of knowledge and ideas	Active presence and involvement at industry events including Rural Doctors Association of Queensland conference, Queensland Trauma Symposium, ATSA Independent Living Expo, Metro North Health Forum and The Hopkins Centre Bold ideas, better solutions symposium Initiated Research and Innovation Insights to keep Board members and Support Planning team abreast of relevant industry innovations First NISQ Agency annual employee survey completed
Objective 4. Financially sustainable scheme	
Prudent management of Scheme costs	Procurement framework for delivering services is being finalised
Target full funding	Investments returns and growth remain sufficient to maintain scheme solvency on an actuarial basis
Effective investment management	The Audit and Risk Committee is overseeing an internal audit and risk management approach that addresses core risks and operational efficiencies A program of internal audits and process improvement reviews has been developed in conjunction with PwC following the Audit and Risk Committee endorsement A strong relationship and regular engagement with the Queensland Audit Office has enhanced operational awareness of control risks and has led to improved internal controls Investment management arrangements are under development in conjunction with the Queensland Treasury Corporation's Long Term Asset Advisory Board and the Queensland Investment Corporation

<sup>1</sup> For a list of performance indicators, view the NISQ Strategic Plan 2016-2020 (revised 2019) in Appendix 3

INTO THE FUTURE



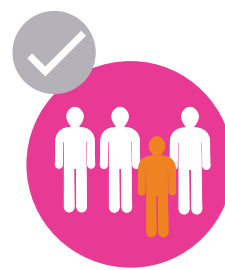
Shaping our identity

Independently positioning the NISQ Agency and embedding our participant-centred culture. We will move forward as an innovative and collaborative Agency that is easy to deal with, solutions focussed and delivers high-quality service to our participants.



Committing to good governance

As we grow, we will continue to provide high quality participant-centred services and remain easy to deal with. To enable this, we will improve our policies, systems and processes while ensuring we meet our legislative and broader compliance requirements.



Working with our stakeholders

Encouraging feedback from our stakeholders to support seamless partnerships. We will also continue promoting NISQ's services to stakeholders throughout Queensland to help ensure that anyone who may be eligible for NISQ applies to the Scheme.



Evolving our research capacity

Developing and implementing our research and education funding strategy to support and fund unique and high quality research, education and programs relevant to our participants. Our strategy will focus on building collaborative partnerships that target realisable benefits for the Scheme including innovative treatment, care and support options that improve the lives of our participants.



Ensuring NISQ is financially sustainable

Applying rigorous actuarial analysis so that the NISQ Fund can meet the treatment, care and support, prudent investment and fund management needs of our participants for their lifetimes.



# MAKING LIVES BETTER IN 2018-19 HIGHLIGHTS

## Getting Strong Again

We proudly launched the culturally safe resource *Getting Strong Again* during NAIDOC week in July 2018. Developed in partnership between the NIISQ Agency and the First Peoples Disability Network (Australia), the resource is intended to help Aboriginal and Torres Strait Islander participants talk with NIISQ Agency Support Planners about their goals and identify their support needs.

We embarked on this journey at the commencement of NIISQ with the help of Uncle Paul Calcott, the Aboriginal artist behind *Walking Together*, an artwork commissioned to illustrate how NIISQ will support Aboriginal and Torres Strait Islander people who may sustain serious personal injuries in a motor accident.

We have continued the journey through the development of *Getting Strong Again*, which was designed to help Support Planners start the planning conversation in a respectful way.

Aboriginal and Torres Strait Islander people living with disability, Elders and community members across Queensland and the Torres Strait Islands were consulted during the development of this resource.

*Getting Strong Again* includes a planning booklet which adopts the traditional method of story-telling, cultural symbols and artwork to assist Aboriginal and Torres Strait Islander people living with serious personal injury to identify the support they may need to get strong again in their culture, family, community and relationships.

Inclusion of the sea turtle represents people connected to salt water and that no matter how far someone travels, they always have a connection to their home and can find their way back. The emu and kangaroo tracks throughout represent a connection to land. As these native animals are unable to walk backwards, they encourage the participant to always move forward while getting strong again.

The footsteps lead to the various areas of the participant's life, with NIISQ walking alongside the participant in their journey.

The artwork is by Uncle Paul Calcott, a Wiradjuri man living on the Sunshine Coast, with contributions from Leila Constable. Both are Aboriginal artists who have experience working with people living with disability.

Supporting animations have been developed to explain the cultural symbolism and provide guidance for the booklet. The animations can be viewed on our website at [niis.qld.gov.au](https://niis.qld.gov.au).

For more information about the First Peoples Disability Network (Australia), visit their website at [fpdn.org.au](https://fpdn.org.au).



## NIISQConnect

We have been working towards the creation of a bespoke case management system that will streamline workflow, allowing our Support Planning team to spend less time on paperwork and more face-to-face time with our valued participants.

Our initial electronic case management system provided basic functionality with an over-reliance on manual administration of participant information. As the key information management system for NIISQ, this approach meant that our highly qualified Support Planners were spending too much time on administration and not as much time as they would like with participants. In late 2018, the NIISQConnect project team began to gather business requirements in careful detail to build a system that will meet the needs of the NIISQ Agency, now and into the future.

Following a successful migration from physical data storage to the Cloud, NIISQConnect has achieved core technology independence from the Insurance Commission, increased security arrangements and improved all-around performance.

While there is still much work to be done on further improvements, NIISQConnect now provides a modern technology platform that has reduced administrative tasks, and builds case lists tailored to individual Support Planners. In 2019-20, NIISQConnect improvements will focus on implementing an integrated system, which, along with tailored case management, will incorporate determination of eligibility; assessment of treatment, care and support needs; and coordination of service provision for lifetime treatment, care and support, including provider management and payments processing.



## Strengthening our connections throughout Queensland

Our Board seized a fantastic opportunity to raise awareness about NIIISQ by holding the June Board meeting in Cairns alongside the Rural Doctors Association of Queensland Annual Conference. Our presence in Cairns allowed us all to spread the word about NIIISQ to some 250 regional, rural and remotely based Queensland doctors.

This was part of a broader program where our Board met with some of our key partners in the Cairns region to strengthen our regional connections and ensure NIIISQ participants across the State have access to high-quality treatment, care and support regardless of where they may live. Our visit to Cairns provided us with an opportunity to engage with rural doctors, respected members of local Aboriginal and Torres Strait communities, local service providers, members of research institutions and the Cairns hospital to obtain a first hand perspective of the needs of the communities in Far North Queensland and regional Queensland more broadly.

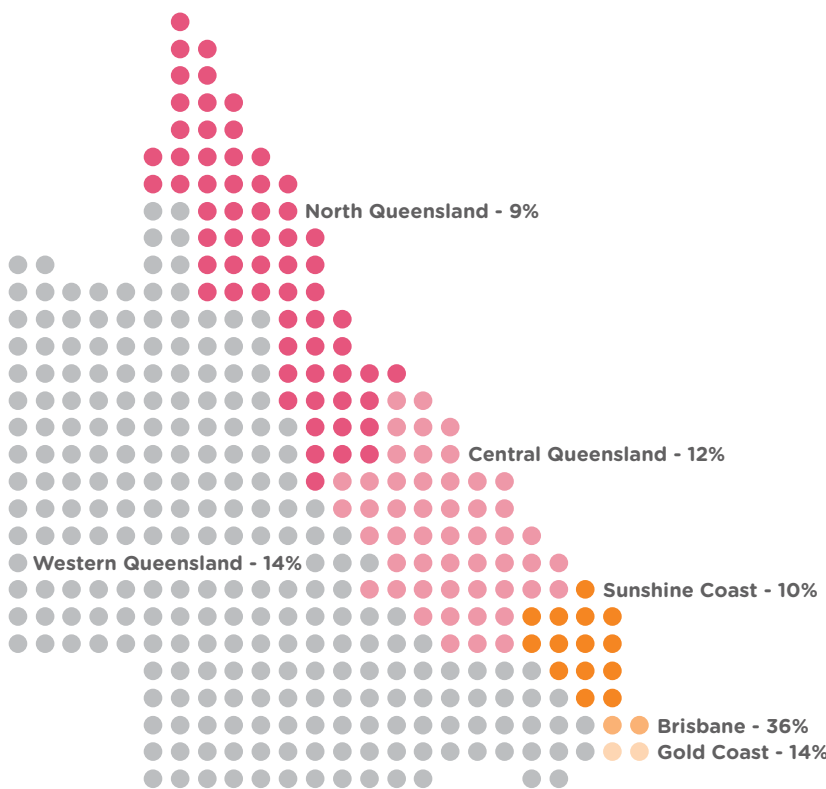
Early access to treatment, care and support helps participants achieve better health and rehabilitation outcomes. We have been working with hospitals and other stakeholders, in metropolitan and regional areas, to increase awareness of NIIISQ, to identify potential participants early and to make an early referral to the Scheme.

We are here to provide treatment, care and support to those who sustain a serious personal injury in a motor accident in Queensland. Because we are small and relatively new, not everyone who needs to know about us does. We are dedicated to Making Lives Better and want to ensure that everyone who is eligible receives treatment, care and support through NIIISQ.

## Participant locations

### Note:

- All accepted participants Scheme to date
- Sunshine Coast includes Wide Bay – Burnett region
- All motor accidents occurred in Queensland
- 6% of accepted participants reside interstate or overseas



## IZAK'S STORY

While NIIISQ is here for the lifetime needs of our eligible participants, the significant health benefits of early access to treatment and rehabilitation has meant that some of our interim participants have recovered so much that they exit the Scheme, based on reassessment of their injuries. Izak is such a success story.

Izak sustained a traumatic brain injury from a motorbike accident in January 2017 and received treatment, care and support services funded through NIIISQ as an interim participant. The NIIISQ Agency's early involvement helped Izak access the treatment and rehabilitation he needed to aid his recovery. Izak is a remarkable person who has achieved so much and was able to exit NIIISQ in December 2018.

We admire Izak's ongoing progress and achievements since his accident. Izak is combining his first hand experiences of hospital and rehabilitation with his knowledge of architecture to promote thinking about how spaces can be arranged to encourage better rehabilitative outcomes for individuals with a brain injury.

Izak's personal drive and initiative means that his life is full of worthy and rewarding activities. We are grateful that NIIISQ could help Izak through his early recovery.



Recovery from a brain injury is initially a daunting process as it takes years of perseverance with no guarantee of a full recovery.

My NIIISQ Support Planner and Support Planner - Community guided me through the overwhelming processes involved when re-entering society after my accident. Rehabilitation is an intimidating process as you learn to care for yourself and become independent. After the accident, when first attempting everyday responsibilities, the knowledge that assistance was always available reduced my anxiety and allowed me to focus on my recovery.

NIIISQ has helped me to achieve a healthy, balanced lifestyle where I feel confident and independent. Currently I work part time for an architectural firm and a research centre and I will soon graduate from university. After receiving exercise physiotherapy sessions through NIIISQ, I can manage my day to day fatigue and now train and play for a local football team each week.

During my recovery, I learned the importance of having a strong support network. You begin to truly appreciate your relationships with individuals and communities as they support you and help you maintain an optimistic perspective.

- Izak

# OUR PEOPLE

Our people are the essence of NISQ. We are what makes the NISQ Agency a caring, capable, agile and innovative organisation. Together, we are committed to professional excellence and dedicated to our participants.

The appointment of our Chief Executive Officer, Sally Noonan, and independence from the Insurance Commission prompted us to reflect on our team identity and culture. We remain committed to and proud of our participant-centred focus, and the personal way we engage with participants and their families in helping them to reach their individual goals.

