

Service Delivery Statements

**Department of the Premier and Cabinet
Office of the Governor
Public Service Commission
Queensland Audit Office**

2018–19 Queensland Budget Papers

1. Budget Speech
2. Budget Strategy and Outlook
3. Capital Statement
4. Budget Measures
5. Service Delivery Statements

Appropriation Bills

Budget Highlights

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Service Delivery Statements

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Department of the Premier and Cabinet

Summary of portfolio

Page	Department of the Premier and Cabinet
3	Department of the Premier and Cabinet - controlled
	Department of the Premier and Cabinet - administered
38	Trade and Investment Queensland
48	Office of the Governor
58	Public Service Commission
70	Queensland Audit Office

Portfolio overview

Ministerial and portfolio responsibilities

The table below represents the agencies and services which are the responsibility of the Premier and Minister for Trade:

Premier and Minister for Trade The Honourable Anastacia Palaszczuk MP

Assistant Minister for Veterans' Affairs and Assistant Minister of State Jennifer Howard MP

Department of the Premier and Cabinet Director-General: Dave Stewart
Service area 1: Policy Advice and Coordination, and Cabinet Support
Service area 2: Strategy and Engagement
Service area 3: Government Services
Service area 4: Legislative Drafting and e-Publishing

The Premier and Minister for Trade is also responsible for:

Trade and Investment Queensland Chief Executive Officer: Virginia Greville Objective: To contribute to economic and social benefits for Queensland by facilitating, supporting and encouraging trade, investment and other commercial opportunities for Queensland, including between Queensland and foreign countries.

Office of the Governor

Official Secretary: Air Commodore Mark Gower OAM

Objective: To enable His Excellency, the Governor, to exercise his statutory and constitutional, ceremonial, civic and social duties of office.

Public Service Commission

Commission Chief Executive: Robert Setter

Objective: To deliver high quality, community-focused policies, strategies, programs and advice to government on workforce, leadership and organisational matters that support Queensland Government agencies to deliver on their strategic vision, purpose and objectives.

Queensland Audit Office

Auditor-General: Brendan Worrall

Objective: To provide independent assurance and trusted advice about public sector performance, facilitating better public services.

Additional information about these agencies can be sourced from:

www.premiers.qld.gov.au

www.legislation.qld.gov.au

www.tiq.qld.gov.au

www.govhouse.qld.gov.au

www.psc.qld.gov.au

www.qao.qld.gov.au

Departmental overview

The Department of the Premier and Cabinet (DPC) is a responsive, innovative and accountable agency, serving the Premier and Cabinet and the people of Queensland.

The department's vision is making a positive difference for Queenslanders, now and in the future. We do this by supporting the Premier and Cabinet in setting the strategic direction of government.

To achieve this vision, our objectives are to:

- lead public policy across government, ensuring effective outcomes for Queenslanders
- ensure the delivery of a strong system of government
- inform the strategic direction of government
- maintain a high-performing and responsive workforce.

Through our work, DPC will lead active collaboration across the Queensland Government to deliver on the Government's objectives for the community to:

- create jobs in a strong economy
- give all our children a great start
- keep Queenslanders healthy
- keep communities safe
- protect the Great Barrier Reef
- be a responsive government.

The department will work collaboratively across government in a coordination role as well as contribute directly to policy initiatives to ensure the attainment of these objectives.

The Queensland economy operates in a competitive global environment. At the same time, community expectations of government continue to increase and challenge government to deliver high quality services and positive outcomes for all Queenslanders. Connecting across Queensland regions, DPC is taking positive steps to ensure that we meet the challenges of the present, leading collaborative and innovative policy and practice, and anticipating the challenges of the future.

