

Prostitution Licensing Authority

2021 - 2022

Annual Report

pla

Communication Objectives of this Report

The Prostitution Licensing Authority (PLA) Annual Report has been prepared to provide readers with a concise summary of the PLA's activities and performance during the 2021-22 year. Our Annual Report serves as the primary mechanism through which we meet our accountability and statutory reporting obligations.

The Annual Report provides an overview of who we are, and what we do at strategic and operational levels, as well as where we are aiming to be in the future. Our report aims to build awareness of our operations and confidence in our organisation. It will interest members of federal, state, and local governments, industry groups, clients, academia, and community groups.

The communication objectives of this report are to:

- create an awareness of the activities that drive the PLA's performance
- demonstrate how the PLA contributes to the Queensland Government's objectives for the community
- inform readers of the PLA's strategic initiatives
- explain how the PLA works and the mechanisms by which the PLA ensures continual improvement
- account for the way in which the PLA has managed our finances
- explain how the PLA complies with legislation and government policies, and
- inform readers of the ways that the PLA connects with the sex industry.

Public availability and further information

This Annual Report is available from www.pla.qld.gov.au/about-pla/resources

Printed copies or further information can be requested from the Office of the PLA:

- telephone (07) 3858 9500
- email plaadmin@justice.qld.gov.au
- write to the Executive Director, Office of the PLA, GPO Box 3196, Brisbane Qld 4001

You can also provide feedback on the report to the PLA.

Interpreter service



The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the Annual Report, you can contact the Prostitution Licensing Authority on 07 3858 9500 and we will arrange an interpreter to effectively communicate the report to you.

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Letter of compliance

The Honourable Shannon Fentiman MP
Attorney-General and Minister for Justice,
Minister for Women and Minister for the
Prevention of Domestic and Family Violence
1 William Street
Brisbane Qld 4000

Dear Attorney-General

I am pleased to submit for presentation to the Parliament the Annual Report 2021-2022 and financial statements for the Prostitution Licensing Authority.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 69 of this annual report.

Yours sincerely



The Hon Colin Forrest SC

Chair
Prostitution Licensing Authority

Message from the Chair

The Prostitution Licensing Authority (PLA) is a licensing and regulatory authority which administers the *Prostitution Act 1999* (the Act) and the *Prostitution Regulation 2014* for the operation of licensed brothels in Queensland.

2021-22 has been focused on managing the ongoing impact of COVID-19 and responding to the Queensland Law Reform Commission's (QLRC) review of Queensland's sex work industry.

This year has also seen a stronger partnership form between the PLA and its stakeholders. Through a range of initiatives, the PLA continues to search for ways to empower its industry partners.

Key numbers in 2021-22

Despite a challenging year, it is estimated that the PLA surplus will be \$78,157.

The Board is also pleased to report that 100% of complaints received for the year have been resolved, 53 compliance audits or inspections were undertaken, and 94 corrective actions were lodged: up from 60 in 2020-21.

The number of licensed brothels operating within Queensland remains steady at 20, following two closures in Cairns and Townsville, and the opening of two new premises in Logan and Mackay, respectively. Three brothels changed hands during the year: The Viper Room in Yeerongpilly, Utopia in Paradise on the Gold Coast and Intimate Encounters at Clontarf.

Key challenges

This year has again seen a significant impact to the industry through COVID-19 lockdowns and compliance requirements. The virility of the COVID-19 Omicron strain challenged the industry, causing employee absences and resourcing strains in brothels, and reintroducing some guidelines like mask-wearing.

Brothels in South East Queensland were affected by lockdowns enforced during July and August, and two brothels in the North East were impacted briefly by a lockdown in August. Again, these lockdowns had considerable economic consequences to the industry and its ongoing viability.

Three businesses in Brisbane were also adversely affected by severe flooding events in late February. Two venues were temporarily closed, while one remains closed as at 30 June 2022.

Ongoing support for the sector through COVID-19

To manage the ongoing COVID-19 challenges and changing health regulations, the Board approved one application for an annual return fee payment plan. No requests were received for fee reductions.

Licensees and approved managers were supported - even through the Christmas break - with a Compliance Hotline providing access to PLA compliance staff to assist in navigating changing regulations based on lockdowns, vaccination requirements and border openings.

QLRC review into sex work decriminalisation

In April 2022 the Queensland Law Reform Commission (QLRC) released a Consultation Paper to discuss a framework for a decriminalised sex work industry in Queensland. The Paper posed

55 questions as a part of its considerations for decriminalisation and built on the Terms of Reference released in November 2021.

Following extensive stakeholder consultation, the PLA Board provided a response in May. The response detailed the risks should the illegal sector be ignored within a new framework, and concerns for the industry due to licensees being tied to long-term lease arrangements for their brothel premises. The Board also indicated support for the Paper's proposed setting of State-based code for implementation by local governments without further by-laws.

The QLRC report is due back to the Attorney-General by 27 November 2022. The PLA will play a key role in implementing the recommendations of the report.

Other legislative changes or industry reviews

In August 2021, the PLA made a submission to the Independent Review of the Banking Code of Practice. The Board advocated for restrictions to be relaxed to allow brothels to operate as a normal business without exorbitant banking fees or refusal of service. Of the 116 recommendations, only one recommendation under 'inclusive and accessible banking' was relevant to the brothel industry but stopped short of naming the sector.

In June 2022, the PLA made a submission on Discrimination Law Reform to the Justice and Community Safety Directorate. People in the sex work industry often face insurance discrimination. The submission supports amending the *Discrimination Act 1991*, Clause 7 s 28 to modernise anti-discrimination laws for insurance customers.

As part of an internal review of advertising guidelines, the PLA consulted with Respect Inc. We liaised with the Director of the Human Rights Unit in July 2021 to ensure we addressed Respect Inc. concerns that the *Human Rights Act 2019* be considered as part of the review.

Disciplinary overview

One brothel owner was subject to a six-month suspension due to a breach of licence conditions in relation to the provision of accommodation. This brothel was reopened in early March.

A licensee in the Brisbane area appeared at the Brisbane Magistrates Court in September for the breach of five licence conditions. Following a guilty plea, they were fined \$1,500 with no conviction recorded.

The decision to suspend a licensee for 12 months was halted due to a stay application granted within the Supreme Court in November. Following the hearing, the PLA agreed by court order to set aside the disciplinary notice and suspension, and to pay 50% of the Applicant's standard costs.

A six-month suspension was imposed upon an Approved Manager after being charged with fraud under s 430(e) of the *Criminal Code Act 1899* (Qld).

The year ahead

In 2022-23, the PLA remains committed to meaningful engagement with our stakeholders through continued consultation, feedback, and support. The QLRC inquiry is likely to dominate the year's agenda, depending on the finalised framework.

Three Board member tenures are up for renewal on 12 October 2022.

Thank you

In another challenging year, I am proud of the contribution made by all members of the PLA. I would like to extend my sincere thanks to members of the Board for their guidance and commitment during the last 12 months. Thank you to our outgoing Chairperson, Walter Tutt. Mr Tutt was the Chair of the PLA from October 2017 to 31 March 2022 and made a significant contribution to the PLA during his tenure.

Thank you to Paul Tully for acting as Chair from 1 April 2022 to 4 August 2022.

My thanks also go to PLA Executive Director, Mary Shortland, and the staff of the PLA. Congratulations on your dedication to support fair regulation of the sector.

I am indebted to our industry stakeholders for their collaboration — the relationships being built, and the benefits being realised are encouraging to see.

The Hon Colin Forrest SC

Chair — Prostitution Licensing Authority

Message from the Executive Director

Despite the challenges posed during the last year, PLA staff have again been key to our success as an Authority and our improved compliance and regulatory activities.

Growing our industry engagement, contributing to the QLRC review, and continued support for partners through the pandemic gives the PLA team much to be proud of. A critical element in improving safety within the sex industry is to empower our stakeholders with information, education, and relevant resources. This intent guided much of our activity in 2021-22.

Our performance

The PLA continued to empower the industry to stay compliant.

Applications: Despite PLA Office closures through lockdowns, 33 brothel licence applications were processed and approved, along with 103 approved manager certificate applications. Brothel licence applications increased to 33 from 30 in the previous year.

Complaints: The PLA Office processed 72 complaints, all resolved before 30 June 2022.

Compliance performance: The compliance team undertook 53 compliance or audit visits and issued 94 corrective actions.

Financial performance: Budget outcomes reflect a \$78,157 surplus.

Ongoing COVID-19 support

Continuing our commitment to ensuring members met obligations as a COVID Safe Business; compliance officers conducted 57 COVID-related venue inspections in accordance with the COVID Safe Checklist.

Process changes

Maintaining the theme of continuous improvement, the PLA implemented a number of process changes in 2021-22. The most significant change was the introduction of online forms for licensee and approved manager applications, annual returns, and renewals. The forms were first simplified to exclude irrelevant information and cater for literacy levels and those with English as a second language (ESL), and then adapted for secure online use.

Collaboration with stakeholders also changed some processes. Applicants no longer require certified identification photos, or have searches conducted on known associates or family.

Our approach to communication and engagement

We continued to focus on improving our website and publishing our mobile-friendly newsletter.

The increase in the number of complaints received this year — up from 36 to 72 — is a positive indicator we are building industry and community awareness of the PLA's role.

PLA staff also delivered workshops and online information sessions to support industry partners including disciplinary inquiry processes, vaccination requirements and contact tracing methods.

Our approach to compliance

Honouring our commitment to supporting rather than hindering the industry, the PLA offered our stakeholders a Compliance Support contact line, additional training for managers and licensees, and new ways to engage including PLA compliance staff shadowing brothel managers in peak periods. In the interest of strengthening partnerships and PLA industry understanding, new PLA staff members accompany a Compliance Officer on a brothel site visit.

Our stakeholders

This year we have continued to boost our collaborative approach with all clients and stakeholders. Our stakeholder engagement included meetings and activities with:

- licensees, managers, applicants, and potential applicants – 28
- the Queensland Police Service (QPS) – 12
- other government agencies – 24
- other organisations - 28.

Building our capability

The PLA has demonstrated our commitment to capability improvement in 2021-22. Recent training sessions have focused on continuous improvement of our decision-making processes and associated documentation to improve data integrity and transparency. Staff capability has been bolstered by workshops and training sessions including women in leadership, ethics, mental health training, and first aid certifications.

Client satisfaction

As per our commitment to growth and effectiveness, the PLA again conducted our second Client Satisfaction Survey this year to licensees and approved managers. Overall, the client satisfaction rate for 2021 was 79%, compared to 64% in 2020, showing a 23% improvement in satisfaction year on year. See more on the survey on page 28.

Our people

It is pleasing to note an improvement in client satisfaction with PLA staff interactions, up from 75% to 82%.

Looking forward

We await the final report from the QLRC review to understand the level of legislative and governance changes of any new industry model. The PLA is ready to engage with stakeholders on new regulation models and co-developing transition strategies.

We will also be hosting further training for our managers and licensees to assist with key skills like de-escalation in difficult or dangerous situations.

Thank you

The PLA remains optimistic about the coming year and continued building of relationships between the PLA and our stakeholders.

Mary Shortland
Executive Director — Prostitution Licensing Authority

Year at a Glance

2021 – 2022

Licensed Brothels 20

BRISBANE - 10	GOLD COAST - 4
MORETON BAY - 1	LOGAN CITY - 1
SUNSHINE COAST - 1	MACKAY - 1
TOWNSVILLE - 1	TOOWOOMBA - 1

Applications

Brothel licence -	33	Approved Manager's Certificate -	103
New Applications	4	New Applications	24
Annual Returns	22	Annual Returns	64
Renewals	7	Renewals	15
Refused	0	Refused	0

Compliance

Compliance inspections and audits	53	Police entries to licensed brothels	13
COVID inspections (to end Mar 2022)	57	Angels 26	1 Onyxx
Corrective actions	94	Asian Star	1 Rose Castle
Penalty infringement notices	7	Cleos on Nile	1 Utopia in Paradise
QPS issued	4	Luvasian	1 YIMI476
PLA issued	3	Montecito	2

Complaints Total - 72 100% Resolved

Operation of licensed brothel	37	Illegal prostitution activity	15
Prostitution advertising	17	Other	3

Our Finances

User charges and fees - \$ 917,774
Grants and contributions - \$748,000
Interest - \$9,981
Expenses and Continuing Operations - \$1,597,598
Operating Result from Continuing Operations - \$78,157

Note: Police may enter brothels for a variety of reasons. No adverse conclusion ought to be drawn from police entries to any licensed brothel.