In 2018-19, we have welcomed new team members and said farewell to others, with a separation rate of 5.5% per cent. No redundancy, early retirement or retrenchment packages have been paid during the period. Our current team is highly qualified and committed to professional excellence, and we put an emphasis on recruiting new team members who share our values, as well as having the right level of skill and experience for their roles. We recognise that our people work within a challenging environment, so their work health, safety and well-being continues to be an important focus for the Board and the Executive Leadership Team. A draft Work Health and Safety framework and policy has been created, with a staff Consultative Committee established in May 2019 to implement policy initiatives throughout the Agency. The Committee will continue to work hard to ensure all staff are aware of important agency well-being initiatives, including Employee Assistance provider arrangements, free-of-charge flu vaccinations, building emergency evacuation procedures and access to First Aid.



From left to right: (Front row) Sally; Hannah; Samantha; Sean  
(Back row) Rachel; Leigh; Tracey; Roslyn; Genevieve

Our Vicarious Trauma Management Strategy has also been instrumental in fulfilling our duty of care to our people. We are working on providing professional and regular debriefing for our Support Planners and enhancing our risk management for staff utilising vehicles as a workplace. With our emphasis on our people and their families' well-being, all staff have access to regular leave and flexible working arrangements, including working from home and telecommuting for staff who live in other parts of south east Queensland. These arrangements are open to all staff – regardless of their position title or level. Our leaders role model work-life balance behaviour and are active supporters of inclusion and diversity in the workplace, acknowledging external awareness in community events, such as NAIDOC Week and R U OK Day. They also work extensively with external agencies and stakeholders to ensure the NISQ Agency remains at the forefront of community trends and societal expectations. The NISQ Agency Social Club also actively contributes to workplace culture by strengthening social connections at work and increasing employee engagement.

In August 2018, the Office of the Industrial Relations formally advised the Together Union that the NISQ Agency was seeking inclusion in the new Core Agreement currently being negotiated. In April 2019, we held our first Agency Consultative Committee meeting and informed our team that we were proposing to consult on the detail for declaration as a Public Service Office. Consultation on this proposed declaration commenced in June 2019.

Our growth over the past year has allowed us to continue to build on and embed our practices of collaboration, knowledge sharing and continuous improvement. To support this, we have implemented regular employee and supervisor feedback discussions, as well as peer case review processes. Professional development and training is a continuous focus to ensure our people remain highly-skilled, have dedicated career pathways and can maintain their clinical and professional registrations. Our separation from the Insurance Commission has also provided us with the opportunity to manage our own on-boarding and exit processes. We are meeting our obligations under the *Public Sector Ethics Act 1994* and look forward to implementing our bespoke Code of Conduct later in 2019.

In May 2019, we also launched our inaugural NISQ Agency Employee Opinion Survey to provide team members with an opportunity to share their own views on how the NISQ Agency is going and what we can do better as we continue to grow and evolve as an organisation. With an overwhelming response rate of 95 per cent, this will become an annual survey to work together with staff to build our capable, agile and innovative organisation.

By continuing to progress our employment framework through this work and these activities, we will remain able to attract excellent new team members and ensure our existing team members remain engaged and enthused to continue to deliver high quality services to our participants.

As at 30 June 2019

Full-time equivalent staff:  
36.3



# LEADING THE NIISQ AGENCY

The Chief Executive Officer is responsible for ensuring the efficient and effective administration and operation of the NIISQ Agency in accordance with the Board's priorities. The Chief Executive Officer is appointed by the Board with the approval of the Treasurer.

The Chief Executive Officer is supported by an Executive Leadership Team who contribute to the administration and operation of the NIISQ Agency. The Executive Leadership Team are appointed by the Chief Executive Officer. Appointments are made on the basis of qualifications, experiences, skills and strategic ability.



From left to right: Sally Noonan; Chris Turnbull; Bronwyn Jenner; Amy Deeb

## Executive Leadership Team biographies

### Sally Noonan

#### Chief Executive Officer

*Bachelor of Economics, Graduate Certificate of Management (Marketing), Professional Member Economic Society of Australia, Graduate, Company Directors' Course*

Sally has a track record of delivering excellence in public service that spans thirty years across the federal and state governments. Her efforts have led to improved outcomes for Queenslanders (and Australians more widely) in areas including regional economic and infrastructure development, social inclusion and environmental protection.

She has a sophisticated understanding of the strategic policy and program process which she applies to varied and complex multi-discipline challenges. Sally is acknowledged as a reformer and driver of change who empowers others to perform at their best through innovative thinking and collaboration.

### Bronwyn Jenner

#### A/ Head of Operations

*Bachelor of Occupational Therapy, Graduate Diploma of Occupational Health and Safety, Graduate Diploma Business Administration*

Bronwyn was appointed to the NIISQ Agency in 2017 and commenced as Acting Head of Operations in October 2018.

Bronwyn trained as an occupational therapist and has extensive experience in serious personal injury case management, including leadership and stakeholder management in personal injury insurance across the public and private sectors.

Bronwyn is responsible for the delivery of high quality services for NIISQ participants and has a strong focus on a participant centred approach to support planning and access to services.

### Chris Turnbull

#### Head of Corporate Services

*Bachelor of Commerce, Fellow of the Institute of Managers and Leaders*

Chris was appointed to the NIISQ Agency as Head of Corporate Services in October 2018.

Chris has wide experience in the provision of services within both the public and private sectors with time spent in a range of organisations including Queensland Treasury, and the Office of Gaming Regulation. Chris has also played leadership roles in the provision of shared corporate services within the public sector.

Chris is responsible for the delivery of high quality corporate services for the NIISQ Agency as well the management of the investment of levy revenue.

### Amy Deeb

#### A/General Counsel and Governance Officer

*Bachelor of Laws (Hons), Bachelor of Commerce*

Amy joined the NIISQ Agency in 2018 and was appointed Acting General Counsel and Governance Officer in October 2018.

Amy is an experienced legal practitioner with extensive general counsel, corporate governance and company secretarial experience across both the private and public sector.

Amy is responsible for providing legal advice to the NIISQ Agency on all aspects of the law relevant to the NIISQ Agency's business and legislative framework. Amy also provides governance services and advice to the Board and its committees.





NIISQ has  
supported me  
through the whole  
journey so far. My  
Support Planners  
have become  
someone who can  
listen and know  
about some of the  
challenges I may  
be experiencing  
at the time.

## PARTICIPANT STORY: JASON

**Jason is a NIISQ participant who sustained a traumatic brain injury in a motor accident in August 2017.**

Following his discharge from hospital, Jason chose to temporarily move back in with his parents as he wanted to surround himself with as much support as possible.

During the early stages of his recovery, the NIISQ Agency funded respite for his family which also helped Jason to work on improving his independence. He also received funding for social support services to assist with community access to and from health appointments and to and from the church he attends.

Jason benefited from the treatment, care and support provided through NIISQ, including physiotherapy to help with endurance and conditioning and a gym membership to undergo an exercise physiology program. This has helped him to manage the fatigue associated with his brain injury. NIISQ also funded adjustment to injury counselling, multiple blocks of speech therapy, Skype-based CPAP therapy and CPAP machine rental.

To help Jason reach his goal to return to driving, the NIISQ Agency funded an Occupational Therapy driving assessment and driver rehabilitation lessons. Returning to driving helped Jason to regain his independence and move out of his parent's home and back to his own property. He now keeps busy on his farm looking after cattle and grooming horses, helping the local school with football and soccer games and with preparations for weekend church services.

"I have learned that it is important to find a sense of community after injury. My Support Planner- Community helped me to understand what I could access in the community, including volunteering options and employment services to help me eventually return to work one day," Jason said.



# GOVERNANCE

## Our Board

The NIIAQ Agency Board was established under the *National Injury Insurance Scheme (Queensland) Act 2016* (NIIAQ Act) on 1 July 2016. The current Board was appointed by the Governor in Council on 1 July 2017 and is the governing body of the NIIAQ Agency.

The Board holds a governance role, setting the strategic direction about the performance of the NIIAQ Agency to ensure the Agency performs its functions in a proper and efficient way. The Board also set investment objectives for the NIIAQ fund and establish investment strategies and policies to achieve those objectives.

### Board appointments

The Board comprises of seven members who have been appointed for a period of three years. Appointees have experience spanning Queensland public sector governance, insurance, managing long term investments and liabilities, rehabilitation medicine, health administration, actuarial and legal practice.

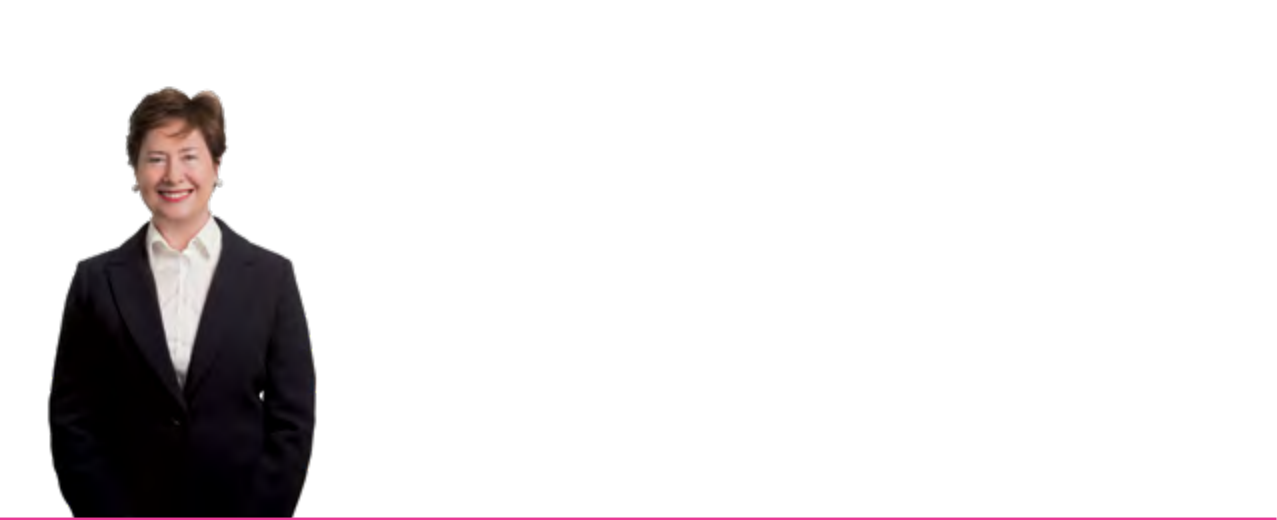
### Conflicts of interest

Board members are required to monitor and disclose if the Board member has a direct or indirect financial or personal interest in an issue being considered, or about to be considered, by the Board and any interests that could conflict with the proper performance of the Board member’s duties when considering an issue. Unless the Board determines otherwise, a conflicted Board member may not be present when the Board considers the issue or take part in any decisions relating to the issue.

### Performance and remuneration

Board members’ remuneration is determined by the Governor-in-Council (details are disclosed in the NIIAQ Agency’s financial statements).

## Board biographies



### Ms Julie-Anne Schafer (Chairperson)

Ms Julie-Anne Schafer (Chairperson) has experience in diverse and highly regulated sectors including financial services, infrastructure, member service, health and transport. She has ASX, unlisted public company, government and advisory experience with associated governance, committee, risk management, strategy, customer facing and stakeholder engagement experience, with some international exposure.

Ms Schafer has served as Chair of RACQ Insurance, and on the boards of two other insurers, the Territory Insurance Office in the Northern Territory and Catholic Church Insurance. She is a director of a superannuation company, Av Super, President of the National Competition Council, and a Queensland Urban Utilities board member.

Ms Schafer led a large diversified mutual, RACQ (1.1 million members), the Queensland

Law Society and the Solicitors’ Board of Queensland. She was Deputy Chancellor of QUT, an Adjunct Professor in law at the University of Queensland and a member of Law Faculty Advisory Committees at Griffith and Bond Universities, QUT and the University of Queensland. Her Committee experience includes Audit Risk and Compliance, Investment, People, Remuneration and Nomination, Governance and Organisational Performance.