In 2018-19, DPC will:

- provide innovative policy advice to government in response to key trends and issues and the attainment of the Government's strategic objectives
- support the Government in areas such as:
 - building a strong economy through encouraging investment and innovation
 - industry development and growth, including through trade and investment
 - local government integrity and accountability
 - anti-cyberbullying
 - domestic and family violence reduction
 - responding to the challenges of climate change
 - driving the Council of Australian Government's agenda particularly in health, education, security and institutional response to royal commissions
- focus on regional growth and sustainability through policy development, program delivery and an on-the-ground presence in regions
- support the Cabinet, including Governing from the Regions
- strengthen community engagement to better inform strategic direction.

Service performance

The service area structure presented reflects the machinery-of-government changes, effective 12 December 2017 that saw Arts Queensland and the Corporate Administration Agency transferred to the Department of Environment and Science.

Additional administrative arrangements were made on 8 February 2018 but did not alter the service area structure.

Policy Advice and Coordination, and Cabinet Support

Service area objective

Lead the public sector to achieve strong policy outcomes for the Government and provide advice and support to the Premier and Cabinet.

Service area description

The service area provides comprehensive, coordinated policy advice to the Premier, Cabinet and Minister Assisting the Premier, from design and development through to implementation and review. It also provides policy leadership across government and advances government policy priorities. This service also provides support for the operation of Cabinet and its related processes, including the administration of all Cabinet information, and supports the Government's accountability to the Parliament.

The service area plays a vital role in ensuring the Government functions efficiently and effectively. It does this by supporting the Government to chart its strategic direction, progress its priorities, achieve its objectives for the community, and deliver its election commitments. The service area also responds to challenging and newly-emerging circumstances with state-wide impact and broader national interests. It consults and collaborates with other departments, all levels of government, non-government organisations, the private sector and other key stakeholders.

Services

- Policy advice and coordination
- Cabinet support

2018-19 service area highlights

In 2018-19, Policy Advice and Coordination, and Cabinet Support will:

- support the Premier and Cabinet on the delivery of the Cabinet and Cabinet Committee agenda, Parliamentary legislative agenda and processes, Governing from the Regions program and the implementation, monitoring and reporting of government priorities and election commitments
- support, coordinate and contribute to the delivery of the Queensland Government's objectives for the community
- coordinate policies to diversify Queensland's economy by facilitating investment and encouraging innovation
- stimulate the advancement of renewable, reliable and low-cost energy supply to support Queensland's community and industry growth
- lead the Premier's Anti-Cyberbullying Taskforce, and develop a framework for addressing cyberbullying in Queensland
- continue support for protection of the environment including the Great Barrier Reef
- respond to the challenges of climate change including the Government's flagship \$500 million Land Restoration Fund; growing Queensland's advanced resource recovery, recycling and waste industry; and reinstating a sustainable vegetation management framework
- support policy settings for the growth of a productive and prosperous food and fibre sector that will generate long-term jobs, underpinning the economies of our regional and rural communities
- coordinate Queensland's disaster management and counter terrorism arrangements, including support for the Queensland Disaster Management Committee and the Queensland Security Cabinet Committee

- coordinate, develop and provide leadership on the implementation of the recommendations for domestic and family violence prevention, including the ongoing operation of the Domestic and Family Violence Implementation Council
- support the delivery of initiatives such as:
 - enhancing the transparency and accountability of local governments throughout Queensland through implementing the integrity reforms agreed in the Government response to the Crime and Corruption Commission report *Operation Belcarra: A blueprint for integrity and addressing corruption risk in local government* and to the *A fair, effective and efficient framework* report by the independent councillor complaints review panel
 - coordinating various advisory councils and taskforces providing an opportunity for community leaders to work with the Queensland Government to help shape policy and initiatives
 - the Townsville Community Champion focusing on addressing youth crime to assist the facilitation of the community engagement process.