About us

Our vision

Safe communities by promoting safe and secure environments at licensed brothels, prioritising the rights of sex workers, and the health of the community.

Our purpose

The purpose of the PLA is to administer the *Prostitution Act 1999* (the Act) and the *Prostitution Regulation 2014*.

Our values

We will respect, protect, and promote human rights in our decision-making and actions.

- Respect
- Impartiality
- Integrity and transparency
- Responsiveness
- Working together

Workplace health and safety

The PLA will strive to:

- be respectful, open, honest, and supportive in dealing with staff and clients
- promote a culture of quality service
- be responsive to industry issues in our decision-making processes
- promote an environment characterised by knowledge, with a culture of continuous improvement
- encourage and value diversity, and
- respect, protect and promote human rights in our decision-making and actions.

Contribution to Government objectives for the community

The agency supports the Government's objectives for the community:

- **Safeguarding our health:** Safeguard people's health and jobs by keeping Queensland pandemic-ready.
- **Supporting jobs:** Support increased jobs in more industries to diversify the Queensland economy and build on existing strengths in agriculture, resources and tourism.
- **Backing small business:** Help small business, the backbone of the state's economy, thrive in a changing environment.
- **Making it for Queensland:** Grow manufacturing across traditional and new industries, making new products in new ways and creating new jobs.
- **Building Queensland:** Drive investment in the infrastructure that supports our recovery, resilience and future prosperity.
- **Growing our regions:** Help Queensland's regions grow by attracting people, talent and investment, and driving sustainable economic prosperity.

- **Investing in skills:** Ensure Queenslanders have the skills they need to find meaningful jobs and set up pathways for the future.
- **Backing our frontline services:** Deliver world-class frontline services in key areas such as health, education and community safety.
- **Protecting the environment:** Protect and enhance our natural environment and heritage for future generations and achieve a 50 per cent renewable energy target by 2030.

The service area within the PLA aligns with the following agency objectives:

Agency's service area	Agency's objectives
<p>Prostitution Licensing Authority To ensure that the operations of licensed brothels and prostitution advertising are regulated in accordance with statutory requirements and in the community interest.</p>	<p>Make the community safer.</p> <p>Strengthen stakeholder relationships.</p>

Role of the Prostitution Licensing Authority

The PLA is responsible for:

- deciding applications for brothel licences and approved manager certificates
- monitoring the provision of prostitution through licensed brothels
- conducting disciplinary inquiries in relation to licensees and approved managers
- disciplining licensees and managers
- receiving complaints about prostitution
- issuing guidelines about prostitution advertising
- liaising with and assisting the police service and other agencies to carry out their functions in relation to prostitution
- collecting fees under the Act
- informing relevant government departments and agencies about possible offences that are detected while carrying out its functions
- advising the Minister about ways of promoting and coordinating programs that:
 - (i) promote sexual health care; or
 - (ii) help sex workers to leave prostitution; or
 - (iii) divert minors and other vulnerable persons from prostitution; or
 - (iv) raise awareness in sex workers, judicial officers, police, community workers and the community about issues relating to prostitution
- advising the Minister about the development of codes of practice for licensed brothels, and
- raising awareness of issues about prostitution with sex workers, judicial officers, police, community workers and the community.

Strategic risks for the PLA

- The key risk for the PLA and the broader sector in 2022-23 is the outcomes of the QLRC review into the sex work industry. Depending on the report due to be issued in November 2022, the PLA may face substantial change if transition is required to new legislation or industry models.
- Lack of resilience in the licensed sector impairs its ability to absorb the impact of COVID-19 and other economic shocks, resulting in sector contraction.
- Infiltration of licensed brothels by organised crime and official corruption compromises the integrity of the licensing framework.
- Lack of capacity to respond adequately to health and safety risks, impacting sex workers, clients, and the community.
- An increase in unlawful prostitution detrimentally impacts the viability of the licensed sector, the safety of sex workers and on the community.

- Over-regulation of the licensed sector functions as a disincentive to legal operations, reinforcing the licensed sector's position as a small proportion of Queensland's overall sex industry.
- Challenges to the traditional model of brothels, such as disruptive social media innovations, impacts the viability of the licensed sector, and enhances opportunities for illegal prostitution operators.
- Competing ideologies and legal frameworks to manage prostitution in Queensland result in uncertainty about the future of the licensing framework and limit potential for new investment.

Opportunities for the PLA

- Despite the QLRC inquiry forming a risk for the PLA, it also provides opportunities for ongoing industry engagement, legislative change, and modern approaches to regulating high-risk industries. The Queensland community will have an opportunity to engage with the QLRC on this issue, providing perspectives from outside the industry.
- Protect the community by working with brothels to ensure COVID-safe practices and contributing to consultations on industry requirements.
- Educate the community and our stakeholders by challenging persistent industry mythologies and stereotypes and addressing persistent stigma.
- Respond to the needs of geographically and culturally diverse clients by improving processes and ensuring quality service delivery.
- Promote an effective response to the impact of unlawful prostitution by engaging with and educating stakeholders and other agencies.
- Enhance and capitalise on the skills and expertise of our people to improve the efficiency and effectiveness of the PLA.

Our performance

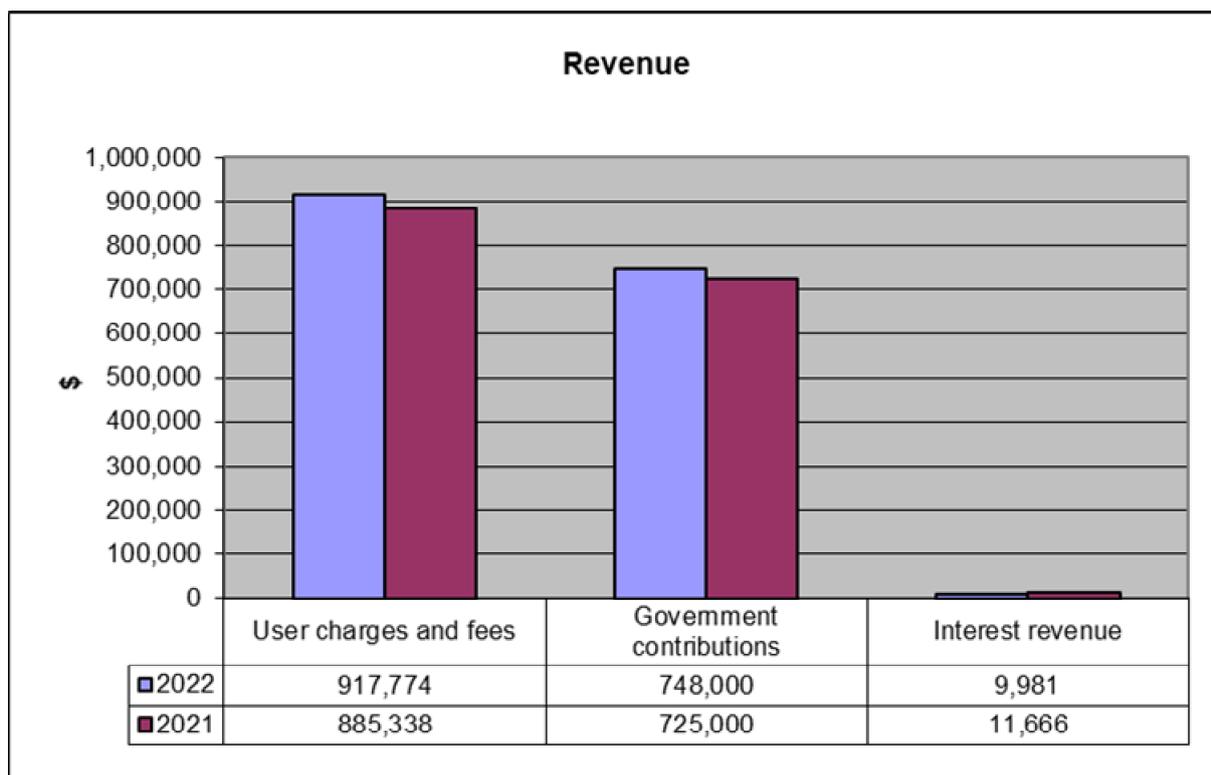
Financial performance summary

Statement of Comprehensive Income

The Statement of Comprehensive Income is used to compare revenue to expenses over the financial year.

Revenues of the PLA are sourced primarily from fees for brothel licences and approved manager’s certificates. The other major source of funds includes a Government grant received through an administered appropriation from the Department of Justice and Attorney-General. The increase in fees revenue was mainly due to the timing of the lodgement of brothel licence applications.

Figure 1: Revenue

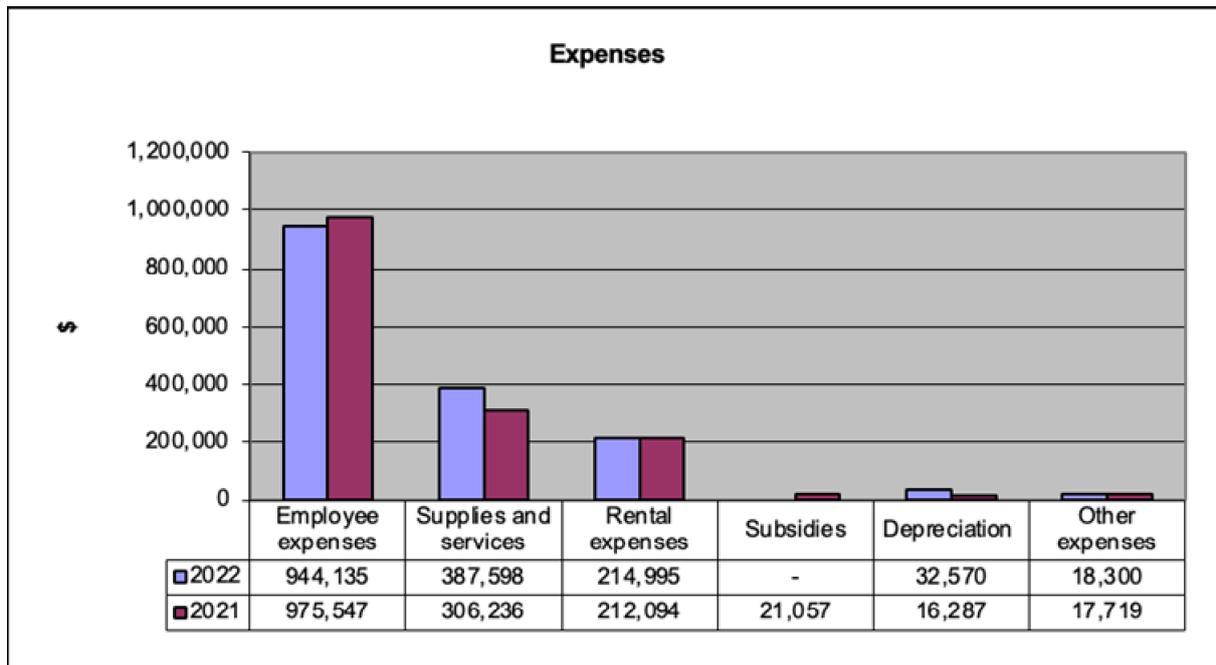


The lower-than-normal employee expenses in 2022 relates to staff on leave. The leave cost was financed from the Queensland Government Annual Central Leave Scheme.

The subsidies, primarily in 2021, relate to the refund of waived user charges and fees, in accordance with the legislation and ministerial approval, to compensate licensees and managers for the COVID-19 forced closure period.

The increase in depreciation relates to an increase in assets.