**Mr Michael Willis**  
(Deputy Chairperson)

Mr Michael Willis (Deputy Chairperson) is a board chair and company director, with over 25 years of governance experience in industry, financial services and the non-profit sector. He currently chairs the boards of West Moreton Health and Boyce Chartered Accountants, Australia's largest regionally based accounting firm. Mr Willis has also undertaken several financial roles that have involved management of long-term liabilities. He is a corporate governance consultant, advising clients ranging from large ASX-listed companies to small charities.

His prior career includes management and leadership roles, ranging from investment banking to non-profit organisations in the health and education sectors. As a former National President of the Securities Institute of Australia (now FINSIA), he led their involvement in developing the initial ASX Corporate Governance Principle in 2002. He is also the current Chair of the NIISQ Agency's Audit and Risk Committee.



**Ms Lesley Anderson**  
(Member)

Ms Lesley Anderson (Member) has two decades of experience with motor accident compensation schemes, in both common law and no-fault regime. In addition, Ms Anderson held the position of Motor Accident Insurance Commissioner for 11 years during which time she held responsibility for the regulation of Queensland's private sector personal injury motor accident insurance scheme.

As an economist with broad experience in government policy and regulation, Ms Anderson developed analytical skills of the highest order demonstrated in executive and governance roles over four decades in banking, Treasury, insurance, superannuation, ports corporation and not-for-profit organisations.

Ms Anderson also has experience serving on Audit and Risk Committees. Ms Anderson was appointed to the board of the Queensland Building and Construction Commission on 1 December 2016 and is a member of its Home Warranty Insurance Committee.



**Dr Scott Davis**  
(Member)

Dr Scott Davis (Member) is an experienced Board Director and CEO having worked in complex cultural & political environments, in Australia, the Pacific, Asia and North Africa over the last 25 years. As such, he has extensive technical skills and knowledge of public health, higher education and vocational training, capacity building models, regional sustainable development, governance and leadership, within community organisations, non-government organisations, commercial entities, government and civil society.

Dr Davis is currently with the Cairns Institute (James Cook University) as a Governance Advisor on an international capacity building project in Papua New Guinea. Dr Davis currently holds the positions of Non-Executive Director, Torres and Cape Hospital and Health Service Board – Queensland Health including the role of Chair of the Quality and Safety Committee, Non-Executive Director, Regional Development Australia Far North Queensland and Torres Strait Inc – Torres Straits and Far North Queensland, Non-Executive Director, Enterprise Management Group Pty Ltd, as well as number of roles locally within the Cairns community in the Not for Profit sector.



**Ms Michelle Morton**  
(Member)

Ms Michelle Morton (Member) has experience in the administration of hospital services, financial management and organisation as well as risk management, regulatory compliance, corporate and public sector governance.

Ms Morton is a Managing Partner of a law firm and holds several board positions including Deputy Chair of the Townsville Hospital and Health Service, Deputy Chair of the Townsville Hospital and Health Services Executive Committee, Chair of the Townsville Hospital and Health Services Finance Committee, Chair of the JCU Townsville Fire and member of the Advisory Board for the Salvation Army.



**Rowan Ward**  
(Member)

Mr Rowan Ward (Member) has gained significant knowledge and experience in long tail classes of business including compulsory third party schemes in Queensland and New South Wales and workers compensation business. His actuarial roles necessitated involvement in liability assessment, risk based pricing, risk management, profitability analysis, capital management, reinsurance assessment and investment of assets backing liabilities. Mr Ward also holds actuarial qualifications and circa 20 years of experience as an Approved Actuary reporting to Boards.

Mr Ward is a Non-Executive Director of LFI Pty Ltd, Integrity Life Australia Limited and Qlnsure Limited, all APRA regulated companies in the financial services sector. He is also a Member of the Advisory Committee of the Motor Accident Insurance Commission of Queensland.



**Dr Susan Young**  
(Member)

Dr Susan Young (Member) is a registered nurse and midwife who has obtained extensive experience in the private and public health care sectors, the tertiary and vocational education sector and within professional regulatory bodies. Dr Young is a community member and former Chair of the Queensland Board of the Medical Board of Australia, a member of the Agency Management Committee of the Australian Health Practitioner Regulation Agency (AHPRA), and is a member of a number of their respective Board committees.

She has also held executive appointments within the public and private health care sectors in metropolitan, regional and rural setting. Her committee experience includes Professional and Regulatory Performance and Compliance; Quality, Safety, and Risk Management; Professional and Educational Accreditation; and Governance and Organisational Performance. She is also the current chair of the NIISQ Agency's Quality and Innovation Board Committee.



# Board Committees

The Board has established two committees, each with its own charter, to assist the Board in overseeing and governing the NIIAQ Agency activities.

## Audit and Risk Committee

The Audit and Risk Committee (ARC) provides recommendations and assistance to the Board on:

- the effective and reliable operation of all financial and non-financial internal control and risk management;
- the Board’s interaction with the Agency’s external auditor;
- the NIIAQ Agency’s reporting functions to ensure the integrity of financial reports; and
- the effectiveness of the NIIAQ Agency’s performance management and performance information.

The ARC must have at least four members but not more than six members, one of who must be independent of the Board. The independent member is appointed by the Board after consultation with the Under Treasurer. The ARC must meet at least four times per year. The ARC met five times in 2018-19.

During the year, the ARC has, amongst other things, recommended the adoption of the annual financial statements, reviewed external and internal audit reports and reports from the NIIAQ Actuary, reviewed the Queensland Audit Office’s External Audit Plan and the NIIAQ Agency Internal Audit Plan.

The ARC has observed the terms of its charter.

## Quality and Innovation Board Committee

The Quality and Innovation Board Committee (QIBC) oversees the development and implementation of an effective governance framework. The QIBC ensures the NIIAQ Agency is legislatively and regulatory compliant, and performs its functions efficiently across the areas of Services, Research and Innovation.

The responsibilities of the QIBC include:

- Development and ongoing review of an effective services governance framework, research and program funding strategy and innovation strategy;
- Monitor and collect statistics on research and educational activities and program funding; and
- Report to the Board and provide guidance in relation to activities within the committee’s scope of responsibility.

The QIBC is required to have at least three members but not more than five members, appointed by the Board. All members must be Board members. The committee is required to meet at least four times per year. The QIBC met four times in 2018-19.

As a new initiative of the QIBC in 2018-19, the NIIAQ Agency began developing the Research and Innovation Insights document to the QIBC. This document is an effective tool to keep the QIBC up-to-date with new technology and other innovations that could have a future benefit to NIIAQ participant outcomes.

### Meeting Attendance, 2018-19

Board member	Board	Audit and Risk Committee	Quality and Innovation Board Committee
Number of meetings*	13	5	4
Julie-Anne Schafer #	13	2	2
Michael Willis	10	5	-
Lesley Anderson	13	5	-
Scott Davis	8	-	4
Michelle Morton	11	-	4
Rowan Ward	12	4	-
Susan Young	12	-	4
Geoff Waite ^	-	5	-

\* The Board held 9 ordinary meetings and 4 special meetings in 2018-2019.

^ Independent Member of the Audit and Risk Committee. 1 meeting attended by nominee of Independent Member.

# The Chairperson of the Board may attend the QIBC and ARC meetings as an invitee.

# Information systems and recordkeeping

Since the commencement of NIISQ, the NIISQ Agency has advocated the benefits of electronic record keeping and worked towards achieving a ‘paperless office’. This followed the adoption of an information strategy that reflected needs identified in 2017-18.

In 2018-19, we progressed the development of NIISQConnect, an electronic case management system. Further improvements will continue.

An external records management supplier provides storage, retrieval and destruction of records services to the NIISQ Agency.

The NIISQ Agency’s recordkeeping framework is structured around the principles of the Queensland Treasury Information Management Framework. The framework aligns our record management practices with Government objectives, current legislation and best practice record keeping standards. These include the *Public Records Act 2002*, *Information Privacy Act 2009* and the *Right to Information Act 2009*, *Information Standard 18 : Information Security*, *Information Standard 31 : Retention and Disposal of Government Information*, *Information Standard 34 : Metadata*, *Information Standard 38 : Use of ICT Facilities and Devices* and *Information Standard 40: Recordkeeping*.

A NIISQ Agency Recordkeeping Policy and Retention and Disposal Schedule is being developed for implementation in the next reporting period.

The NIISQ Agency supports the Queensland Government Open Data Initiative. Open Data sets are available at the following website: [data.qld.gov.au](http://data.qld.gov.au).

# Funding NIISQ

The NIISQ Agency works with State Government and independent actuaries to help ensure the financial sustainability of the NIISQ Fund to meet the cost of necessary and reasonable participant treatment, care and support now and throughout their lifetimes, and NIISQ Agency operational expenses.

Established under the Act, the NIISQ Fund includes amounts received through the collection of a levy on motor vehicles registered in Queensland, amounts recovered in connection with the Scheme, and income derived from investments.

The NIISQ levy varies for each vehicle class. The levy is informed by actuarial advice and adjusted over time to ensure financial sustainability.

# Summary of financial performance

NIISQ was established on 1 July 2016 to provide Lifetime Treatment, Care and Support (TCS) to eligible participants seriously injured in motor accidents.

As a lifetime Scheme, the outstanding TCS liability dominates the NIISQ Agency’s expenses in the Statement of Comprehensive Income and the provisions in the Statement of Financial Position. This outstanding liability is calculated using actuarial advice.

TCS relates to the necessary and reasonable benefits provided to participants in line with the Act, from date of acceptance into the NIISQ. The lifetime cost of TCS is recognised in the period in which the injury occurs.

For the 2018-2019 financial year the performance of the NIISQ Agency was (\$291.0) million compared to the 2017-18 performance of (\$21.7) million.

This movement is largely reflective of an increase in the provision for future TCS of \$779.5 million (82% higher than prior year). The larger (than 2017-18) increase in provision predominantly reflects the effect of a lower discount rate used to calculate the present value of future cashflows.

The proper actuarial monitoring of the Scheme and the annual actuarial valuation are risk mitigants for the efficient and sustainable operation of the Scheme.