Department of the Premier and Cabinet	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Policy Advice and Coordination, and Cabinet Support				
Service: Policy advice and coordination				
Service standards <i>Effectiveness measure</i> Client satisfaction with DPC engagement with the policy development process	1	85%	79%	85%
<i>Efficiency measure</i> Total cost per hour of policy advice and development output	2, 3	\$140/hour	\$143/hour	\$145/hour
Service: Cabinet support				
Service standards <i>Effectiveness measures</i> Client satisfaction with support provided by Cabinet Services	1	85%	85%	85%
Client satisfaction with advice by DPC to agencies on performance management and reporting requirements	1	85%	77%	85%
<i>Efficiency measure</i> Average cost of supporting the Cabinet to govern from the regions	4	\$15,000	\$12,500	\$15,000

Notes:

1. This service standard informs on overall satisfaction of the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and Senior Policy Officers. In 2017-18, the department introduced a new satisfaction scale in its survey. This has resulted in the establishment of new baselines.
2. This service standard informs on the total cost per hour for the provision of advice. The calculation methodology applied to determine average cost per hour is - the total operational expense per annual period, plus a percentage of centralised costs, divided by the total cumulative recurrent standard hours per annual period.
3. The 2017-18 Estimated Actual has increased due to the effect of machinery-of-government changes on the total departmental costs. The 2018-19 Target Estimate also reflects this.
4. This service standard measures costs incurred by Cabinet Services in supporting Cabinet to govern from the regions and community receptions. Support costs include venue and equipment hire, and costs associated with departmental staff preparing for and attending the meeting/reception. In 2017-18 there were five meetings held at Far North Queensland, Gold Coast, Wide Bay, Ipswich and Mackay/Whitsunday. Travel costs are dependent on the location where the meeting/reception is held.

Strategy and Engagement

Service area objective

Through the sharing of insights, research and engagement with the community, businesses and stakeholders, Strategy and Engagement seeks to inform the strategic direction of government.

Service area

Strategy and Engagement takes a leadership role in driving innovative and whole-of-government policy, representing Queensland's best interests in intergovernmental matters, leading strategic communications, and maximising external and international engagement for the Queensland Government.

2018-19 service area highlights

In 2018-19, Strategy and Engagement will:

- lead innovative policy solutions that align with the Government's objectives and respond to emerging trends for the Queensland Government
- perform a leadership and coordination role across government to ensure Queensland is well positioned to address government-wide issues through intergovernmental forums, in particular the Council of Australian Governments (COAG)
- negotiate the best policy position for Queensland through the national engagement forums
- support delivery of federal funding arrangements for a range of key sectors, including the early childhood, school, vocational education and training, health, housing and energy sectors
- enhance regional stakeholder engagement and deliver on the Government's commitment to build strong regional economies and communities, including increasing the Government's regional presence and supporting regional governing forums
- drive greater connectivity and leadership across government by guiding the planning and delivery of whole-of-government communications strategy, including stakeholder and community engagement programs, advertising direction and crisis communication
- lead and advise best practice in event delivery and sponsorship strategy across government and administer the Events Sponsorship Fund to drive economic and community benefit through the attraction, leveraging and delivery of high value events
- lead the Government's international engagement program by leveraging existing relationships and developing new engagements and opportunities, through strategically focused trade missions and protocol events
- provide strategic advice and coordination of the Premier's role as the Minister for Trade, including securing more trade and investment opportunities and developing strong relationships with trading partners such as India, China, Japan, Europe and the United States of America.

Department of the Premier and Cabinet	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Strategy and Engagement				
Service standards				
<i>Effectiveness measures</i>				
Client satisfaction with advice and support relating to intergovernmental issues	1	85%	76%	85%
Client satisfaction with advice and support provided by Strategy and Engagement	2	85%	70%	85%
<i>Efficiency measure</i>				
Cost of strategic engagement services as a percentage of departmental cost	3	15%	13%	15%

Notes:

1. This service standard informs on overall satisfaction of the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and Senior Policy Officers. In 2017-18, the department introduced a new satisfaction scale in its survey. This has resulted in the establishment of new baselines.
2. This service standard informs on overall satisfaction of strategic engagement activities (delivered by Communication Services, Protocol Queensland and Events Coordination business units). Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and Senior Policy Officers. In 2017-18, the department introduced a new satisfaction scale in its survey.
3. This service standard informs on the overall cost of strategic engagement activities (delivered by Communication Services, Protocol Queensland and Events Coordination business units) as a percentage of the total departmental budget.