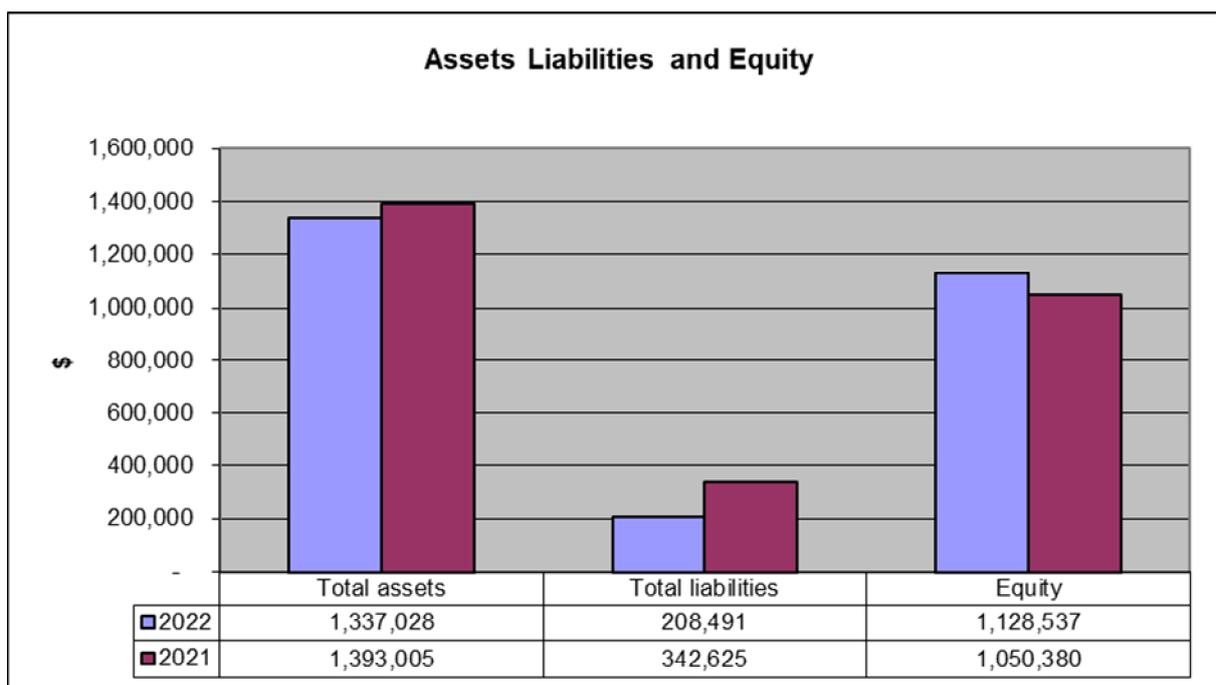
Figure 2: Expenses



Statement of Financial Position

The Statement of Financial Position measures the value of assets, liabilities and equity of the PLA as at 30 June 2022. The decrease in assets and liabilities mainly relate to the timing of paying employee-related costs.

Figure 3: Assets, liabilities, and equity



Statement of Cash Flows

The Statement of Cash Flows measures the inflows and outflows of cash throughout the year and classifies those transactions into either operating or investing activities.

Cash Flow in the PLA is generated primarily from operating activities, where the significant in-flows include revenue from fees for brothel licences and approved manager's certificates and revenue from a Government grant. Significant outflows are employee expenses, supplies and services for operational requirements, subsidies, and payments for rent commitments. The year ended in a decrease in cash from \$1,295,690 at 30 June 2021 to \$1,141,970 at 30 June 2022.

Figure 4: Service standards 2021-22

Service standards	2021–22 Target/Est.	2021–22 Est. Actual	2022–23 Target/Est.
Effectiveness measures			
Percentage of licensed brothels implementing best practice compliance standards established by the PLA ^{1, 2}	100%	98%	100%
Overall satisfaction of applicants with PLA client service ³	80%	79%	80%
Efficiency measure			
Fees income as a percentage of total revenue	53%	54%	52%
Discontinued measure			
Percentage of complaints resolved ⁴	100%	100%	Discontinued measure

Notes:

1. The wording of this service standard has been changed from the 2021–22 Service Delivery Statements to better represent the meaning of the measure. No changes have been made to the calculation methodology.
2. The variance between the 2021–22 Target/Estimate and the 2021–22 Estimated Actual is due to one brothel falling below the required standard.
3. The wording of this service standard has been changed from the 2021–22 Service Delivery Statements to clarify it is measuring 'overall' satisfaction. No changes have been made to the calculation methodology.
4. This service standard has been discontinued due to low complaint numbers and because the majority of complaints are referred by the Prostitution Licensing Authority to the Queensland Police Service.

Staffing

The table below shows the Full Time Equivalents (FTEs) as at 30 June in the respective years.

Service area	2021–22 Budget	2021–22 Est. Actual	2022–23 Budget
Prostitution Licensing Authority	9	9	9
Total FTEs	9	9	9

Into the future

Key priorities for the PLA in 2022-23

In 2022–23, the PLA will:

- focus on the implementation of recommendations from the Queensland Law Reform Commission (QLRC) report on a decriminalised sex work industry in Queensland
- protect the community from COVID-19 by working with licensed brothels to ensure COVID-safe practices are in place
- engage with stakeholders, including representatives of the licensed sector of the sex industry, to enhance the licensing framework for brothels and the scope of regulation of the sector, to underpin the viability of brothel operations, and to further the underlying principles of the Act, and
- continue to review and improve our operations and processes, to assist and enable the licensed sector to support the licensed businesses by simplifying processes and procedures so that they can easily understand their obligations and manage their businesses safely, efficiently, and effectively.

The 2021-22 operating environment

The location of licensed brothels in Queensland

Brisbane	Gold Coast	Other
88 on Logan Asian Star Cleo's on Nile Miso Honey Montecito Platinum 175 Rose Castle Sky Angel The Viper Room Yimi476	Luvasian Pentagon Grand Utopia in Paradise Pryana Rose	Deviations (Toowoomba) Harlots (Mackay) Onyxx (Townsville) Angels 26 (Logan) Scarlet Harem (Sunshine Coast) Intimate Encounters (Moreton Bay)

Licence and certificate fees

Brothel licences and approved manager certificates are renewed every 3 years. Licensing fees increase based on annual CPI indexing. The illegal sector does not pay these fees.

New licences and renewals

Number of rooms	1	2	3	4	5
21-22 fee	\$23,005	\$27,250	\$31,495	\$35,740	\$39,985
22-23 fee	\$23,581	\$27,932	\$32,283	\$36,634	\$40,985

Licence annual returns

Number of rooms	1	2	3	4	5
21-22 fee	\$20,005	\$24,300	\$28,545	\$32,790	\$37,035
22-23 fee	\$20,561	\$24,912	\$29,263	\$33,614	\$37,965

Approved manager certificate

Most brothels require several Approved Managers, increasing overall running costs.

	New certificates and renewals	Annual return
21-22 fee	\$1178	\$822
22-23 fee	\$1,207	\$904

The ongoing impact of COVID-19

The ongoing impact of the COVID-19 pandemic was a key focus for both administration and compliance in 2021-22. From January 2022, the increased infectiousness of the Omicron strain saw significant staffing impacts to brothels. The necessary isolation requirements severely affected the availability of licensees, approved managers, and sex workers, placing the industry under further pressure.

Licensed brothels remained closed in compliance with directions issued by the Chief Health Officer. Throughout mandatory shutdown periods, the PLA continued our commitment to ensuring members met their obligations as a COVID Safe Business; compliance officers conducted 57 COVID-related venue inspections in accordance with the COVID Safe Checklist.

PLA staff provided online information sessions, supported licensees with resource examples for processes like contact tracing, and provided after-hours support for real-time advice issue resolution. Through these measures, the PLA has enabled and encouraged compliance, providing opportunities for support before taking a punitive approach.

Financial impacts on licensed brothels

The licensed brothel sector has continued to be adversely financially impacted by changing lockdowns, health directives and border closures; particularly those relying on a fly-in/fly-out business model to source sex workers.

Following PLA support to refund or pro-rata licence and approved manager certificate fees over the two previous years, in 2021-22 the Board approved one application for a fee payment plan under s 24A of the Act. No requests were received for fee reduction.

Lockdown periods in 2021-22

Lockdown periods were fragmented across local government areas (LGAs) as the government applied lockdowns on an as-needed basis. Lockdowns applied in various LGAs during:

- 29 June – 2 July 2021
- 29 June – 3 July 2021 (restrictions extended in City of Brisbane and Moreton Bay LGAs)
- 31 July – 8 August 2021
- 9 August - 11 August 2021 (restrictions applied to Cairns and Yarrabah LGAs).

COVID compliance

PLA staff continued to act as emergency officers (general) under the *Public Health Act 2005*.

In 2021-22, 57 COVID-related inspections were conducted up until 31 March 2022 alongside general compliance reviews. Operational requirements were checked to prevent and minimise the risk of COVID transmission, including:

- appropriate cleaning and hygiene practices
- safe systems of work, and
- collection and keeping of contact tracing information.

Licensed brothels continued to take COVID safety seriously and engaged with the PLA to administer directives and checklists.

Due to a renewed focus on engagement and education, the Compliance team supported licensees and managers to understand and implement changing requirements to ensure safety while minimising any closures.

Unlicensed and illegal operators

Unlicensed and illegal operators – sometimes presented as massage parlours or escort services – remain a critical issue for licensed brothel operators and lawful sole operators.

The substantial illegal sector does not pay the significant fees applicable to the regulated industry, providing an obvious advantage in operating costs, and creating unfair competition that has a substantial impact on the financial viability of the licensed sector.

Licensed brothels pay fees and agree to work within the legal framework to provide a safe environment for staff and clients. Unlawful operators have no regulatory compliance burden or restrictions on their services. They are not subject to the location restrictions that confine licensed brothels to industrial and semi-industrial areas. Massage parlours can be observed operating from retail precincts and shopping strips.

Of primary concern is the risk to sex workers vulnerable to abuse and exploitation by illegal operators and their clients who are unregulated and unscrutinised. The PLA engaged with QPS in 2021-22 to raise stakeholder concerns and refer intelligence and relevant complaints.

Complaints for illegal activity

- 2020 – 7
- 2021 – 14
- 2022 – 15

Complaints relating to illegal activity included:

- illegal massage parlours
- illegal escort agencies
- use of sole sex workers profile pictures for illegal advertising
- solicitation offences
- natural services being offered
- strippers offering prostitution.

Proposed changes to the licensed industry regulatory framework

The QLRC's review into the sex industry in Queensland has been a priority for the PLA Board and staff throughout the year. Following QLRC's release of a consultation paper — followed later by 55 specific questions relating to proposed changes — the PLA engaged extensively with stakeholders including QABA to present a submission to the inquiry.

The PLA supports a simpler licensing model that:

- protects the health, safety and economic interest of sex worker and clients
- deters illegal activity and exploitation
- maintains public amenity
- protects public health and safety, and
- enables licensed brothels to operate transparently under general business law.

This model would provide a fairer competitive environment, a reduction from significant licence fees to a nominal fee and reduce their compliance burden.

The PLA has invested considerable time in analysing potential regulatory frameworks, and implementation plans based on the report recommendations.

Outcalls and why they matter to industry

Outcalls are a popular service requested at brothels. However, licensees are unable to provide these services based on the existing regulatory framework.

Allowing brothels to provide outcalls would create a more competitive business model to enable competition with illegal operators and provide an incentive for sex workers to operate within the licensed sector. It is likely that outcalls would attract new licensees, boosted by greater commercial viability, and boost sex worker safety.

A licensee perspective on this year and challenges ahead

For Neil Gilmore, licensee of Pentagon Grand and President of the Queensland Adult Business Association (QABA), the past year has presented challenges including the ongoing management of COVID-19. Despite the ongoing lockdowns and health regulations, recovery is starting to emerge since the start of 2022.

“Fortunately, the government has updated plans to let us be fully open without any restrictions,” he said.

“The industry remains cautious about another COVID variant – we’re mindful of restrictions and have proven systems in place to react quickly to ensure safety in our industry.”

The challenge ahead of licensees in 2022-23 is the QLRC’s enquiry into the sex work industry. QABA consulted on the inquiry, delivered an up-to-date sex worker research report, and submitted a comprehensive submission to the QLRC.