# Internal and external accountability

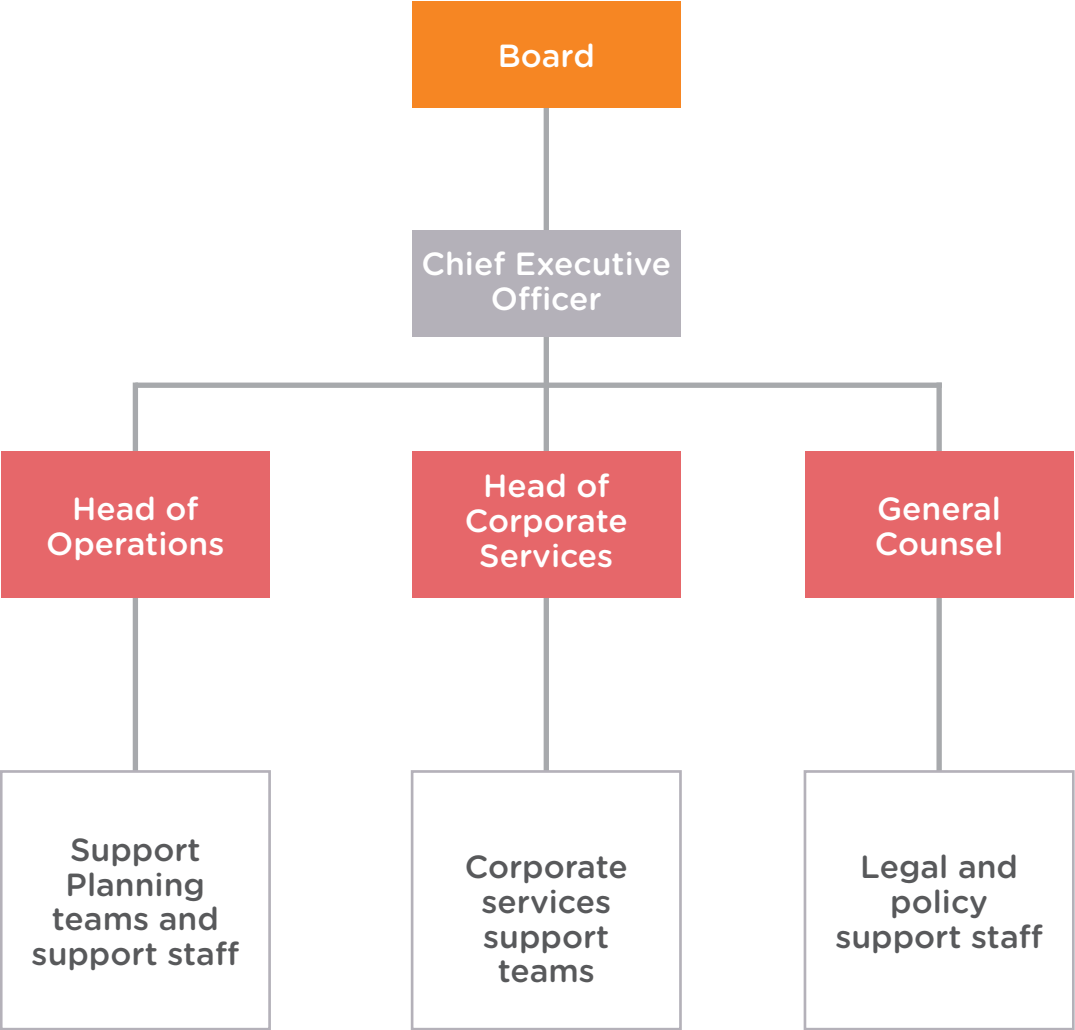
The NIISQ Agency’s governance framework includes both internal and external accountability measures.

In the 2017-18 period, the Board through the ARC engaged PriceWaterhouseCoopers to provide independent and objective internal audit services to the NIISQ Agency and to develop and assist with the development and implementation of a risk management framework. This has continued in 2018-19. The internal audit function operates under a charter consistent with relevant audit and ethical standards and has due regard to Treasury’s Audit Committee Guidelines.

The NIISQ Agency is audited externally by the Queensland Audit Office in accordance with the *Financial Accountability Act 2009*. The NIISQ Agency was not subject to any external audits or reviews during the financial year, other than the audit report on the financial statements for year-end purposes.



# Our organisational structure



# Our values

Our behaviour and operations are aligned with the Queensland public service values described below. We operate in accordance with the guiding principles described in our Strategic Plan 2016-2020 (revised 2018-2019) and listed on page 3 of this annual report.

The five Queensland public service values are:



## Customers First

- Know your customers
- Deliver what matters
- Make decisions with empathy



## Ideas into action

- Challenge the norm and suggest solutions
- Encourage and embrace new ideas
- Work across boundaries



## Unleash potential

- Expect greatness
- Lead and set clear expectations
- Seek, provide and act on feedback



## Be courageous

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency



## Empower people

- Lead, empower and trust
- Play to everyone's strengths
- Develop yourself and those around you

The Queensland public service values and our Guiding Principles shape our participant-centred culture and ensure our team is committed to innovation and continuous improvement. We seek excellence in all areas through collaboration, engaging with feedback and fostering a culture of disclosure and learning.

# SCHEME STATISTICS

## FOR THE YEAR ENDED 30 JUNE 2019

# NIISQ STATISTICS

### Open cases by status and participant injury

(Open cases as at 30 June 2019)

Injury	Interim		Lifetime		Total	
	Cases	%	Cases	%	Cases	%
Traumatic brain injury	109	59 %	37	20 %	146	79 %
Permanent spinal cord injury	24	13 %	10	5 %	34	18 %
Multiple or high-level limb amputation	3	2 %	1	1 %	4	2 %
Permanent injury to the brachial plexus	2	1 %	0	0 %	2	1 %
Severe burns	0	0 %	0	0 %	0	0 %
Permanent blindness caused by trauma	0	0 %	0	0 %	0	0 %
<b>Total</b>	<b>138</b>	<b>74%</b>	<b>48</b>	<b>26%</b>	<b>186</b>	<b>100 %</b>

**Note:** Eligible injury type. Participants may sustain multiple injury types. Rounded percentages.

### Participants by gender and age range

(Open cases as at 30 June 2019)

Age grouping	Female		Male		Total	
	Cases	%	Cases	%	Cases	%
Age Range 1-16 years	6	13 %	17	12%	23	12%
Age Range 17-24 years	10	22 %	35	25%	45	24%
Age Range 25-59 years	22	49 %	70	50%	92	49%
Age Range 60-74	4	9 %	17	12%	21	11%
Age Range 75+	3	7 %	2	1%	5	3%
<b>Total</b>	<b>45</b>	<b>100%</b>	<b>141</b>	<b>100%</b>	<b>186</b>	<b>100 %</b>

**Note:** Rounded percentages.



### Participant role in accident

(as at 30 June 2019)

Injured role in incident	All accepted participants	
	Cases	%
Driver	80	39 %
Motorcycle rider	46	22 %
Pedestrian	35	17 %
Passenger	32	15 %
Cyclist	6	3 %
Other	8	4 %
<b>Total</b>	<b>207</b>	<b>100 %</b>

**Note:** Rounded percentages.

### Participants by region

(as at 30 June 2019)

Region	All accepted participants	
	Cases	%
Brisbane	74	36 %
Gold Coast	29	14 %
Sunshine Coast	20	10 %
Central Queensland	24	12 %
Western Queensland	28	14 %
North Queensland	18	9 %
Interstate	13	6 %
Overseas	1	0 %
<b>Total</b>	<b>207</b>	<b>100 %</b>

**Note:** Rounded percentages.

### Accidents by region

(as at 30 June 2019)

Region	All accepted participants	
	Cases	%
Brisbane	75	36 %
Gold Coast	26	13 %
Sunshine Coast	26	13 %
Central Queensland	25	12 %
Western Queensland	33	16 %
North Queensland	22	11 %
<b>Total</b>	<b>207</b>	<b>100 %</b>

**Note:** Rounded percentages.

### Services paid

(as at 30 June 2019)

Service	Payments made between 1 July 2018 to 30 June 2019	
	Total (\$)	%
<b>TREATMENT AND REHABILITATION</b>		
Accommodation and Travel	627,514	6.7%
Assessment and Review	257,790	2.8%
Eligibility	47,678	0.5%
Rehabilitation and Support Program	305,904	3.3%
Treatment and Rehabilitation	744,720	8.0%
<b>ATTENDANT CARE</b>		
Attendant Care	4,450,700	47.519%
Other Care	5,563	0.1%
<b>MODIFICATIONS</b>		
Modifications	957,780	10.2%
<b>EQUIPMENT</b>		
Equipment	1,641,367	17.525%
<b>HOSPITAL / MEDICAL SERVICES</b>		
Hospital Services	186,241	2.0%
Medical Services	127,053	1.4%
<b>LEGAL COSTS</b>		
Legal costs	13,758	0.1%
<b>Total</b>	<b>9,366,069</b>	<b>100 %</b>

**Note:** Payments exclude GST.

THE NATIONAL INJURY INSURANCE AGENCY, QUEENSLAND

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

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## The National Injury Insurance Agency, Queensland

### STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
Income			
Levy	3	403,484	384,300
Interest	4	134	198
Other Revenue		207	43
Total Revenue		403,825	384,541
Net fair value gains on other financial assets	4	117,519	43,663
Total Income		521,344	428,204
Expenses			
Employee Expenses	5	3,389	1,046
Supplies and services	6	6,711	4,150
Treatment, Care and Support	7	801,907	444,363
Other expenses	8	350	349
Total Expenses		812,357	449,908
Other Comprehensive Income		-	-
Total Other Comprehensive Income (Loss)		(291,013)	(21,704)

The accompanying notes form part of these statements.

## The National Injury Insurance Agency, Queensland

### STATEMENT OF FINANCIAL POSITION As at 30 June 2019

	Notes	2019 \$'000	2018 \$'000
Current Assets			
Cash and cash equivalents		3,170	3,499
Receivables	9	11,289	11,177
Other financial assets	15 & 16	724,876	966,437
Total Current Assets		739,335	981,113
Non-Current Assets			
Intangible assets	10	754	-
Other financial assets	15 & 16	1,081,767	351,482
Total Non-Current Assets		1,082,521	351,482
Total Assets		1,821,856	1,332,595
Current Liabilities			
Payables	11	783	500
Accrued employee benefits	12	389	152
Provisions	13	30,774	24,477
Total Current Liabilities		31,946	25,129
Non-Current Liabilities			
Accrued employee benefits	12	296	83
Provisions	13	1,634,213	860,968
Total Non-Current Liabilities		1,634,509	861,051
Total Liabilities		1,666,454	886,180
Net Assets		155,402	446,415
Equity			
Accumulated gains/(losses)		(444,598)	(153,585)
Contributed equity		600,000	600,000
Total Equity		155,402	446,415

The accompanying notes form part of these statements.

## The National Injury Insurance Agency, Queensland

### STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2019

	Notes	Accumulated Surplus \$'000	Contributed Equity \$'000	TOTAL \$'000
Balance as at 1 July 2017		(131,881)	600,000	468,119
Other Comprehensive Income/(loss)		(21,704)	-	(21,704)
Balance as at 30 June 2018		(153,585)	600,000	446,415
Balance as at 1 July 2018		(153,585)	600,000	446,415
Other Comprehensive Income/(loss)		(291,013)	-	(291,013)
Balance as at 30 June 2019		(444,598)	600,000	155,402

The accompanying notes form part of these statements.

## The National Injury Insurance Agency, Queensland

### STATEMENT OF CASH FLOWS for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Levy		403,453	446,160
Interest		147	211
Other Revenue		207	43
GST input tax credits from ATO		858	492
GST collected from customers		172	77
<i>Outflows:</i>			
Employee expenses		(2,939)	(811)
Supplies and services		(2,610)	(2,291)
Treatment, Care and Support		(22,366)	(16,013)
GST paid to suppliers		(986)	(592)
GST remitted to ATO		(138)	(42)
Other Expenses		(350)	(349)
Net cash provided by operating activities	CF-1	375,448	426,884
Cash flows from investing activities			
<i>Outflow:</i>			
Payments for other financial assets		(375,023)	(428,110)
Payments for intangible assets		(754)	
Net cash used in investing activities		(375,777)	(428,110)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Net decrease in cash and cash equivalents		(329)	(1,226)
Cash and Cash Equivalents - opening balance		3,499	4,725
Cash and Cash Equivalents - closing balance		3,170	3,499

Cash and cash equivalents include all cash receipted but not banked at 30 June as well as deposits at call with financial institutions.

The accompanying notes form part of these statements.



**The National Injury Insurance Agency, Queensland**  
**STATEMENT OF CASH FLOWS**  
**for the year ended 30 June 2019**

NOTE TO THE STATEMENT OF CASH FLOW

CF-1 Reconciliation of Operating Result to Net Cash provided by Operating Activities

	2019 \$'000	2018 \$'000
Operating Surplus/(deficit)	(291,013)	(21,704)
<i>Non-Cash items included in operating result</i>		
Net fair gains on other financial assets	(117,519)	(43,663)
QIC Management Fee	3,818	1,857
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(18)	61,873
(Increase)/decrease in GST input tax credits receivable	(94)	(66)
Increase/(decrease) in provisions	779,541	428,350
Increase/(decrease) in accounts payable	283	2
Increase/(decrease) in accrued employee benefits	450	235
Net cash provided by operating activities	375,448	426,884

Cash flows are included in the Statement of Cash Flows on a net basis with the GST components of the cash flows shown as separate line items. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**The National Injury Insurance Agency, Queensland**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19**

**1. Basis of Financial Statement Preparation**

**(a) General Information**

The National Injury Insurance Agency, Queensland (NIISQ Agency) is a statutory body established under the National Injury Insurance Scheme (Queensland) Act 2016 (the Act). The Act commenced on 1 July 2016 establishing the National Injury Insurance Scheme Queensland (NIISQ) and the National Injury Insurance Scheme Fund, Queensland (the fund).