“We’ve consulted with the PLA and developed a working relationship that helps keep the licensed sector a safe environment,” Neil said.

“The key challenge for the long-term survival of the industry is dealing with illegal operators. The industry hasn’t grown as it was predicted, and it’s QABA’s hope that the inquiry will spark real action to stamp out illegal operators like escort businesses and massage parlours – historically underestimated as a part of the overall sector.”

The licensed sector is looking to the QLRC recommendations to confirm the continued viability of the licensed sector.

“We’re hopeful that the government will recognise that having a licensed industry is important, and we look forward to contributing to any new legislation.”

The PLA approach to compliance

The last 12 months have demanded a flexible approach to compliance by the PLA team and our stakeholders. Changing COVID regulations and directives added a new layer of compliance for licensees.

The PLA recognised that partnership, communication, and support were key to enabling compliance with COVID-19 and existing regulatory requirements. Accordingly, we were proactive and highly available to our stakeholders. Initiatives included online information sessions, licensee resources, and after-hours support.

An approved manager training package developed to assist licensees with manager induction has so far been delivered at Deviations and Utopia in Paradise. A workshop on the disciplinary inquiry process has also been launched to licensees and approved managers.

Changing focus from enforcing to enabling

“We don’t feel like it’s them and us anymore. They act fast on complaints. They listen.”

Tania, Brisbane Licensee

Living up to its commitment to partner with licensees, approved managers and sex workers, the PLA compliance team has worked throughout the year to empower compliance. Through a range of initiatives and thoughtful stakeholder management, the PLA team has built meaningful partnerships with our customers.

Staying flexible to meet client needs

The compliance team approach has evolved to focus on giving clients the tools and the knowledge to be the best licensees and managers they can be, with a focus on training and education. Breaches remain serious, but the emphasis has shifted to identifying trends to support PLA clients through common non-compliance pain points.

Understanding legislative obligations

The change in mindset comes from a genuine goal by the PLA to support a compliant, regulated sector.

Compliance is legislation-based and can be difficult to interpret. A number of our licensees have English as a second language or challenging literacy levels. It’s important they understand what is required so we can hold them to that standard.

Licensee Tania agrees the focus on training and support has been invaluable – enabling her to meet and exceed compliance responsibilities.

“I’ve been in the industry since 2007, as a sex worker, approved manager and then licensee. I’m now more confident about complying with licence obligations, which used to be incredibly stressful,” she said.

“We now get more encouragement, advice, and education – and it makes a huge difference.”

Onsite experiences

In 2021-22, the compliance team were invited to attend a licensed brothel for a new perspective on operations outside compliance or audit visits.

Feedback provided by licensees and approved managers as part of the client satisfaction survey, requested greater support when dealing with difficult and aggressive clients.

The compliance team agree that it was incredibly valuable to see how a brothel operates in peak times.

Onsite visits also allowed the team to hear directly from licensees, managers, and service providers on areas where support or training was needed — even if it was with stakeholders beyond PLA. The feedback has led the PLA to design training for dealing with difficult or violent clients, and training on the disciplinary inquiries process.

Licensee Tania agreed the site visits provide a real appreciation for the challenging roles of approved managers and licensees.

“How could they understand what the day-to-day was like? They got to see it in its raw form.”

Compliance communication for a safer industry

The compliance team agrees that improving communication and staying approachable has contributed to a safer industry. The PLA Compliance Hotline takes calls from sex workers, managers, and licensees, which is a positive reflection on the PLA's approach.

Our stakeholders

The community	The sex industry	Government and industry stakeholders
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Client feedback identifies opportunities

The PLA client satisfaction survey results show a substantial improvement in our stakeholder communication and client service. This reflects the implementation of the PLA stakeholder engagement strategy, guiding principles for customer experience, and a commitment to service excellence.

Guiding principles for client experience

- Anticipate service needs
- Increase and improve access to information and guidance
- Provide authoritative, timely and consistent services

Commitment to service excellence

- Accessibility
- Clear communication
- Accuracy and consistency
- Responsiveness and quick action
- Value and encourage feedback to drive improvement

Growing partnerships to benefit all

The PLA has worked to develop stronger relationships with our agency partners. The industry benefits have been wide-ranging — from liaison with Queensland Health re COVID-19 or working with Queensland Police Service (QPS) to protect sex workers from illegal soliciting operations.

The team has spent time working side-by-side with QPS and the Office of Liquor & Gaming Regulation (OLGR) to open lines of communication in licensed adult entertainment venues. The team has collaborated on site visits to raise awareness about prostitution regulations, what constitutes illegal activity and how to best protect adult industry workers who operate outside of licensed brothels. The team has collaborated on site visits to raise awareness of offences under the Act.

Key stakeholders and activity

We continue to work closely with the Queensland Adult Business Association (QABA), which is the professional body representing brothel licensees. Our ongoing collaboration includes discussion across legislative, compliance and engagement activities. Seemingly small changes like a more approachable compliance presence and provision of a hotline, have continued to grow awareness of the role of the PLA and how we can support compliance.

The Queensland Police Service (QPS) remains a key stakeholder – retaining a PLA Board membership. Our Compliance team liaises with the QPS Prostitution Enforcement Taskforce regarding illegal operators and criminal complaints. Our relationship with the Townsville police has also been boosted this year with our Compliance team liaising closely with Townsville crime squads.

Our engagement also included:

- facilitating conversations with the Local Government Association of Queensland (LGAQ) regarding the need to recognise and act on illegal operators
- ongoing QHealth liaison on COVID-19 health and safety practices
- consulting with Respect Inc. regarding QLRC submissions, advertising guidelines and mental health
- working with the Office of Liquor and Gaming Regulation (OLGR) to explore licensing models for regulated Queensland industries, and
- liaison with the University of Queensland regarding mental health initiatives.

Client satisfaction snapshot

In January 2022, the PLA undertook licensee and approved manager client satisfaction surveys.

To ensure an accurate reflection of clients, the survey methodology was updated last year to broaden the 'Satisfaction of applicants with PLA client service' measure to include existing approved managers and brothel licensees.

Overall, the combined satisfaction rate for 2021 was 79%, a 23% improvement on the previous year (64%). The results indicated 82% of respondents are satisfied with their interactions with both PLA administrative and compliance staff; both reflected a 9% improvement from last year.

Action on past feedback

The common themes from licensee and approved manager feedback from 2020 were:

1. Application forms need to be simplified.
2. Fees are too expensive.
3. Information provided needs to be improved.
4. Interactions with PLA staff could be improved.

In 2021, we responded to that feedback. Aside from fees, which are outside the control of the PLA, an improvement in satisfaction has been achieved across all other themes. Online forms went live in December 2021. It is likely the response to that improvement will be reflected in next year's survey.

Other areas that remain a concern for our clients are fees, and legislative amendments needed to address advertising, the number of rooms in a brothel and illegal operators. The QLRC review is likely to address these issues.

Communicating with the community

The PLA office is the primary point of contact for members of the public, licensees, managers, sex workers, and the media. Officers of the PLA are committed to providing excellent customer service.

The PLA website

Following the relaunch of the PLA website in 2020-21, this year we took the next step in transforming the online experience for our users with the development of online application forms. Like the website modernisation to a mobile-friendly site with translation capabilities, online forms were welcomed by the industry. As well as streamlining customer applications experiences, it ensures data integrity of PLA records.

Communicating with the sex industry

Queensland Adult Business Association

The reformation of QABA in response to the COVID-19 pandemic has facilitated improved communication and liaison with the licensed sector of the sex industry and more cohesive policy input and feedback.

Throughout 2021-22, the PLA has had regular meetings with QABA to engage on a range of issues, primarily the QLRC inquiry and potential legislative and licensing changes.

We look forward to ongoing partnership with QABA as we commit to change in sex industry policy, and are critical stakeholders in defining an appropriate regulatory framework.

Respect Inc.

The PLA has continued our engagement with the Queensland sex worker organisation, Respect Inc. In 2021-22 this engagement has included discussion of the QLRC inquiry; Respect Inc. supports the decriminalisation of Queensland's sex industry, including the repeal of the *Prostitution Act 1999* (and its associated licensing framework). The PLA also consulted Respect Inc. during an update to prostitution advertising guidelines. At their request, we consulted with the Director of the Department of Justice and Attorney-General (DJAG) Human Rights Unit to ensure changes were in line with the *Human Rights Act 2019*.

We are committed to ongoing engagement with Respect Inc. to hear their perspectives and insights into decriminalisation.

Newsletter and email communication

The PLA has continued to produce an industry newsletter, distributed online and mobile-friendly. The newsletter continues the refreshed focus from last year of relevant licensing information, education, and approved manager opportunities within the sector. The new customer relationship management system enabled time-sensitive COVID-19 issues and directives to be communicated faster. Licensees and managers were able to implement those directives in a timely and efficient manner, ensuring health compliance was met during the pandemic.

Supporting mental health in the industry

As focus increases on supporting mental health across all sectors, we are turning our attention to those under our duty of care.

Our research has indicated a need for mental health support – not only for sex workers and sole operators – but also for licensees and approved managers who provide support and a space to debrief.

As a licensee, Tania agrees that support for those supporting others is a must.

“If you’re going to offer support to them, you’ve got to support yourself. You need to be able to debrief and have coping mechanisms”.

The PLA continues to work with the University of Queensland to develop a list of Queensland-based, industry-friendly, mental health providers for licensees, managers, and sex workers.

Our governance

The Prostitution Licensing Authority

The PLA was established by s 100 of the *Prostitution Act 1999* and officially began operation on 1 July 2000 when the Act became law in Queensland. S 102 of the Act prescribes the PLA's membership, consisting of eight members, including:

- the Chairperson – an independent and appropriately qualified member of the community nominated by the Premier
- the Commissioner of Police, or a police officer of at least the rank of Superintendent nominated by the Commissioner
- the Chairperson, or the Senior Executive Officer (Crime) of the Crime and Corruption Commission (CCC)
- a health practitioner, with at least five years' experience in the profession
- a lawyer who has been admitted for at least five years and has knowledge of or experience in administrative law, company law or criminal law
- a person who represents local government
- two persons who represent community interests.

Appointment of PLA members

PLA members are appointed by the Governor in Council, pursuant to s 102(1) of the Act. Under s 103 of the Act, the maximum term of appointment for a member is five years. A person is disqualified from being or continuing as a member of the PLA if the person:

- is an insolvent under administration
- is convicted of an indictable offence, an offence against the Act or a corresponding law
- becomes incapable of discharging the duties of a member because of physical or mental incapacity
- has an interest in a brothel.

Additionally, the Minister may have regard to a person's extended criminal history or a change to their extended criminal history in deciding that the person should not be recommended for appointment or continue as a member of the PLA.

No members of the PLA were disqualified from continuing as a member throughout the year.

Current membership

The members of the PLA are appointed by the Governor in Council in accordance with s 102(1) of the Act.

The Hon Colin Forrest SC – Chair

The Honourable Colin Forrest SC was appointed as the Chairperson of the PLA for a term of five years from 5 August 2022 pursuant to s.102 (1) (a) of the *Prostitution Act*.

The Honourable Colin Forrest SC has been a family lawyer for over 30 years.

He completed his Bachelor of Laws and Bachelor of Arts degrees at the University of New South Wales in 1986. After graduating, he was Legal Associate to Justice Michael Kirby, President of the New South Wales Court of Appeal. He was admitted as a Barrister of the New South Wales Supreme Court whilst he was an Associate.

In 1988, Mr Forrest moved to Queensland and worked for two years as a solicitor for the city firm, Goss Downy Carne, where he practiced in family law, criminal law, and personal injuries litigation.

In 1990, Mr Forrest was called to the Queensland Bar where he quickly established a specialist practice in family law and succession law. In the 1990s, he served for four years as a part-time member of the Commonwealth Social Security Appeals Tribunal. In 2000, he was appointed as a part-time member of the Queensland Anti-Discrimination Tribunal and served on that until it was merged into the Queensland Civil and Administrative Tribunal in 2010.

Whilst maintaining his family law practice, Mr Forrest was a Deputy Public Interest Monitor in Queensland for several years before being appointed Public Interest Monitor pursuant to Queensland Police laws and Commonwealth anti-terrorism laws, responding to police applications to the Courts for covert surveillance warrants.

Mr Forrest was the Queensland Bar's appointed representative on the Queensland Law Society's Family Law Specialist Accreditation Committee for several years. He was an elected board member of the Queensland Family Law Practitioners' Association and was serving as its President when appointed as a Judge of the Trial Division of the Family Court of Australia in February 2011.

Mr Forrest took silk in 2010.

As a Trial Judge of the Family Court of Australia assigned to the Brisbane Registry, Mr Forrest served the Court as a member of Chief Justice Diana Bryant's Court Policy Advisory Committee, as Brisbane Registry Case Management Judge, as Brisbane Registry Magellan Judge and Brisbane Registry Hague Judge. Mr Forrest was also the Family Court's nominated representative on the Joint Court's Children's Committee and the Brisbane Registry's nominee on the Queensland Court's Indigenous Policy Committee as well as the Family Court's Indigenous Policy Committee.

Mr Forrest resigned his Judicial Commission in early 2021 after having written more than five hundred judgments and has returned to practice at the Bar as a barrister, a mediator, and an arbitrator. Due to protocol, as a recently retired Judge, Mr Forrest is unable to appear in the Family Court or the Federal Circuit Court before 2026. However, he willingly accepts instructions to mediate or arbitrate in family law matters and succession matters anywhere in Australia and will appear in coronial inquests or commissions of inquiry. He is an accredited arbitrator and member of the Australian Institute of Family Law Arbitrators and Mediators and is

refreshing his accreditation as a mediator, having conducted many mediations both prior to and since serving on the Family Court bench.

Mr Forrest is currently studying on a part-time basis towards a Master's degree in International Relations at the University of Queensland and he is a member of the Council of the Australian Institute of International Affairs, Queensland Chapter.

Mr Paul Tully (Acting Chair 1 April – 4 August 2022)

Mr Tully has been appointed Acting Chair, pursuant to s 106A of the Act, from 1 April 2022 following Mr Tutt's resignation.

Mr Paul Tully has been appointed to the PLA as a lawyer, pursuant to s 102(1)(e) of the Act. He was first appointed to the PLA on 3 October 2014. His current term of appointment is from 13 October 2017 for a term of five years. He has also been appointed, under s106A of the Act, to act as Chairperson during a vacancy in the office or during any period in which the Chairperson is absent from duty or otherwise cannot perform the functions of the office, from 2 October 2020 up to and including 12 October 2022.

Mr Tully is the Managing Director, Company Chair and Chief Executive Officer of McInnes Wilson Lawyers. He joined the firm in 1985, was admitted as a solicitor of the Supreme Court of Queensland in July 1987, and made a partner of McInnes Wilson in May 1989.

For most of his professional career, Mr Tully has practised in the area of litigation. He has a history of over 30 years specialising in public and products liability, motor vehicle claims, property damage and professional indemnity claims. In the recent past he was a Councillor of the Queensland Law Society and board member of Lexon Insurance Ltd. He is Chair of the Queensland Rugby Union Judiciary and his interest in rural matters sees him Chairman of the Board of a large beef enterprise, the North Australian Pastoral Company P/L.

Mr Walter Tutt (Chair from 1 July 2021 to 31 March 2022)

Mr Walter Tutt was appointed as Chairperson of the PLA for a term of five years from 13 October 2017, pursuant to s 102(1)(a) of the Act.

Mr Tutt has a long background in the law, having first been admitted as a Solicitor in 1965. He worked in private practice from then until 2004 in areas including criminal law, administrative law, industrial law, insurance law, workers' compensation law, commercial common law litigation, and dispute resolution.

In 2004, Mr Tutt was appointed a Judge of the District Court of Queensland and served in that position until his retirement in 2012.

Mr Tutt resigned as Chair of the PLA effective 31 March 2022.

Chief Superintendent (Crime), Crime and Intelligence Command, QPS

The Chief Superintendent (Crime), Crime and Intelligence Command, was appointed to the PLA for a term of five years from 2 October 2020. During the year, various individuals acted in the role and attended PLA meetings.

Ms Sharon Loder

Ms Sharon Loder is the Senior Executive Officer (Crime) of the CCC. Ms Loder has been appointed to the PLA by virtue of this position, pursuant to s 102(1)(c) of the Act. Her term of appointment is for five years from 28 July 2017.

Ms Loder has a Bachelor of Laws (QUT), a Bachelor of Business (HRM), and a Master of Laws (UQ). She was admitted as a Solicitor of the Supreme Court of Queensland in 1992 and since 2000 as a Barrister of the Supreme Court of Queensland and High Court of Australia.

Ms Loder is a graduate member of the Australian Institute of Company Directors. She has many years' experience in senior and executive positions in law enforcement or integrity commissions. These include her terms as Executive Director, Investigation Division at the NSW Independent Commission Against Corruption; as Executive Legal Officer and as Director, Misconduct Investigations at the Queensland Crime and Misconduct Commission; and as Manager of the Legal Unit, State Crime Operations Command, Queensland Police Service.

Ms Narelle Dickinson

Ms Narelle Dickinson has been appointed pursuant to s 102(1)(d) of the Act as a health practitioner, succeeding Dr Rowling. Ms Dickinson's initial appointment was from 18 December 2020 to and including 28 February 2021. She was then appointed for a five-year term commencing 1 March 2021 to and including 28 February 2026.

Ms Dickinson has been a Psychologist in Queensland since 1995 and is currently endorsed as a Clinical and Health Psychologist, specialising in the perinatal field. Ms Dickinson is a 2015 Churchill Fellow Recipient, investigating the risks and implications of cross border surrogacy for Australians. She is also a current Board member of the Queensland Board of the Psychology Board of Australia, a Director of the Fertility Society of Australia, and an Executive Committee Member of the Australia and New Zealand Infertility Counsellors Association.

Mr Greg Chemello

Mr Greg Chemello has been appointed to the PLA as local government representative, pursuant to s 102(1)(f) of the Act, succeeding Ms Grummitt. His initial appointment was from 18 December 2020 to and including 28 February 2021. He was then appointed for a five-year term commencing 1 March 2021 to and including 28 February 2026.

Mr Chemello is currently the Chief Executive Officer at Moreton Bay Regional Council, having been appointed in January 2020 following a major review of the organisation's culture and practices. His other most recent roles were General Manager of Economic Development Queensland, and from August 2018 to January 2020, Interim Administrator of Ipswich City Council following dissolution of the Council by the Queensland Parliament.

He has 35 years' professional and management experience, having spent the last two decades in leadership roles within public and private sector organisations undergoing significant change. Mr Chemello has a Bachelor's degree in Town Planning, a Master's in Environmental Science, and a Master's in Business Administration.

Ms Lynette Palmen AM

Ms Lynette Palmen AM has been appointed to the PLA as a community representative, pursuant to s 102(1)(g) of the Act. Her current term of appointment is for five years commencing from 13 October 2017. She was first appointed to the PLA in June 2004 but resigned in August 2006. She was subsequently reappointed in June 2010 and has served as a member of the PLA since then.

Ms Palmen has a finance sector and community engagement background. She is the Founder of Women's Network Australia. Established in 1990, the organisation continues to provide support, consulting and mentoring for small business owners and entrepreneurs across Australia.

In 2004, Ms Palmen received an Order of Australia AM for service to the community, particularly through promoting public awareness of existing and emerging issues affecting women, and in providing expertise to a range of charitable and not-for-profit organisations.

Ms Frances de la Cuesta Hunt

Ms Frances de la Cuesta Hunt has been appointed to the PLA as a community representative, pursuant to s 102(1)(g) of the Act. Her current term of appointment is for five years commencing from 13 October 2017. She first became a member of the PLA on 3 October 2014.

She was awarded a Doctor of Medicine from Saint Louis University, Philippines (1985); Master of Cross-Cultural Missions and Bible from the Theological Centre for Asia, Singapore (1995); Master of Health Studies in the Field of Addiction Studies from the University of Queensland (2012); and a Master of Philosophy at the University of Queensland (2020).

Since 2013, Ms de la Cuesta Hunt has been a Counsellor with a special interest in drugs, alcohol, and mental health issues at Be Renewed Counselling and Community Services Pty Ltd. Since 2008, she has performed voluntary work as a Support Group Team Leader at Encourager Life Group. Since 2021, she has been a Wellness Coach at The Banyans Health and Wellness Residence.

Meetings

The PLA held 11 meetings in 2021-22. Details of individual member attendance at these meetings is at Appendix 2.

Remuneration

The Chairperson and members of the PLA were collectively paid \$73,869 during 2021-22, as determined by the Governor in Council. This payment represents the total remuneration to the Chairperson and the members.

Ex-officio members (members who hold a paid government position) of the PLA do not receive additional remuneration for being a member of the PLA. Details of the individual remuneration paid to each member are at Appendix 2.

Reporting structure and organisation

The *Prostitution Act 1999* establishes the Prostitution Licensing Authority, consisting of eight members. It also establishes the Office of the Prostitution Licensing Authority, consisting of the Executive Director and the staff of the office. It is the role of the Office to assist the PLA in the performance of our functions. The Office consists of compliance; probity and finance and administration; and policy, research, and corporate governance areas.

The Executive Director is appointed by the Governor in Council. Ms Mary Shortland has been appointed as the Executive Director for a term of three years from 18 December 2019.

In addition to the Executive Director, there are eight full-time equivalent staff employed under the Public Service Act 2008. Staff of the office are managed by the Executive Director, who in turn reports to the PLA. The PLA reports to the Attorney-General and Minister for Justice, Minister for Women and Minister for the Prevention of Domestic and Family Violence, the Honourable Shannon Fentiman MP, and to the Parliament of Queensland.

Our corporate governance framework

The strategic planning cycle

Under s 9 of the *Financial and Performance Management Standard 2009*, each statutory body is required to develop a strategic plan for a 4-year period. The PLA's Strategic Plan and Operational Plan are reviewed and updated annually.

Our strategic objectives

The Strategic Plan 2020-24 identifies the following strategic objectives.

Figure 7: Strategic objectives

Objectives	Strategies	Performance measures	Achievements
Strengthen stakeholder relationships	<p>Develop and implement an effective stakeholder engagement strategy.</p> <p>Strengthen online user experience.</p>	<p>Increase client satisfaction and stakeholder engagement.</p> <p>Percentage of complaints resolved in a reporting year.</p>	<p>An anonymous client satisfaction survey was conducted for the second year, with a 79% rate of satisfaction with PLA client service - compared to 64% in 2020-21.</p> <p>The survey results and feedback are used to promote a culture of continuous improvement.</p> <p>72 complaints were received, with 100% resolved.</p>
Make the community safer	<p>Probity of applicants for brothel licences and approved managers' certificates.</p> <p>Compliance activities such as audits and inspections of licensed brothels.</p>	<p>Implementation of best practice standards at all licensed brothels (an audit rating of at least 80%).</p>	<p>98% of licensed brothels implement best practice standards.</p> <p>One brothel did not meet the required threshold during the year.</p>

Objectives	Strategies	Performance measures	Achievements
	Promotion of health and safety standards at brothels.		
Build our organisational capability	<p>Develop capabilities to create a healthy, collaborative, and innovative culture.</p> <p>Modernise our website, assets, systems, and processes to improve our business outcomes.</p>	<p>Improved staff engagement and wellbeing.</p> <p>Improved system and information capability.</p>	<p>All staff have access to employee assistance services. Introduction of flexible workplace arrangements to attract and retain staff and promote work-life balance.</p> <p>Implementation of a domestic and family violence policy.</p> <p>The capabilities and skills of PLA staff have been a key priority in 2021-22.</p> <p>The PLA maintained our modernised website from the previous year, adding more resources and launching online application forms for the first time for the sector.</p>

Ethical and professional conduct

All staff of the Office of the PLA are subject to the Code of Conduct for the Queensland Public Service (the Code). The administrative procedures and management practices of the PLA have proper regard to the ethics principles and values in addition to the Code. Staff are provided with a copy of the Code, given information on public sector ethics at induction, and complete an online workshop in ethics and ethical decision-making.