The head office and principal place of business for the NIISQ Agency is:

53 Albert Street, Brisbane Qld 4000.

A description of the nature of the NIISQ Agency's operation and its principal activities are included in the notes to the financial statements.

**(b) Compliance with Prescribed Requirements**

NIISQ Agency is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis, except for the statement of cash flows, in accordance with:

- section 43 of the Financial and Performance Management Standard 2009
- applicable Australian Accounting Standards and Interpretations
- Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2018.

**(c) Basis of Measurement**

The financial statements have been prepared on a historical cost basis, except for other financial assets which are shown at fair value (Note 15), and where otherwise stated.

**(d) Presentation**

*Currency and rounding*

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

*Comparatives*

Comparative information reflects the audited 2017-18 financial statements except where restatement was necessary to be consistent with disclosures in the current reporting period. There have been no material restatements made to the comparative amounts.

**(e) Current/Non-Current Classification**

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are expected to be settled within 12 months after the reporting date. All other assets and liabilities are classified as 'non-current'.

Other financial assets comprising of investments managed by Queensland Investment Corporation (QIC) are classified as 'current' or 'non-current' based on the relative liquidity of the investments.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

1. Basis of Financial Statement Preparation (cont)

Investments are classified as ‘current’ where they are readily convertible to cash on hand at NIISQ Agency’s election. Investments that are long-term and not readily convertible to cash within a short period are classified as ‘non-current’.

(f) Implementation of the Shared Service Initiative

The Corporate Administration Agency (CAA) provides the NIISQ Agency with corporate services under the “Shared Services Provider” model. The fees and terms of the services are agreed through a Service Level Agreement, negotiated annually and include:

- Financial Services
- Information Systems and Support
- Human Resource Services

(g) Judgement and Assumptions

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis.

NIISQ Agency places a high reliance on actuarial estimates provided by independent actuaries in calculating the provision for participants’ treatment, care and support as at 30 June. Refer to Note 13.

NIISQ Agency also rely on actuarial estimates provided by Queensland Government State Actuary’s Office, in calculating the Long Service Leave Liability as at 30 June. Refer to Note 12.

A high degree of judgement is involved in the fair value measurement of other financial assets. Refer to Note 15.

(h) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the CEO and Chair of the Board at the date of signing the Management Certificate.

2. Objectives and Principal Activities of the NIISQ Agency

The NIISQ Agency administers the NIISQ by facilitating the assessment and access to necessary and reasonable treatment, care and support for participants for their lifetime.

Established under the Act, NIISQ Agency commenced operations on 1 July 2016 as a statutory body reporting to a Board. The NIISQ Agency is responsible for the administration of the NIISQ which includes developing and implementing processes, policies and guidelines. It assesses the eligibility of participants to enter the NIISQ, determines their interim and lifetime status in the NIISQ, coordinates and approves the payment of reasonable and necessary care and support services, and establishes and participates in dispute resolution processes within the provisions of the Act.

Section 232ZI of the Workers’ Compensation and Rehabilitation Act 2003 and section 60 of the Act, establishes the agreement for engagement of NIISQ Agency to administer claims on behalf of Self Insurers where they meet certain requirements. The agreement refers to the engagement of NIISQ Agency to provide the eligible worker the treatment, care and support as prescribed in the Act.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

3. Levy

Levies are recognised at the time they are legally payable by the Department of Transport and Main Roads (DTMR) to the NIISQ Agency under Section 27 of the Motor Accident Insurance Act 1994. This occurs at the time the levies are paid by motorists to DTMR.

The NIISQ Agency levy is set annually in accordance with sections 97, 98 and 99 of the Act. The amount is calculated based on actuarial advice to fully fund present and likely future liabilities, to meet other payments required to be made from the fund and to cover any other matters NIISQ Agency considers appropriate.

NIISQ Agency provides a copy of its calculations along with the recommendation of the Board to the Insurance Commissioner who makes a recommendation to the Treasurer. Upon approval by the Treasurer the amount is fixed by regulation.

Given the long term nature of scheme liabilities, estimates of costs are very sensitive to underlying financial assumptions. To support year to year levy stability, actuarial advice underpinning the annual levy recommendation of the Board adopts long-term assumptions for inflation and the discount rate (3.8% p.a. and 5.5% p.a. respectively for 2018-19). In contrast, the estimate of scheme liabilities adopts inflation and discount rates consistent with observable Commonwealth bond yields as at 30 June 2019 (3.1% p.a. and 2.6% p.a. see note 13).

The effect of a lower “gap” between the inflation rate and discount rate is, all other things equal, a higher liability value. To illustrate, if the gap at 30 June 2019 had been equivalent to that adopted in determining the 2018-19 levy, the estimated liability at 30 June 2019 would have been \$1,009M, \$656M less than the actual estimate of \$1,665M.

4. Investment Income

	2019 \$'000	2018 \$'000
Interest	134	198
Net fair value gains on other financial assets	117,519	43,663
Total	117,653	43,861

Interest Revenue that arises in the course of ordinary activities of the NIISQ Agency is recognised in accordance with AASB 118 (para 29 & 30), and using the effective interest method as set out in AASB 139.

NIISQ Agency recognises other financial assets invested with QIC at fair value. Refer to Note 15.



*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

5. Employee Expenses

	2019 \$'000	2018 \$'000
<i>Employee Benefits</i>		
Wages and Salaries	2,471	718
Employer superannuation contributions	343	116
Annual leave	286	76
Long service leave	160	63
<i>Employee Related Expenses</i>		
Payroll Tax	102	53
Fringe Benefit Tax	3	2
Workers' Compensation premium	8	4
Other employee related expenses	15	14
	3,389	1,046

The number of employees as at 30 June, including both full-time employees and part-time employees, measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information) is 36.3 (2018: 15.8).

*Wages and Salaries*

Wages and salaries are recognised as an expense when services are performed. Wages and salaries due but unpaid at reporting date are recognised at the current remuneration rates as NIISQ Agency expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

*Sick Leave*

Sick leave entitlements are non-vesting and are only paid upon valid claims for sick leave by employees. Sick leave expense is expensed in the reporting period in which the leave is taken by the employee.

*Annual Leave*

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values as the impact is not considered to be material. Entitlements not expected to be paid within 12 months are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement. Leave taken is expensed in the period at which it is payable.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

5. Employee Expenses (cont)

*Long Service Leave*

Liabilities for long service leave are recognised on the same basis as those liabilities for accrued annual leave. Allowance for long service leave is made in accordance with the legal liability and has been calculated using the shorthand methodology in accordance with AASB 119 Employee Benefits.

*Superannuation*

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans to the Queensland Government's QSuper (or choice superannuation fund) or defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

*Workers' Compensation Premiums*

The NIISQ Agency pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not considered an employee benefit and is recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are detailed in Note 21.

6. Supplies and Services

	2019 \$'000	2018 \$'000
QIC Management fee	3,818	1,857
Motor Accident Insurance Commission (MAIC)	77	542
Queensland Treasury	290	709
Contractors and consultants	876	62
Professional services	412	588
Other supplies and services	779	258
Corporate Administration Agency	147	134
Building services	312	-
Total	6,711	4,150

An expense is recognised when it is incurred, usually as goods or services are received or consumed.

**The National Injury Insurance Agency, Queensland**  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

**7. Treatment, Care and Support**

	2019 \$'000	2018 \$'000
Modifications	958	639
Equipment	1,641	877
Hospital services	186	158
Attendant care	4,451	977
Treatment and rehabilitation	746	342
Medical services	127	70
Assessment and review	256	117
Accommodation and travel	628	339
Q Health Annual Grant/Fee	13,000	12,400
Eligibility	48	4
Support services	311	90
Legal Costs	14	-
	22,366	16,013
Movement in provision for Treatment, Care and Support (refer to note 13)	779,541	428,350
Total	801,907	444,363

Treatment, Care and Support relate to the necessary and reasonable benefits provided to participants in line with the Act, from date of acceptance into the NIISQ. Expenses are recognised in the reporting period in which they are incurred, via a movement in the provision for Lifetime Treatment, Care and Support or when the treatment, care and support service has been provided.

**8. Other Expenses**

	2019 \$'000	2018 \$'000
Queensland Audit Office - external audit fees	42	62
Sponsorships	15	20
Insurance premiums (QGIF)	24	13
Board remuneration	269	254
	350	349

Total audit fees quoted by the Queensland Audit Office relating to the 2018-19 financial statements are \$42,000 (2018: \$66,000).

**The National Injury Insurance Agency, Queensland**  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

**9. Receivables**

	2019 \$'000	2018 \$'000
Trade debtors	494	245
Accrued levy income	10,688	10,856
GST receivable	128	101
GST Payable	(34)	(35)
Accrued interest income	10	10
Accrued other income	3	-
Total	11,289	11,177

Receivables are measured at amortised cost which approximates their fair value at 30 June. The collectability of receivables is assessed periodically and a loss allowance is recognised for expected credit losses based on reasonable and supportable forward-looking information. NIISQ Agency's receivables are from Queensland and Australian Government entities and Universities. No loss allowance is recognised for these receivables as there is no credit risk attached to these balances. Refer to Note 16 for NIISQ Agency's credit risk disclosures. Where NIISQ Agency has no reasonable expectation of recovering an amount owed by a debtor, the debt will be written off.

**10. Intangibles and Amortisation Expenses**

Work in Progress Computer Software – balances and reconciliations of carrying amount

	<i>Work in Progress Computer Software</i>	
	2019 \$'000	2018 \$'000
Gross	754	-
Less: accumulated amortisation	-	-
Carrying amount at 30 June	754	-
<i>Represented by movements in carrying amount:</i>		
Carrying amount at 1 July	-	-
Acquisitions through internal development	754	-
Amortisation for period	-	-
Carrying amount at 30 June	754	-



*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

10. Intangibles and Amortisation Expenses (cont)

*Recognition and Measurement*

Intangible assets of NIIAQ Agency comprise of internally developed software. Intangible assets with a historical cost or other value equal to or greater than \$100,000 are recognised in the financial statements. Items with a lesser value are expensed. Any training costs are expensed as incurred.

There is no active market for any of the agency’s intangible assets. As such, the assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the internal development of computer software are capitalised and amortised under the amortisation policy below.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

*Amortisation Expense*

Intangible assets of the agency have finite useful lives and are amortised on a straight line basis over their estimated useful life to the agency. Straight line amortisation is used reflecting the expected consumption of economic benefits on a progressive basis over the intangible’s useful life. The residual value of all the agency’s intangible assets is zero.

*Useful Life*

*Key Estimate:* For this class of intangible asset the following amortisation rates are used:

Intangible Asset	Useful Life
Software internally generated	5 Years

*Impairment*

Intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the agency determines the asset’s recoverable amount. Any amount by which the asset’s carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the agency, including discontinuing the use of the software. Recoverable amount is determined as the higher of the asset’s fair value less costs to sell and its value-in-use.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

11. Payables

	2019 \$'000	2018 \$'000
Payables to Queensland Treasury	-	20
Payables to QIC	359	171
Other payables	424	266
Payables to MAIC	-	43
Total	783	500

Creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts.

12. Accrued Employee Benefits

	2019 \$'000	2018 \$'000
<i>Current</i>		
Salaries and wages outstanding	76	33
Recreation leave	273	108
Long service leave	40	11
Total Current Accrued Employee Benefits	389	152
<i>Non-current</i>		
Long service leave non current	296	83
Total Non Current Accrued Employee Benefits	296	83

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the NIIAQ Agency resulting from employees’ services provided up to the balance date.