The Act permits the obtaining of a person's extended criminal history to determine if they should be considered for appointment to the Office of the PLA or continue as a staff member. Staff are obliged to provide notice of a change in their extended criminal history. No changes were notified in 2021-22.

To manage potential conflict of interest when considering brothel licence and approved manager certificate applications, the PLA complies with guidelines established in our Probity Investigation Manual (PIM). Reviewed and updated in 2020-21, the PIM identifies procedures for notifying PLA members of the names of individuals associated with applications to ensure a transparent decision-making process.

Public interest disclosures

The PLA received one matter involving public interest disclosure/s under the *Public Interest Disclosure Act 2010* in 2021-22.

Human rights

The *Human Rights Act 2019* requires public entities to be compatible with human rights and give proper consideration to human rights when making decisions. Under the PLA's complaints policy, a person is entitled to make a complaint to the PLA if that person believes the PLA has breached their human rights. No complaints were received in 2021-22, however Respect Inc. raised concerns that the Act had not been considered when amending the advertising guidelines.

Risk management

Division 12 of the *Finance and Administration Manual (FAM)* requires the PLA to have effective policies, procedures, and systems in place for managing identified risks that may affect our operations.

After a comprehensive risk assessment and systems appraisal in 2020-21, the PLA has continued to identify and manage organisational risks focused on:

- information/data
- physical security
- staff
- financial systems/records
- policies and procedures
- administration, and
- stakeholder consultation.

Since commencing operations on 1 July 2000, the PLA identified and addressed risk through the iterative development of successive policies and procedures. Risk control measures have been implemented across the agency for all business areas, and there is a well-established process of ongoing review of existing policies and procedures.

Staff are encouraged to raise and discuss any further risks that they identify throughout the year, so they may be assessed and remedied by the institution of new control measures or the modification of existing policies and procedures. This year's risk assessment concluded that existing controls and mitigating factors are adequate to address the identified risks to agency operations. There have been no incidents or breaches in the intervening period and accordingly a further risk assessment has not been warranted.

The small size and limited budget of the PLA do not warrant an audit committee. Existing policies and procedures are effective in addressing and mitigating risks, and members of the PLA provide oversight of the activities of the Office of the PLA.

External audit

The PLA uses the Queensland Audit Office as our external auditor.

Internal audit

As a statutory body, the PLA is not required to establish an internal audit function. With limited budget and resources, we rely on a robust governance framework in place with clear accountabilities and arrangements to minimise financial risks and oversight.

In 2021-22, we continued to implement system and process improvements based on the previous year's triennial systems appraisal. Focused on identifying and evaluating risks of systems, processes and controls, ongoing systems improvement across:

- application processing
- monitoring and compliance
- internal processes
- reporting
- complaints handling, and
- finance.

The next systems appraisal is to be completed in 2023-24.

Records management

All staff of the PLA are responsible for records management. Records are retained and disposed of in accordance with the *General Retention and Disposal Schedule (GRDS)* and the PLA's own Retention and Disposal Schedule, as approved by the Queensland State Archivist.

Our people

The Office of the PLA has a small staff that supports the PLA across finance, administration, policy development, research, forensic accounting, probity investigation, and audit and compliance processes.

PLA structure and staffing 2021-22

The PLA organisational structure provides for nine staff in total, including the Executive Director (Figure 8).

No early retirement, redundancy or retrenchment packages were paid during the period, and no overseas travel was undertaken by either members of the PLA or staff of the Office of the PLA in 2021-22.

Figure 8: Full-time equivalent staff of the Office of the PLA as at 30 June 2022

Staff category	Female	Male
SES	1	
AO7–AO8	3	1
AO4–AO6	2	
AO2–AO3	2	
Total	8	1

Conditions and working arrangements

The Office of the PLA has flexible workplace arrangements to attract and retain staff and promote work-life balance — including time-off-in-lieu, flexible working hours, and carer’s leave. Our COVID safe work practices also provided the flexibility for staff to work from home during the periods of lockdown as per the Premier’s instructions to Government. All staff have access to employee assistance services.

The PLA has implemented a domestic and family violence policy, consistent with the relevant Public Service Commission directive, allowing access to additional leave.

As part of a commitment to a healthy work-life balance, staff may not accrue more than 40 days leave unless at the discretion of the PLA.

Workforce training and development

The capabilities and skills of PLA staff have been a key priority in 2021-22. The PLA’s success relies on the capability of our workforce and all staff are encouraged to undertake relevant professional development to support individual and PLA capability. During the 2021-22 period, employees received training in a range of areas:

- Capability development
 - Enabling our clients

- Effective communication
- Report writing
- Career coaching
- Ethics and Ethical Decision-making
- Public Interest Disclosure
- Finance
- Workplace Health and Safety (WHS)
 - Emergency Control Organisation Instruction
 - Fire Evacuation
 - First Aid and CPR.

Finance and administration

The finance and administration section of the Office of the PLA has a key role in effective resource management, financial management, and budgetary and reporting processes.

The section processes brothel licence and approved manager's certificate applications, including conducting financial probity. In 2021-22, the team has contributed to streamlining the application process through rationalising forms and getting them online.

The PLA did not incur any expenditure on consultancies for 2021-22.

Policy

Policy outputs and responsibilities include:

- policy and legislative proposals
- drafts submissions to inquiries
- responses to requests for input from other agencies
- managing whole-of-government reporting processes
- briefs and responses to the Attorney-General, and
- aspects of communications with stakeholders.

The Policy and Compliance teams are continuing to collaborate on responses to the QLRC recommendations expected in November 2022. The proposals aim to support the licensed sector of the sex industry and facilitate more effective regulation of the sector by the PLA.

Information management

Given the small size of the Office of the PLA, it relies on Information and Communications Technology (ICT) services and support from the Department of Justice and Attorney-General.

The PLA maintains a secure internal licensing database to record and track:

- brothel applicants
- manager applicants
- licensees and managers
- compliance activities
- development applications for licensed brothels, and
- brothel premises information.

Open data

Information on consultancies and overseas travel may be found at the Queensland Government Open Data website (<https://data.qld.gov.au>).

Prostitution Licensing Authority

FINANCIAL STATEMENTS 2021-2022

Prostitution Licensing Authority Financial Statements 2021-2022

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General Information

This financial report covers the Prostitution Licensing Authority (PLA).

The PLA is a Queensland Government Statutory Authority established under the *Prostitution Act 1999*.

The PLA is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the PLA is:

Level 20
50 Ann Street
BRISBANE QLD 4000

A description of the nature of the PLA's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the PLA's financial report please call 3858 9500, email PLAAdmin@justice.qld.gov.au or visit the PLA's Internet site www.pla.qld.gov.au.

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.

PROSTITUTION LICENSING AUTHORITY
Statement of Comprehensive Income
for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Income from Continuing Operations			
Revenue			
User charges and fees	2(a)	917,774	885,338
Grants and contributions	2(b)	748,000	725,000
Interest		9,981	11,666
Total Income from Continuing Operations		1,675,755	1,622,004
Expenses from Continuing Operations			
Employee expenses	3	944,135	975,547
Supplies and services	7	387,598	306,236
Rental expenses	8	214,995	212,094
Subsidies	9	-	21,057
Depreciation and Amortisation		32,570	16,287
Other expenses	10	18,300	17,719
Total Expenses from Continuing Operations		1,597,598	1,548,940
Operating Result from Continuing Operations		78,157	73,064
Total Comprehensive Income		78,157	73,064

The accompanying notes form part of these statements.

PROSTITUTION LICENSING AUTHORITY
Statement of Financial Position
as at 30 June 2022

	Notes	2022 \$	2021 \$
Current Assets			
Cash and cash equivalents	11	1,141,970	1,295,690
Receivables	14	48,416	6,825
Other Assets		3,467	-
Total Current Assets		1,193,853	1,302,515
Non-Current Assets			
Plant and equipment	15	26,355	32,489
Intangible assets	15	116,820	58,001
Total Non-Current Assets		143,175	90,490
Total Assets		1,337,028	1,393,005
Current Liabilities			
Payables		46,946	44,879
Accrued employee benefits	16	27,320	153,669
Other Liabilities	17	134,225	144,077
Total Current Liabilities		208,491	342,625
Total Liabilities		208,491	342,625
Net Assets		1,128,537	1,050,380
Equity			
Accumulated surpluses.		1,128,537	1,050,380
Total Equity		1,128,537	1,050,380

The accompanying notes form part of these statements.

PROSTITUTION LICENSING AUTHORITY
Statement of Changes in Equity
for the year ended 30 June 2022

	Accumulated Surplus \$
Balance as at 1 July 2020	977,316
Operating Result from Continuing Operations	73,064
Balance as at 30 June 2021	<u><u>1,050,380</u></u>
	\$
Balance as at 1 July 2021	1,050,380
Operating Result from Continuing Operations	78,157
Balance as at 30 June 2022	<u><u>1,128,537</u></u>

PROSTITUTION LICENSING AUTHORITY
Statement of Cash Flows
for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
<i>Inflows:</i>			
User charges and fees		907,921	884,153
Grants and contributions		748,000	725,000
GST input tax credits from ATO		60,358	58,849
GST collected from customers		-	-
Interest receipts		9,400	5,264
<i>Outflows:</i>			
Employee expenses		(1,113,042)	(1,119,183)
Supplies and services		(597,210)	(556,856)
Grants and subsidies		-	(221,495)
GST paid to suppliers		(60,361)	(58,849)
GST remitted to ATO		1,128	3,646
Other		(24,660)	(9,832)
Net cash provided by (used in) operating activities	12	(68,466)	(289,303)
Cash flows from investing activities			
<i>Inflows:</i>			
Sales of plant and equipment		-	-
<i>Outflows:</i>			
Payments for plant and equipment		-	(5,000)
Payments for Intangible assets		(85,254)	(68,237)
Net cash provided by (used in) investing activities		(85,254)	(73,237)
Net increase (decrease) in cash held		(153,720)	(362,540)
Cash at beginning of financial year		1,295,690	1,658,230
Cash and cash equivalents at end of financial year		1,141,970	1,295,690

The accompanying notes form part of these statements.

PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22

	Objectives and Principal Activities of the Prostitution Licensing Authority
Note 1	Summary of Significant Accounting Policies
Note 2	Revenue
Note 3	Employee Expenses
Note 4	Key Management Personnel (KMP)
Note 5	Disclosure of related parties
Note 6	Remuneration of Board Members
Note 7	Supplies and Services
Note 8	Rental Expenses
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Objectives and Principal Activities of the Prostitution Licensing Authority

The objectives of the Prostitution Licensing Authority (PLA) are to establish an efficient and effective brothel licensing regime, to ensure that licensed brothels operate in accordance with the *Prostitution Act 1999* (the Act) and to ensure that the objectives of the Act are achieved.

During 2021-22, the PLA was funded through a non-reciprocal government contribution and through providing the following on a fee for service basis:

- Issuing brothel licences and managers' certificates
- Other administration services for licensees and managers

1. Summary of Significant Accounting Policies

(a) Statement of Compliance

The Prostitution Licensing Authority has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Queensland Treasury Minimum Reporting Requirements for reporting periods beginning or after 1 July 2021, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Prostitution Licensing Authority has applied those requirements applicable to not-for-profit entities, as the Prostitution Licensing Authority is a not-for-profit Authority.

Except where stated, the historical cost convention is used.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note 22.

(b) The Reporting Entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the PLA. The PLA controls no other entities.

(c) Insurance

With the exception of motor vehicles, which are insured through Choice Insurance Solutions, the PLA's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund (QGIF), premiums being paid on a risk assessment basis. In addition, the PLA pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(d) Taxation

The PLA is a State 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 taxes accounted for by the PLA. GST credits receivable from, and GST payable to the ATO, are recognised (refer to note 14).

(e) Accounting Estimates and Judgements

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. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

The PLA has made no judgements or assumptions which may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22

1. Summary of Significant Accounting Policies (cont'd)

(f) Issuance of Financial Statements

The financial statements are authorised for issue by the Chairman of the Board and the Executive Director at the date of signing the Management Certificate.

(g) Other Presentation Matters

Rounding

Amounts included in the financial statements have been rounded to the nearest \$1.

Comparatives

Comparative information reflects the audited 2020-2021 financial statements.

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 the carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the department does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

2. Revenue

(a) User Charges and Fees

Licences and certificates are recognised as revenues when the applications have been approved by the Board of the PLA. Application fees, Annual Returns, fines and other user charges are recognised as revenues, in accordance to the Australian Accounting Standards, when receipts for the related services are issued.

	2022	2021
	\$	\$
User charges and fees		
Fees for licences	656,287	650,877
Fees for licence applications	150,220	145,650
Fees for certificates	4,727	4,691
Fees for certificate applications	84,888	81,465
Other fees	21,652	2,655
Total	<u>917,774</u>	<u>885,338</u>

(b) Grants and Contributions

The PLA receives government grants, donations and gifts that are non-reciprocal in nature. The PLA received \$725,000 in 2020-21 from the Queensland Police Services (QPS) and \$748,000 in 2021-22 from Department of Justice and Attorney-General (DJAG).

PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22

3. Employee Expenses	2022	2021
Employee Benefits	\$	\$
Wages and salaries	754,438	823,005
Annual leave expenses	50,968	11,094
Employer superannuation contributions	113,111	101,360
Long service leave levy	12,337	17,624
Other employee benefits	3,951	5,014
Total	934,805	958,097
Employee Related Expenses		
Staff related expenses	6,740	13,090
Workers' compensation premium	2,590	4,360
Total Employee Expenses	944,135	975,547

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 (MOHRI)) is:

Number of Employees:	9	9
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(a) Employee Benefits

Employer superannuation contributions and long service leave levies are regarded as employee benefits.

Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised separately as an employee related expense.

Wages, Salaries and Sick Leave

Wages and salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates.

As the PLA expects such liabilities to be wholly settled within 12 months of the reporting date, the liabilities are recognised at undiscounted amounts.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual Leave and Long Service Leave

Under the Queensland Government's Annual Leave Central Scheme (ALCS) and Long Service Leave Central Scheme (LSCS) a levy was made to the PLA to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for annual and long service leave are claimed from the scheme quarterly in arrears.

Superannuation

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

Defined Contribution Plans - Contributions are made 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.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and the amount of contributions is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the Authority at the specified rate each pay period. The department's obligations are limited to those contributions paid.

**PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22**

4. Key Management Personnel (KMP)

KMP are defined as persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The Chairperson, Board Members and Executive Director are KMP of the PLA.

The PLA's responsible Ministers are identified as part of the PLA's KMP. That Minister was the Attorney-General and Minister for Justice, Minister for Women and Minister for the Prevention of Domestic and Family Violence.

The following details for Ministerial and non-Ministerial KMP reflect those departmental positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2021-2022 and 2020-2021. Further information about these positions can be found in the body of the Annual Report under the section relating to Executive Management and Remuneration of Board Members:

Position	Position Responsibility
Minister	To appoint Board members and to ensure that the PLA operates to best practice standards.
Chairperson	Provide broad strategic direction and operational oversight of the agency and its functions.
Board members	Overall oversight of the agency and its functions.
Executive Director	Responsible for the efficient, effective and economic administration of the agency.

KMP Remuneration Policies

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. The PLA does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements which are published as part of Queensland Treasury's Report on State Finances.

Remuneration policy for the PLA's Board members is in accordance with the Remuneration Procedures for all Part-time Chairs and Members of Queensland Government Bodies. Individual remuneration and other terms of employment (including entitlements) are specified in employment letter.

Remuneration policy for the PLA's other KMP is equivalent to the remuneration, allowances and entitlements of a senior executive employed under the Public Service Act 2008.

Remuneration expenses for KMP comprises the following components:

Short term employee benefits which include:

- ◆ Salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied a KMP position.
- ◆ Long term employee benefits include amounts expensed in respect of long service leave.
- ◆ Post-employment benefits include amounts expensed in respect of employer superannuation obligations.
- ◆ No KMP remuneration packages provide for performance bonus payments.
- ◆ Termination benefits include payments in lieu of notice on termination and other lump sum separation entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

**PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22**

4 Key Management Personnel (KMP) (cont'd)

Remuneration Expenses

The following disclosures focus on the expenses incurred by the PLA attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

1 July 2021– 30 June 2022

Position	Short Term Employee Monetary Benefits \$	Long Term Employee Benefits \$	Post Employment Benefits \$	Total Remuneration \$
Mary Shortland - Executive Director	178,838	4,515	20,242	203,595
Walter Tutt - Retired Chairperson*	30,559		3,040	33,599
Paul Tully - Acting Chairperson*	10,083		1,008	11,091
Paul Tully*	5,537		551	6,088
Ms Frances de la Cuesta Hunt*	7,000		697	7,697
Ms L Palmen*	7,000		697	7,697
Ms Narelle Dickinson*	7,000		697	7,697
Total Remuneration	246,018	4,515	26,933	277,465

* Paid Board members

1 July 2020– 30 June 2021

Position	Short Term Employee Monetary Benefits \$	Long Term Employee Benefits \$	Post Employment Benefits \$	Total Remuneration \$
Mary Shortland - Executive Director	171,627	3,604	18,629	193,860
Walter Tutt - Chairperson*	40,955		3,891	44,846
Paul Tully*	7,000		665	7,665
Ms Frances de la Cuesta Hunt*	7,000		665	7,665
Ms Narelle Dickinson*	2,369		225	2,594
Ms Margaret Grummitt*	2,838		270	3,108
Ms L Palmen*	7,000		665	7,665
Total Remuneration	238,789	3,604	25,009	267,402

* Paid Board member

**PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22**

5. Disclosure of related parties

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

There were no other dealings with the KMP or close family members.

Transactions with other Queensland Government-controlled entities

The PLA received a non-reciprocal government grant from Department of Justice and Attorney-General (DJAG) (Note 2.(b)).

The PLA has a service level agreement in place with Department of Justice and Attorney-General (DJAG) to enable the PLA to receive the required essential services.

	2022	2021
	\$	\$
Service Level Agreement		
Corporate service charges	32,729	31,978

6. Remuneration of Board Members

Remuneration is payable to the Board Members from the PLA in connection with the management of the PLA. Remuneration includes fees received by Members. There were no payments made to the Members for salaries, commissions and other benefits.

The number of responsible persons whose remuneration from the PLA was within the following specified bands were:

Nil	6	8
\$1 - \$10,000	3	5
\$10,001 - \$50,000	2	1

7. Supplies and Services

Contractors	115,247	39,578
Supplies and consumables	15,937	50,838
Travel	4,438	9,758
Repairs and maintenance	22,500	31,034
Communications	27,346	25,232
Chairman and Members' fees	73,870	73,543
Corporate service charges	32,729	31,978
Public utilities	4,240	6,656
Legal services	57,762	-
Investigations and Searches	23,471	20,786
Other Services	10,058	16,833
Total	387,598	306,236

8. Rental Expenses

The office rental agreement for PLA's office accommodation was established in 2019-20 between the former Department of Housing and Public Works and Queensland Police Service, through the Queensland Government Accommodation Office (QGAO) program. As at 30 June 2022, the PLA has rental commitments totalling \$755,640, and made rent payments totalling \$214,995.

Under QGAO, Department of Energy and Public Works (EPW) holds substantive substitution rights over non-specialised commercial office accommodation, making the PLA's rental arrangement exempt from on-balance sheet lease accounting and the costs for these services will be expensed as supplies and services expense when incurred.

9. Subsidies

Covid-19 refunds	-	21,057
Total	-	21,057

COVID-19 refunds relate to 2019-20 COVID-19 mandatory closures.

10. Other Expenses

Insurance premiums	2,616	2,469
Auditor's remuneration - external audit services*	14,850	14,500
Other expenses	834	750
Total	18,300	17,719

*Total external audit fees relating to the 2021-22 financial year are estimated to be \$14,850 (2021: \$14,500). There are no non-audit services included in this amount.

PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22

11. Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions.

	2022	2021
	\$	\$
Cash at bank	1,141,970	1,295,690
Total	<u>1,141,970</u>	<u>1,295,690</u>

12. Reconciliation of Operating Surplus to Net Cash from Operating Activities

Operating surplus/(deficit)	78,157	73,064
Depreciation and amortisation expense	32,570	16,287
Change in assets and liabilities:		
(Increase)/decrease in GST input tax credits receivable	1,128	(3,218)
(Increase)/decrease in LSL receivable	(9,321)	-
(Increase)/decrease in other receivables	(582)	462
(Increase)/decrease in prepayments	(3,467)	374
Increase/(decrease) in fees received in advance	(9,852)	(201,623)
Increase/(decrease) in payables and accruals	2,067	(31,013)
Increase/(decrease) in accrued employee benefits	(159,166)	(143,636)
Net cash from operating activities	<u>(68,466)</u>	<u>(289,303)</u>

13. Financial Instruments

(a) Categorisation of Financial Instruments

The PLA has the following categories of financial assets and financial liabilities:

<u>Category</u>	<u>Note</u>		
Financial Assets			
Cash and cash equivalents	11	1,141,970	1,295,690
Receivables	14	48,416	6,825
Total		<u>1,190,386</u>	<u>1,302,515</u>
Financial Liabilities			
Payables	18	46,946	44,879
Total		<u>46,946</u>	<u>44,879</u>

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the PLA becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents held at amortised cost
- Receivables held at amortised cost
- Payables held at amortised cost

The PLA does not enter transactions for speculative purposes, nor for hedging.

(b) Financial Risk Management

PLA's activities expose it to a variety of financial risks - interest rate risk, credit risk, liquidity risk and market risk. The interest rate risk is limited to cash balances.

Financial risk management is implemented pursuant to Government and PLA's policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the PLA. All financial risk are managed by the PLA under policies.

The PLA has a minimum risk exposure to these financial risks.

PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22

14. Receivables

	2022	2021
	\$	\$
Current		
GST receivable	5,077	6,205
Interest receivable	1,202	620
LSL claim receivable	9,321	-
Annual leave claim receivable	32,816	-
Total	48,416	6,825

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement on these amounts is generally required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment.

15. Non-Current Assets

Plant and equipment			
	At cost	49,559	49,558
	Less: Accumulated depreciation	(23,204)	(17,069)
Carry amount at 30 June		26,355	32,489

Intangible assets			
	At cost	153,491	68,237
	Less: Accumulated amortisation	(36,671)	(10,236)
Total		116,820	58,001

Net carry amount at 30 June		143,175	90,490
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Plant and Equipment Reconciliation

Carrying amount at 1 July	32,489	33,540
Acquisitions	-	5,000
Depreciation	(6,134)	(6,051)
Carrying amount at 30 June	26,355	32,489

Intangible Asset Reconciliation

Carrying amount at 1 July	58,001	-
Acquisitions	85,255	68,237
Amortisation	(26,436)	(10,236)
Carrying amount at 30 June	116,820	58,001

Intangible assets and plant and equipment are valued at historical cost in accordance with Queensland Treasury's Non-Current Asset Accounting Policies for the Queensland Public Sector. The intangible asset is one single asset and was capitalised in phases.

(a) Non-Current Assets

Items with a cost or other value equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition.

Intangible assets with a cost or other value equal to or in excess of \$100,000 are recognised for financial reporting purposes in the year of acquisition.

Items with a lesser value are expensed in the year of acquisition.

(b) Depreciation of Non-Current Assets

Assets are depreciated on a straight line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the PLA.

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

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

Class	Rate %
Plant and equipment	10-33.3%
Intangible Assets	20%

PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22

	2022	2021
16. Accrued Employee Benefits		
Current	\$	\$
Wages outstanding	-	102,842
Superannuation	-	11,210
Long service leave levy	5,779	1,953
Annual leave levy	22,616	37,675
Fringe Benefits Tax	(1,076)	(11)
Total	<u><u>27,320</u></u>	<u><u>153,669</u></u>
17. Other Liabilities		
Fees received in advance and to be refunded *		
Fees for licences received in advance	130,120	135,440
Fees for certificates received in advance	4,105	8,637
Total	<u><u>134,225</u></u>	<u><u>144,077</u></u>

*Fees for licences and certificates received in advance are monies held by the PLA pending a decision by the Board whether or not to approve the application.