Liabilities for employee entitlements which are not expected to be settled within 12 months are recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates. Related on-costs have also been included in the liability.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

13. Provisions

*Provision for Outstanding Lifetime Treatment, Care and Support Liability*

Under the Act, NIIAQ Agency meets Participants’ Lifetime Care and Support Services Expenses for people severely injured in motor accidents. Entitlement to these services commenced on 1 July 2016.

Provisions are recorded when the NIIAQ Agency has a present obligation, either legal or constructive as a result of a past event. The NIIAQ Agency’s liabilities for Participants’ Lifetime Treatment, Care and Support are valued by NIIAQ Agency’s independent actuaries as at 30 June 2019 in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets. They are measured as the present value of the expected future Scheme costs related to participants injured before 30 June 2019, whether or not they have entered the Scheme by that date.

The amount of provision during the year is provided by independent actuaries and is adopted by the Board. It is valued at \$1,664.9M at 30 June 2019 (2018: \$885.4M).

The liabilities for Lifetime Treatment Care and Support are measured at the present value of the expected future payments. The present values after discounting are as follows:

	2019 \$’000	2018 \$’000
<i>Current</i>		
Provision for Treatment, Care and Support	30,774	24,477
Total Current Provisions	30,774	24,477
<i>Non-Current</i>		
Provision for Treatment, Care and Support 2-5 years	292,402	191,595
Provision for Treatment, Care and Support greater than 5 years	1,341,811	669,373
Total Non-Current Provisions	1,634,213	860,968
Total	1,664,986	885,445

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

13. Provisions (cont)

(a) Reconciliation of Movement in Provisions

	2019 \$’000	2018 \$’000
Balance at 1 July	885,445	457,095
<i>Prior periods</i>		
Support payments	(8,900)	(2,786)
Allocation of Queensland Health Fee	(7,630)	(5,549)
Support Admin Expenses	(4,902)	(1,917)
Discount unwind	17,168	7,297
Effect of changes in assumptions and experience	58,337	(74,840)
<i>Current period</i>		
Provision for current period	725,468	506,145
Net Outstanding Treatment, Care and Support Liability	1,664,986	885,445

The liability for outstanding treatment, care and support includes future payments and administrative expenses for all participants and those injured before 30 June 2019 who are yet to be accepted by the Scheme. The liability is assessed by reviewing individual case files and uses statistics based on past experience, including external data, to estimate the cost of future accepted participants. The liability is measured as the present value of the expected future payments allowing for inflation and superimposed inflation.

The treatment, care and support expense represents the cost to the Scheme of people injured during the year to 30 June 2019 and revision of the estimated cost for people injured up to 30 June 2018.

Key Actuarial Assumptions

(b) Key actuarial assumptions - participant numbers and average costs (inflated discounted)

For accepted participants, the average cost has been actuarially assessed based on each participant’s age, injury severity, expected progress of the injury, and expected changes to required care and support needs over time. For participants who have not yet lodged or had their application accepted, the average cost allows for their expected age and injury severity mix.

Injury Type	Number of Participants			Average Cost (excl CHE) *		
	Accepted to date	Not yet lodged or accepted	Total	Accepted to date	Not yet lodged or accepted	Total
Brain	160	65	225	\$4.8M	\$5.2M	\$4.9M
Spinal	40	10	50	\$7.7M	\$8.9M	\$7.9M
Other	7	1	8	\$4.8M	\$5.0M	\$4.8M
Total	207	77	284	\$5.4M	\$5.7M	\$5.5M

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

13. Provisions (cont)

2018						
Injury Type	Number of Participants			Average Cost (excl CHE) *		
	Accepted to date	Not yet lodged or accepted	Total	Accepted to date	Not yet lodged or accepted	Total
Brain	102	67	169	\$2.9M	\$3.9M	\$3.3M
Spinal	31	8	39	\$5.6M	\$7.3M	\$6.0M
Other	6	1	7	\$3.7M	\$4.1M	\$3.8M
Total	139	77	216	\$3.6M	\$4.3M	\$3.8M

\* Case handling expense

(c) Key actuarial assumptions - other

	2019	2018
	\$'000	\$'000
Weighted average inflation	3.06%	3.38%
Weighted average discount	2.59%	3.62%
Discounted mean term	26.7 years	24.6 years
Case handling expense applied to payments excluding lump sums	12%	12%

On average scheme costs are expected to increase by 4.19% p.a (2018:3.68%). This is 1.13% higher than the weighted average inflation of 3.06% p.a (2018:3.38%).

Sensitivity Analysis for the Valuation as at 30 June 2019

The liability represents the best estimate and is based on standard actuarial assessment. The table below shows sensitivities to some of the actuarial assumptions used in the valuation. Significant uncertainty exists due to the long-term nature of liabilities and volatility around the number of Scheme participants and their injury severity. The sensitivities below do not represent an upper or lower bound of the provision but rather provide an indication of the uncertainty inherent in the provision.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

13. Provisions (cont)

Sensitivities Analysis as at 30 June 2019 including Case Handling Expense (CHE)

Scenario	Inflated discounted liability (incl CHE)	Effect on Liability (\$)	Effect on Liability (%)
Base	\$1,665M		
1% p.a. decrease in discount rates	\$2,203M	\$538M	32%
1% p.a. growth in care hours above benchmark	\$2,137M	\$472M	28%
Increase in the discounted mean term of 1 year	\$1,623M	(\$42M)	(3%)
10% reduction in IBNR * participant numbers	\$1,616M	(\$49M)	(3%)
10% increase in the average cost per Acquired Brain Injury participant	\$1,785M	\$120M	7%
10% increase in average cost per Spinal Cord Injury participant	\$1,707M	\$42M	3%
10% increase in the average cost per Other participant	\$1,669M	\$4M	0%
No allowance for improvement in brain injuries	\$1,854M	\$189M	11%
5% increase in care rates	\$1,727M	\$63M	4%

\* Incurred but not reported

Sensitivities Analysis as at 30 June 2018 including Case Handling Expense (CHE)

Scenario	Inflated discounted liability (incl CHE)	Effect on Liability (\$)	Effect on Liability (%)
Base	\$885M		
1% p.a. decrease in discount rates	\$1,146M	\$260M	29%
1% p.a. growth in care hours above benchmark	\$1,118M	\$233M	26%
Increase in the discounted mean term of 1 year	\$854M	(\$31M)	(3%)
10% reduction in IBNR participant numbers	\$849M	(\$36M)	(4%)
10% increase in the average cost per Acquired Brain Injury participant	\$946M	\$61M	7%
10% increase in average cost per Spinal Cord Injury participant	\$910M	\$25M	3%
10% increase in the average cost per Other participant	\$888M	\$3M	0%
No allowance for improvement in brain injuries	\$1,121M	\$236M	27%
5% increase in care rates	\$918M	\$32M	4%



*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

14. Contingencies and Commitments

There were no known commitments or contingent assets or liabilities at 30 June.

15. Fair Value Measurement

Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price).

Financial assets carried at fair value are categorised within the following fair value hierarchy:

Level 1	fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
Level 2	fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
Level 3	fair value measurements that are substantially derived from unobservable inputs.

The NIISQ Agency recognises other financial assets invested with QIC at fair value through profit or loss. The fair value is measured at market value based on closing unit prices of QIC unlisted unit trusts. Fair value gains and losses are recognised in the Statement of Comprehensive Income.

While the units in the trust have redemption prices and are able to be traded, the market would not be considered active for level 1, therefore, they are considered to be level 2. A market comparison valuation approach is used, with the units carried at redemption value as reasonably determined by the funds' manager. Classifications of instruments into fair value hierarchy levels are reviewed annually.

The fair value of receivables and payables is assumed to approximate the value of the original transactions.

The carrying amount for cash assets represents the fair value.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

16. Financial Risk Disclosures

(a) Financial Instrument Categories

The NIISQ Agency has the following categories of financial assets and financial liabilities:

Category	Note	2019 \$'000	2018 \$'000
Financial Assets			
Cash (fair value through profit and loss)		3,170	3,499
Receivables (amortised cost)	9	11,289	11,177
Other financial assets (fair value through profit or loss)		1,806,643	1,317,919
Total		1,821,102	1,332,595
Financial Liabilities			
Payables (amortised cost)	11	783	500
Total		783	500

A financial asset is classified at fair value through profit or loss (FVTPL) if it is classified as held for trading or if so designated on acquisition. Financial assets at FVTPL are valued at fair value at balance date.

NIISQ Agency's other financial assets at FVTPL consist of investments with QIC. These assets are classified as held for trading. A financial asset is classified in this category where it is acquired for selling or repurchasing in the near term, or if on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

16. Financial Risk Disclosures (cont)

(b) Financial Risk Management

Risk Measurement and Management Strategies

NIISQ Agency’s activities expose it to a variety of financial risks - credit risk, liquidity risk and market risk.

Risk exposure is measured using a variety of methods:

Risk Exposure	Measurement Method
Credit risk	Earnings at risk
Liquidity risk	Maturity analysis
Market risk	Sensitivity analysis

(i) Credit Risk

Credit risk exposure refers to the situation where NIISQ Agency may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation. Credit risk arises from financial assets (cash and cash equivalents, investments held with QIC and outstanding receivables).

The NIISQ Agency’s maximum exposure to credit risk is the carrying amount of its Financial Assets disclosed in Note 16(a).

The NIISQ Agency seeks to reduce the exposure to credit risk in the following manner:

- invest in secure assets through QIC and regularly reviewing the investment strategy;
- monitor all funds owed on a timely basis; and
- assess credit risk exposure on an ongoing basis.

(ii) Liquidity Risk

Liquidity risk refers to the situation where the NIISQ Agency may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The NIISQ Agency is exposed to liquidity risk in respect of its payables and future Participant Lifetime Treatment, Care and Support Expenses. NIISQ Agency’s current payables and provisions are expected to be settled within 12 months of the reporting date.

The NIISQ Agency manages its exposure to liquidity risk by ensuring that the NIISQ Agency has sufficient funds available to meet its liabilities. This is achieved by monitoring the QIC investment funds and maintaining minimum cash balances within its bank account to meet both short-term and long-term cash flow requirements.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

16. Financial Risk Disclosures (cont)

(b) Financial Risk Management (cont)

(iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and other price risk.

The significant market risks to the NIISQ Agency are unit price and interest rate risks associated with its investments managed by QIC. The investment portfolio includes investments in cash, fixed interest funds, property, infrastructure, private equity, international and Australian equities, and alternative funds. Movements in interest rates and market prices of the financial instruments impact the fair values of NIISQ Agency’s financial assets.

Interest rate risk also exists in relation to NIISQ Agency’s cash held in interest bearing bank accounts.

Market risk is managed through regular reviews of the investment strategies with QIC and assessment of 3 year return forecasts.

(c) Market Risk Sensitivity Analysis

A sensitivity analysis has been performed assessing the impact to profit and loss if the unit price of the NIISQ Agency’s investment funds change. The analysis is based on a range of reasonably possible changes to key risk variables applicable to the QIC investment funds as identified by QIC, including the RBA official cash rate, Bank of England official cash rate, ASX 200, MSCI World ex Australia Equities Index and real estate capitalisation rate.

The NIISQ Agency’s sensitivity to these possible changes are shown in the table below.

	2019				2018			
	Movement in variable		Impact on Profit / Equity		Movement in variable		Impact on Profit / Equity	
Investments	Low %	High %	Decrease \$'000	Increase \$'000	Low %	High %	Decrease \$'000	Increase \$'000
QIC Cash Fund	-0.22	0.22	(19)	19	-0.23	0.23	(2,223)	2,223
QIC AFIF	-0.27	0.27	(1,933)	1,933	-	-	-	-
QIC Growth Fund	-12	12	(129,812)	129,812	-13	12	(45,693)	42,178
Total			(131,765)	131,765			(47,916)	44,401

The interest rate risk associated with the NIISQ Agency’s cash and cash equivalents is immaterial.