18. Payables

Trade 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. Amounts owing are unsecured and are generally settled on 30 day terms, as discussed in Statement of Financial Position.

19. Commitments for Expenditure

Commitments under operating rent at reporting date are inclusive of anticipated GST and are payable as follows:

(a) Operating Rent

Not later than one year	235,855	235,855
Later than one year and not later than five years*	519,786	632,184
Total commitments	<u><u>755,641</u></u>	<u><u>868,039</u></u>

*The office rental agreement will expire on 13 December 2024.

Operating rental agreements are entered into as a means of acquiring access to office accommodation and storage facilities. Rental payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

20. Contingencies

(a) Litigation in progress

The PLA has no litigation in progress at 30 June 2022.

(b) Financial Guarantees

The PLA had provided no guarantees at 30 June 2022.

21. Subsequent Events Note

No subsequent events.

22. New and Revised Accounting Standards

The PLA did not voluntarily change any of its accounting policies during 2021-2022. Australian Accounting Standards changes applicable for the first time in the 2021-2022 financial year have had minimal impact on the PLA's financial statements.

The PLA is not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from Queensland Treasury. The PLA applies standards and interpretations in accordance with their respective

23. Future Accounting Standards

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

**PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22**

24. Schedule of Agency Transactions

		2022	2021
		\$	\$
Administered collections			
	Infringement Notice Revenue	2,248	1,928
Total Administered Collections		<u>2,248</u>	<u>1,928</u>
Transfers to Government			
	Administered Collection Transferred to Treasury	2,248	1,928
Total Administered Expenses		<u>2,248</u>	<u>1,928</u>
Operating Surplus/(Deficit)		<u>-</u>	<u>-</u>

PROSTITUTION LICENSING AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 2021-22

25. Budget vs Actual Comparison

NB. A budget vs actual comparison, and explanations of major variances, has not been included for the Statement of Changes in Equity, as major variances relating to that statement have been addressed in explanations of major variances for other statements.

Statement of Comprehensive Income

	Variance Notes	Original Budget 2022 \$	Actual 2022 \$	Variance \$	Variance % of budget
Income from Continuing Operations					
Revenue					
User charges and fees		944,000	917,774	(26,226)	-3%
Grants and contributions		749,000	748,000	(1,000)	0%
Interest	1	20,000	9,981	(10,019)	-50%
Infringement notice revenue *		4,000	2,248	(1,752)	-44%
Total Income from Continuing Operations		1,717,000	1,678,003	(38,997)	-2%
Expenses from Continuing Operations					
Employee expenses	2	1,140,000	944,135	(195,865)	-17%
Supplies and services	3	304,000	387,598	83,598	27%
Rental expenses		224,000	214,995	(9,005)	-4%
Depreciation and Amortisation	4	18,000	32,570	14,570	81%
Other expenses	5	27,000	18,300	(8,700)	-32%
Administered Collection Transferred to Treasury *		4,000	2,248	(1,752)	-44%
Total Expenses from Continuing Operations		1,717,000	1,599,846	(117,154)	-7%
Operating Result from Continuing Operations		-	78,157	78,157	100%
Total Comprehensive Income		-	78,157	78,157	100%

* See note 24 - Schedule of Agency Transactions

Explanations of Major Variances

- 1 This variance is due to the current low interest rates received on bank balances.
- 2 This variance is mainly due is budgeted positions not filled.
- 3 This variance mainly relates to cost increases in legal fees of \$37,762 and contractors of \$102,246. These increases were mainly offset by a decrease in utility costs of \$14,461, property maintenance costs of \$9,745, postage, printing and publication costs of \$ 20,295 and various other expenditures which include travel-related expenditures of \$4,998.
- 4 This variance is mainly due to an increase in depreciable assets due to the capitalisation of the Website design cost.
- 5 This variance is mainly due to the timing of the asset replacement program. The PLA deferred the sale of the vehicle to future years.

CERTIFICATE OF THE PROSTITUTION LICENSING AUTHORITY

These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Prostitution Licensing Authority for the financial year ended 30 June 2022 and of the financial position of the PLA at the end of that year.

We, acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* 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.



Mary Shortland
Executive Director

Date: 11/8/2022



Hon. Colin Forrest
Chairperson

Date: 15/08/22

INDEPENDENT AUDITOR'S REPORT

To the Board of the Prostitution Licensing Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Prostitution Licensing Authority.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2022, 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 2019 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2022, 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 provided by the Acting Chairperson and the Executive Director.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General 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 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 entity 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 2019 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 it is intended to abolish the entity or to otherwise cease operations.

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 2022:

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

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



16 August 2022

Michael Claydon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Appendix 1 - Glossary

Acronym	Meaning
Authority	Prostitution Licensing Authority
the Act	<i>Prostitution Act 1999</i> (unless otherwise indicated)
CCC	Crime and Corruption Commission
FAM	Finance and Administration Manual
PLA	Prostitution Licensing Authority
PIM	Probity Investigation Manual
PIN	Penalty infringement notice
QABA	Queensland Adult Business Association
QLRC	Queensland Legal Reform Commission
QPS	Queensland Police Service

Appendix 2 - Annual report requirements

Reporting template for *Annual report requirements for Queensland Government agencies for the 2021–22 reporting period – s 13.3 Government bodies (statutory bodies and other entities)*

Name of Government body	Prostitution Licensing Authority
Act or instrument	<i>Prostitution Act 1999, Prostitution Regulation 2014</i>
Functions	<p>The Prostitution Licensing Authority (the PLA) issues brothel licenses and approved managers certificates under <u>Queensland Law</u>.</p> <p><i>The Prostitution Act 1999</i> and the <i>Prostitution Regulation 2014</i> control how brothels can operate in Queensland, and the rules for advertising prostitution services.</p> <p>We are accountable for the development, implementation, and integrity of the regulatory framework for licensed brothels in Queensland.</p>
Achievements	<p>The PLA has maintained its high standard of regulation by careful vetting of applicants for brothel licences and approved manager’s certificates to ensure that only suitable persons may influence the operations of brothels. During the year, there were no brothel licences or approved manager’s certificates refused.</p> <p>Since commencement of the licensing framework, there has been no substantiated instance of official corruption or organised crime or of the instance of human trafficking and associated crimes at any of the State’s brothels. Licensed brothels provide a relatively safe and healthy environment for the conduct of prostitution, with the PLA promoting high standards of health and safety and prioritising the autonomy and freedom of choice of sex workers at brothels.</p> <p>A substantial focus of the PLA in the first half of 2021-22 was ensuring that brothels operate in a COVID safe manner, for the protection of the community. There was a total of 57 COVID inspections of brothels until April 2022, when the need to comply with COVID checklists was removed.</p> <p>Results of compliance checks demonstrate that brothel licensees are overwhelmingly committed to complying with the <i>Prostitution Act 1999, Prostitution Regulation 2014</i>, and brothel licence conditions, although one brothel did fall below the required standard.</p> <p>In April 2022 the Queensland Law Reform Commission (QLRC) released a Consultation Paper to discuss a framework for a decriminalised sex work industry in Queensland. The Paper posed 55 questions as a part of its considerations for decriminalisation and built on the Terms of Reference released in November 2021. The PLA provided its response to the QLRC in May 2022.</p> <p>The PLA again conducted its second Client Satisfaction Survey this year to licensees and approved managers. Overall, the client satisfaction rate for 2021 was 79%, compared to 64% in 2020, showing a 23% improvement in satisfaction year on year.</p> <p>The PLA continued its engagement with the Queensland Adult Business Association (QABA), which is the professional body representing brothel licensees. Ongoing collaboration with QABA includes discussion across legislative, compliance and engagement activities.</p> <p>Concerns over the scale and impact of illegal prostitution ensures the PLA is committed to continuing its engagement with the QPS.</p>
Financial reporting	Not exempted from audit by the Auditor-General. Transactions of the entity are accounted for in the financial statements.
Remuneration	

Position	Name	Meetings/ sessions attendance	Approved annual, sessional or daily fee	Approved sub- committee fees if applicable	Actual fees received
Acting Chair commencing 01.04.2022	Paul Tully	3 Board Meetings	\$650 per day (plus superannuation)	N/A	\$11,091 pa (including superannuation)
Chair 01.07.2021 – 31.03.2022	Walter Tutt	8 Board Meetings	\$650 per day (plus superannuation)	N/A	\$33,599 pa (including superannuation)
Legal representative 01.07.2021 – 31.03.2022	Paul Tully	7 Board Meetings	\$7,000 pa (plus superannuation)	N/A	\$6,088 pa (including superannuation)
QPS representative	Colin Briggs	2 Board Meetings	N/A	N/A	N/A
QPS representative	Denzil Clark	6 Board Meetings	N/A	N/A	N/A
QPS representative	Stephen Tiernan	2 Board Meetings	N/A	N/A	N/A
QPS representative	Craig Morrow	1 Board Meeting	N/A	N/A	N/A
CCC representative	Sharon Loder	11 Board Meetings	N/A	N/A	N/A
Health practitioner	Narelle Dickson	11 Board Meetings	\$7,000 pa (plus superannuation)	N/A	\$7,697 pa (including superannuation)
Local government representative	Greg Chemello	10 Board Meetings	N/A	N/A	N/A
Community interest representative	Lynette Palmen	9 Board Meetings	\$7,000 pa (plus superannuation)	N/A	\$7,697 pa (including superannuation)
Community interest representative	Frances De la Cuesta Hunt	11 Board Meetings	\$7,000 pa (plus superannuation)	N/A	\$7,697 pa (including superannuation)
No. scheduled meetings/sessions	11				
Total out of pocket expenses	\$0				

Appendix 3 – Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference - page
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	4
Accessibility	Table of contents	ARRs – section 9.1	3
	Glossary		66
	Public availability	ARRs – section 9.2	2
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	2
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	2
	Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	2
General information	Introductory Information	ARRs – section 10	5
Non-financial performance	Government’s objectives for the community and whole-of-government plans/specific initiatives	ARRs – section 11.1	11
	Agency objectives and performance indicators	ARRs – section 11.2	12
	Agency service areas and service standards	ARRs – section 11.3	17

Summary of requirement		Basis for requirement	Annual report reference - page
Financial performance	Summary of financial performance	ARRs – section 12.1	15
Governance – management and structure	Organisational structure	ARRs – section 13.1	41
	Executive management	ARRs – section 13.2	31
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	67
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	38
	Human Rights	<i>Human Rights Act 2019</i> ARRs – section 13.5	39
	Queensland public service values	ARRs – section 13.6	38
Governance – risk management and accountability	Risk management	ARRs – section 14.1	39
	Audit committee	ARRs – section 14.2	39
	Internal audit	ARRs – section 14.3	39
	External scrutiny	ARRs – section 14.4	39
	Information systems and recordkeeping	ARRs – section 14.5	40
	Information Security attestation	ARRs – section 14.6	42

Summary of requirement		Basis for requirement	Annual report reference - page
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	37
	Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	41
Open Data	Statement advising publication of information	ARRs – section 16	2
	Consultancies	ARRs – section 31.1	41
	Overseas travel	ARRs – section 31.2	41
	Queensland Language Services Policy	ARRs – section 31.3	2
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	44
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	62

FAA

Financial Accountability Act 2009

FPMS

Financial and Performance Management Standard 2019

ARRs

Annual report requirements for Queensland Government agencies

Contact

Prostitution Licensing Authority

A copy of the Act can be downloaded from www.legislation.qld.gov.au

Chair: Hon Colin Forrest SC

Executive Director: Ms Mary Shortland

Address: State Law Building
Level 20, 50 Ann Street
Brisbane QLD

Postal address: GPO Box 3196
Brisbane QLD 4001

Telephone: (07) 3858 9500

E-mail: pladmin@justice.qld.gov.au

Website: www.pla.qld.gov.au

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