## **The National Injury Insurance Agency, Queensland**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19**

#### **17. Events Occurring after the reporting date**

There have been no post balance date events identified.

#### **18. Future Impact of Accounting Standards Not Yet Effective**

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future effective dates are set out below:

##### ***AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers***

The transition date for both AASB 15 and AASB 1058 is 1 July 2019. Consequently, these standards will first apply to the NIISQ Agency when preparing the financial statements for 2019-20. NIISQ Agency has reviewed the impact of AASB 15 and AASB 1058. Levies received are non-contractual income arising from statutory requirements without providing consideration to the other party, and hence recognised as revenue at the time of receipt, consistent to current treatment. Based on present arrangements, the NIISQ Agency does not enter into contracts for the sale of goods and services, or grants and there will be no impact on its financial statements. However, if such contracts are entered into in the future, the NIISQ Agency will need to follow the relevant accounting treatment specified in the new standards.

##### ***AASB 16 Leases***

This standard will first apply to the NIISQ Agency's financial statements for 2019-20. When applied, the standard supersedes *AASB 117 Leases*, *AASB Interpretation 4 Determining whether an Arrangement contains a Lease*, *AASB Interpretation 115 Operating Leases - Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

During the 2018-19 financial year, NIISQ Agency held operating leases under AASB 117 from the Department of Housing and Public Works (DHPW) for non-specialised, commercial office accommodation through the Queensland Government Accommodation Office (QGAO). Lease payments under these arrangements totalled \$328,318 p.a. The agency has been advised by Queensland Treasury and DHPW that, effective 1 July 2019, amendments that govern QGAO will result in the above arrangements being exempt from lease accounting under AASB 16. This is due to DHPW having substantive substitution rights over the non-specialised, commercial office accommodation used within these arrangements. From 2019-20 onwards, costs for these services will continue to be expensed as supplies and services expense when incurred.

##### ***AASB 1059 Service Concession Arrangements: Grantors***

AASB 1059 will first apply from 2020-21. This standard defines service concession arrangements and applies a new control concept to the recognition of service concession assets and related liabilities.

As NIISQ Agency currently does not have any service concession arrangements there will be no impact on its financial statements.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to the NIISQ Agency's activities, or have no material impact on the NIISQ Agency.

## **The National Injury Insurance Agency, Queensland**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19**

#### **19. Related Party Transactions**

Transactions with people/entities related to Key Management Personnel (KMP)

During the financial year there were no transactions with people or other entities related to KMPs of NIISQ Agency.

Transactions with Other Queensland Government controlled entities

Queensland Treasury, MAIC and CAA provided NIISQ Agency with administration and corporate support services during the financial year as disclosed in Note 6.

NIISQ Agency incurs management fees from QIC for the management of the QIC unlisted unit trusts as disclosed in Note 6.

NIISQ Agency makes payment from the fund in an amount determined by the Treasurer to any government entity, that is responsible for providing public hospital services or emergency services as disclosed in Note 7.

NIISQ Agency charges WorkCover Queensland and Brisbane City Council an administrative fee for providing eligible worker the treatment, care and support as prescribed in the NIISQ Act 2016. Total charges relating to 2018-19 are \$185,794 (2018:\$37,721)

#### **20. Agency Transactions**

NIISQ Agency arranges for the provision of services on behalf of the Self Insurers, makes payments for participants' lifetime treatment, care and support expenses and receives respective reimbursements. Reimbursements received during the year have not been included as revenue in the Statement of Comprehensive Income as the Self Insurers retain the liability. Similarly, payments made on behalf of the Self Insurers have not been included as expenses.

Amounts relating to 2018-19 are \$1,165,560 (2018:\$730,066).



*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

21. Key Management Personnel (KMP) Disclosures

Details of KMP

The following details for KMP include those positions that had authority and responsibility for planning, directing and controlling the activities of the NIISQ Agency during 2018-19. The first three personnel are Queensland Treasury (QT) employees. Further information including remuneration for these positions can be found in the body of the Motor Accident Insurance Commission and Nominal Defendant Annual Reports under the section relating to Key Management Personnel and Remuneration.

Position	Position Responsibility
Insurance Commissioner (from 1 July 2018 to 2 November 2018)	Leads the efficient, effective and economic administration of the NIISQ Agency.
General Manager, MAIC (from 1 July 2018 to 31 October 2018)	Responsible for the leadership and supervision of NIISQ Agency case management compliance and performance, and managing case related legislated functions.
Director, Finance and Procurement (from 1 July 2018 to 31 October 2018)	Responsible for the efficient, effective and economic financial administration and procurement of the NIISQ Agency.
CEO (from 29 Jan 2019 to current)	Leads the efficient, effective and economic administration of the NIISQ Agency.
Head of Operations (from 8 October 2018 to current)	Responsible for the leadership and supervision of NIISQ Agency case management compliance and performance, and managing case related legislated functions.
Head of Corporate Services (from 8 October 2018 to current)	Responsible for the efficient, effective and economic financial administration and procurement of the NIISQ Agency.

Remuneration Policies

The NIISQ Agency's KMP are employed under the NIISQ Act and via employment contract/agreement between the executive and the Agency. The remuneration policy for the NIISQ Agency's KMP is aligned to the Senior Executive Service employment remuneration and conditions as set by the Queensland Public Service Commission.

Remuneration packages for KMP comprise the following components:

- Short term employee expenses which include:
  - salaries, allowances and leave entitlements paid and provided for the entire year, or for that part of the year during which the employee was a key management person; and
  - non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

*The National Injury Insurance Agency, Queensland*  
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

21. Key Management Personnel (KMP) Disclosures (cont)

KMP Remuneration Expense

There is a nil remuneration for 2017-18 as none of the KMP were employed directly by NIISQ Agency. KMP were employed by QT and are included in Other Supplies and Services. The 2018-19 amount below represents the portion of KMP employed by NIISQ Agency for the period of their employment in the 2018-19 financial year.

2018-19

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	108	1	-	11	-	120
Head of Operations	89	-	-	9	-	98
Head of Corporate Services	126	4	-	13	-	143
Total Remuneration	323	5	-	33	-	361

2017-18

1 July 2017 to 30 June 2018	-	-	-	-	-	-
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22. Board Disclosures

The Board decides the strategies and the administrative, operational and financial policies to be followed by the NIISQ Agency ensuring the NIISQ Agency performs its functions and exercises its powers in an efficient, effective and proper way.

The NIISQ Agency Board consists of seven members appointed by the Governor-in-Council. The members are employed under the Act.

## The National Injury Insurance Agency, Queensland

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

#### 22. Board Disclosures (cont)

##### Board Member Remuneration

2018-19

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000				
Board Member (Chair) Julie-Anne Schafer	55	-	-	5	-	60
Board Member Michael Willis	36	-	-	3	-	39
Board Member Lesley Anderson	35	-	-	3	-	38
Board Member Scott Davis	36	-	-	3	-	39
Board Member Michelle Morton	36	-	-	3	-	39
Board Member Rowan Ward	35	-	-	3	-	38
Board Member Susan Young	37	-	-	4	-	41
Total Remuneration	270	-	-	24	-	294

2017-18

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary				
	\$'000	\$'000				
Board Member (Chair) Julie-Anne Schafer	54	-	-	5	-	59
Board Member Michael Willis	34	-	-	3	-	37
Board Member Lesley Anderson	34	-	-	3	-	37
Board Member Scott Davis	33	-	-	3	-	36
Board Member Michelle Morton	33	-	-	4	-	37
Board Member Rowan Ward	33	-	-	3	-	36
Board Member Susan Young	33	-	-	4	-	37
Total Remuneration	254	-	-	25	-	279

## The National Injury Insurance Agency, Queensland

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2018-19

#### 23. First year Application of New Accounting Standards or Change in Accounting Policy

##### Changes in Accounting Policies

NIISQ Agency applied AASB 9 *Financial Instruments* for the first time in 2018-19. Comparative information for 2017-18 has not been restated and continue to be reported under AASB 139 *Financial Instruments: Recognition and Measurement*. The nature and effect of the changes as a result of adoption of this new accounting standard are described below.

Under AASB 9, debt instruments are categorised into one of three measurement bases – amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification is based on two criteria:

- Whether the financial asset's contractual cash flows represent 'solely payments of principal and interest', and
- The agency's business model for managing the assets.

The NIISQ Agency's debt instruments comprise receivables disclosed in Note 9. They were classified as Receivables as at 30 June 2018 (under AASB 139) and were measured at amortised cost. These receivables are held for collection of contractual cash flows that are solely payments of principal and interest. As such, they continue to be classified and measured at amortised cost.

AASB 9 requires the loss allowance to be measured using a forward-looking expected credit loss approach, replacing AASB 139's incurred loss approach. On adoption of AASB 9's new impairment model, there are no additional impairment loss associated with the NIISQ Agency's trade receivables.

AASB 9 also requires a loss allowance to be recognised for all debt instruments other than those held at fair value through profit or loss. The most material class of financial asset for the NIISQ Agency are its other financial asset invested with QIC which are presently measured at fair value through profit and loss (Note 15).

NIISQ Agency did not voluntarily change any of its accounting policies during 2018-19.

##### Accounting Standards Early Adopted

No Australian Accounting Standards have been early adopted for 2018-19.

##### Accounting Standards Applied for the First Time

Other than AASB 9 *Financial Instruments*, which is detailed above, no accounting standards that apply to the Agency for the first time in 2018-19 have any material impact on the financial statements.

#### 24. Taxation

The NIISQ Agency is a statutory body as defined under the Income Tax Assessment Act 1936 and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes accounted for by the NIISQ Agency. GST credits receivable from, and GST payable to the ATO, are recognised (refer to Note 9).



INDEPENDENT AUDITOR’S REPORT

To the Board of The National Injury Insurance Agency, Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of The National Injury Insurance Agency, Queensland.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2019, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009* and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate given by the Chairperson and the Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Responsibilities of the Board for the financial report


The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.


MANAGEMENT CERTIFICATE

These general purpose financial statements have been prepared pursuant to s.62(7) of the *Financial Accountability Act 2009 (the Act)*, s.43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with s.62(l)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the The National Injury Insurance Agency, Queensland for the financial year ended 30 June 2019 and of the financial position of the agency at the end of that year; and
- (c) We, acknowledge responsibility under s.8 and s.15 of the *Financial and Performance Management Standard 2009* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.

  
Signature

J Schafer  
LLB (Hons) FAICD, ANZIF  
Chairperson  
26/08/2019

  
Signature

S Noonan  
BEcon, GradCert (Mgt), PMESA, GAICD  
Chief Executive Officer  
26/08/2019





### Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



### Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

- I received all the information and explanations I required.
- In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects

28 August 2019

Sri Narasimhan  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

# APPENDICES

## Appendix 1: Glossary

Term/s	Definition
<b>ABS</b>	Australian Bureau of Statistics
<b>CPAP machine / therapy</b>	Continuous positive airway pressure machine / therapy. People living with a spinal cord injury or a traumatic brain injury can experience breathing issues and this equipment and therapy helps those people to breathe while sleeping.
<b>CTP</b>	Compulsory Third Party insurance
<b>MAIC / Insurance Commission</b>	Motor Accident Insurance Commission
<b>NAIDOC Week</b>	NAIDOC Week celebrations are held across Australia each July to celebrate the history, culture and achievements of Aboriginal and Torres Strait Islander peoples. More information can be found on this website: <a href="https://www.naidoc.org.au/about/naidoc-week">https://www.naidoc.org.au/about/naidoc-week</a>
<b>NIIS</b>	National Injury Insurance Scheme. This describes the type of scheme implemented in all jurisdictions.
<b>NIISQ / the Scheme</b>	National Injury Insurance Scheme, Queensland. This is the name of the scheme implemented in Queensland.
<b>NDIS</b>	National Disability Insurance Scheme: More information about this scheme can be found on its website: <a href="http://www.ndis.qld.gov.au">www.ndis.qld.gov.au</a> .
<b>NIISQ Act / the Act</b>	<i>National Injury Insurance Scheme (Queensland) Act 2016</i>
<b>NIISQ Fund / the Fund</b>	National Injury Insurance Scheme Queensland Fund
<b>NIISQ Agency / the Agency</b>	National Injury Insurance Agency, Queensland
<b>NIISQ Levy / Levy</b>	National Injury Insurance Scheme Levy
<b>Participant / Interim participant / Lifetime participant</b>	<p>A participant is a person who has applied and been accepted to participate in the National Injury Insurance Scheme, Queensland.</p> <p>Interim participants are people who been accepted in to the Scheme for the defined participation period described in the legislation.</p> <p>Lifetime participants have been accepted in to the Scheme for the rest of the person's life.</p> <p>Refer to the <i>National Injury Insurance Scheme (Queensland) Act 2016</i> for detailed information.</p>
<b>QAO</b>	Queensland Audit Office
<b>Regulation</b>	<i>National Injury Insurance Scheme (Queensland) Regulation 2016</i>
<b>R U OK Day</b>	A dedicated day in Australia, raising awareness about the importance of mental health and suicide prevention. <a href="http://ruok.org.au">ruok.org.au</a>
<b>SA4</b>	Statistical Area, Level 4
<b>Support Planner / Support Planner - Community</b>	The role titles of the NIISQ Agency case managers who are assigned to co-ordinate necessary and reasonable treatment, care and support and develop support plans with NIISQ participants.
<b>Treasury</b>	Queensland Treasury

# Appendix 2: Actuarial Certificate



## The National Injury Insurance Agency, Queensland

### Outstanding Treatment, Care and Support Liability as at 30 June 2019

#### 1 Scope

Taylor Fry has been engaged by the Board of the National Injury Insurance Agency Queensland (NIIAQ) to assess the outstanding treatment, care and support liability associated with the National Injury Insurance Scheme Queensland as at 30 June 2019. This valuation will form the basis for the provisions held by NIIAQ in their accounts as at 30 June 2019, with respect to these liabilities.

#### 2 Valuation Results

The estimated outstanding treatment, care and support liability for NIIAQ as at 30 June 2019 is **\$1,665 million**. This liability estimate:

- » Is a central estimate of the liability, and therefore contains no deliberate bias towards over or under estimation. Specifically, the liability estimate **does not** include a margin for risk;
- » Allows for the expected future inflation of costs and is discounted to the valuation date assuming yields commensurate with Australian Commonwealth government bonds; and
- » Includes an allowance associated with the expected future cost of managing participants' care and support.

#### 3 Relevant Standards

##### 3.1 Accounting Standards

The estimate of the outstanding treatment, care and support liability was prepared so as to satisfy the requirements of accounting standard AASB137.

##### 3.2 Professional Standards

This investigation is intended to comply with the Institute of Actuaries of Australia's Professional Standard PS 300, "*Valuations of General Insurance Claims*", noting that:

- » Risk margins were not in the scope of our analysis
- » Premium Liabilities and loss ratios were not in the scope of our analysis.

#### 4 Uncertainty

There is a limitation upon the accuracy of our estimate in that there is inherent uncertainty in any estimate of participant support liabilities. The uncertainty is particularly high with regard to NIIAQ's liabilities given that this is the third year of the Scheme combined with the long-term nature of the liabilities which will in many cases be paid over more than fifty years. These uncertainties include, but are not limited to, the number of participants in the Scheme, their rates of mortality, the level of care and support they will require and changes in prices paid to providers.

In our opinion, we have employed techniques and made assumptions that are appropriate, and the conclusions presented herein are reasonable, given the information which is currently available. However, it should be recognised that the actual liabilities relating to treatment, care and support as at 30 June 2019 are likely to differ, possibly materially, from our estimates.

#### 5 Reliance and Limitations

In undertaking this investigation, we have relied upon information supplied by NIIAQ including details of participants' injuries and transactional payments data. We have used the information without independent verification. However, where possible, it was reviewed for reasonableness and consistency. We are satisfied that the data provided for our review is reasonable for the purpose of estimating the outstanding treatment, care and support liability.

Darryl Frank  
Fellow of the Institute of Actuaries of Australia

7 August 2019

Paul Driessen  
Fellow of the Institute of Actuaries of Australia

7 August 2019





Appendix 3

National Injury Insurance Agency, Queensland

Strategic Plan 2016-2020

Revised 2019

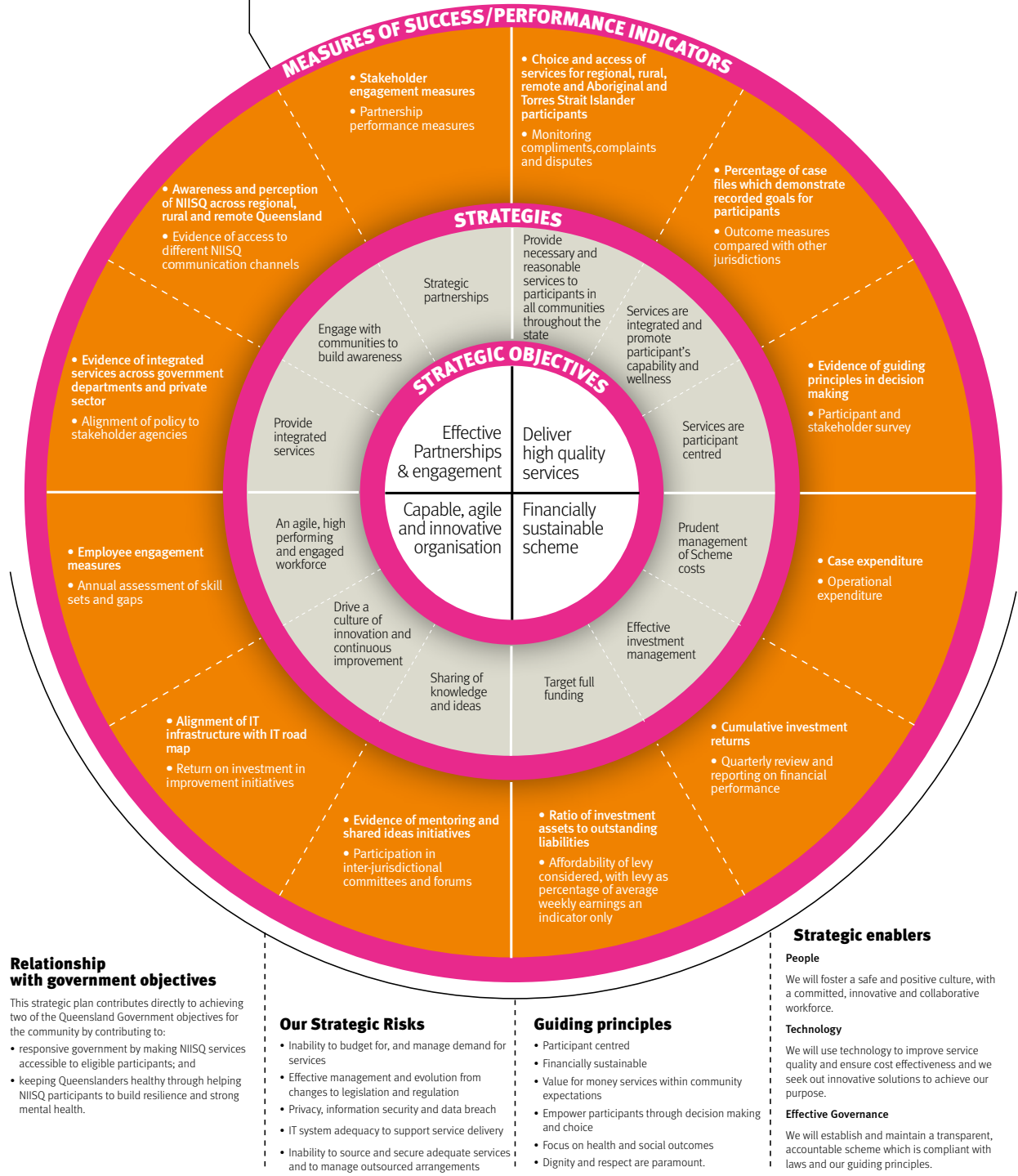


Our Vision

Making lives better.

Our role/purpose

Build capability to provide financially sustainable lifetime care and support for participants through individual choice and independence.



Appendix 4: Compliance Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Letter of compliance – Page 2
Accessibility	Table of contents	ARRs – section 9.1	Table of contents – Page 1
	Glossary		Appendix 1: Glossary – Page 75
	Public availability	ARRs – section 9.2	Inside front cover
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 9.3	Inside front cover
	Copyright notice	Copyright Act 1968 ARRs – section 9.4	Inside front cover
General information	Information Licensing	QGEA – Information Licensing ARRs – section 9.5	Inside front cover
	Introductory Information	ARRs – section 10.1	Our vision, role/purpose and guiding principles- Page 3 About NIISQ – Page 6 About the NIISQ Agency – Page 7 - 8
	Machinery of Government changes	ARRs – section 10.2, 31 and 32	Not applicable
	Agency role and main functions	ARRs – section 10.2	Our vision, role/purpose and guiding principles- Page 3 About the NIISQ Agency – Page 7 - 8
	Operating environment	ARRs – section 10.3	Chairperson Foreword - Page 4 - 5 About the NIISQ Agency - Page 7 CEO's Report – Page 12-13 Report Card - Page 14 Into the future - Page 15 Governance - Meeting attendance - Page 31 Highlights - Page 16 - 18

Summary of requirement		Basis for requirement	Annual report reference
<b>Non-financial performance</b>	Government's objectives for the community	ARRs - section 11.1	About the NISQ Agency - Page 7-8
	Other whole-of-government plans / specific initiatives	ARRs - section 11.2	Not applicable
	Agency objectives and performance indicators	ARRs - section 11.3	Report card - Page 14 Appendix 3: Strategic Plan - Page 78
	Agency service areas and service standards	ARRs - section 11.4	Not applicable
<b>Financial performance</b>	Summary of financial performance	ARRs - section 12.1	Governance - Summary of financial performance - Page 33
<b>Governance - management and structure</b>	Organisational structure	ARRs - section 13.1	Governance - Our Board - Page 26-29 Leading the NISQ Agency - Page 22-23
	Executive management	ARRs - section 13.2	Leading the NISQ Agency - Page 22 - 23 Governance - Our Board - Page 26-29
	Government bodies (statutory bodies and other entities)	ARRs - section 13.3	Not applicable
	<i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> ARRs - section 13.4	Our People - Page 20-21
	Queensland public service values	ARRs - section 13.5	Our Guiding Principles - Page 3 Governance - Our values - Page 35
	Risk management	ARRs - section 14.1	Governance - Board Committees - Page 30-31

Summary of requirement		Basis for requirement	Annual report reference
<b>Governance - risk management and accountability</b>	Audit committee	ARRs - section 14.2	Governance - Audit and Risk Committee - Page 30
	Internal audit	ARRs - section 14.3	Governance - Internal and external accountability - Page 33
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<b>Governance - human resources</b>	Strategic workforce planning and performance	ARRs - section 15.1	Our People - Page 20-21
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs - section 15.2	Not applicable (see Our People - Page 20-21)
<b>Open Data</b>	Statement advising publication of information	ARRs - section 16	Governance - Information systems and recordkeeping - Page 32
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FAA  
FPMS  
ARRs

*Financial Accountability Act 2009*  
*Financial and Performance Management Standard 2009*  
*Annual report requirements for Queensland Government agencies*