Government Services

Service area objective

Provide high level constitutional and public administration support to the Premier and Cabinet as well as supporting Ministerial Offices and the Office of the Leader of the Opposition.

Service area description

The service area provides policy and operational advice and support to the Premier in relation to executive government and machinery-of-government matters, supports the administration of business before Executive Council, and provides support services to Ministerial Offices and the Office of the Leader of the Opposition. In addition, it manages and coordinates the Anzac Centenary commemoration program.

The service area is comprised of Appointments and Constitutional Services, Ministerial Services and the Anzac Centenary Coordination Unit.

2018-19 service area highlights

In 2018-19, Government Services will:

- coordinate high level policy advice, options and service support to the Premier and Cabinet on the establishment of, and appointments to, government bodies and any associated remuneration
- provide advice on constitutional and Executive Council matters and support the administration of business before Executive Council
- coordinate legal representation for major litigation on a whole-of-government basis
- provide Queenslanders with opportunities to engage in the final year of the Anzac Centenary by managing delivery of legacy projects, commemorative events, a community grants program, producing communication and marketing activities to educate and engage communities both regional and metropolitan
- deliver a \$1.5 million grants program over three years to preserve and create memorials, monuments and other public sites that acknowledge veteran achievements
- develop, coordinate, and implement policies to support the Government's commitment to veterans.

Department of the Premier and Cabinet	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Government Services				
Service standards				
<i>Effectiveness measure</i> Client satisfaction with support and advice provided by Government Services	1	85%	92%	85%
<i>Efficiency measure</i> Cost of Government Services as a percentage of departmental cost	2	8%	7%	8%

Notes:

1. This service standard informs on overall satisfaction of the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and Senior Policy Officers. In 2017-18, DPC introduced a new satisfaction scale in its survey. This has resulted in the establishment of new baselines.
2. This service standard informs on the overall cost of Government Services as a percentage of the total departmental budget.

Legislative Drafting and e-Publishing

Service area objective

To draft and provide access to Queensland legislation of the highest standard.

Service area description

Legislative Drafting and e-Publishing (LDeP), through the Office of the Queensland Parliamentary Counsel (OQPC), provides drafting and e-publishing services for Queensland legislation. This service supports the Queensland Government and democracy by drafting and e-publishing legislation of the highest quality for Queensland. The service enables the Government to implement its legislative reform agenda. LDeP makes a special contribution by advising on the application of fundamental legislative principles to ensure that legislation has sufficient regard to the rights and liberties of individuals and the institution of Parliament.

2018-19 service area highlights

In 2018-19, LDeP will:

- support the Queensland Government's objectives for the community by providing high quality drafting services and timely delivery of the Government's legislative program
- support democracy by providing high quality drafting services for Bills and amendments of Bills as requested by private members
- contribute to the drafting of national scheme legislation and the work of the Australasian Parliamentary Counsel's Committee
- provide the authoritative source of Queensland legislation by preparing consolidations of Queensland legislation, including indicative reprints in a timely way, and publishing this material to the Queensland legislation website
- enhance access to Queensland legislation and legislative information by continuing with public website developments, including additional subscriber notification options, additional user generated reports, electronic publishing of pre-1991 legislation and providing legislation in open data format.

Department of the Premier and Cabinet	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service Area: Legislative Drafting and e-Publishing				
Service standards				
<i>Effectiveness measures</i>				
Client satisfaction with legislative drafting services provided by the Office of the Queensland Parliamentary Counsel	1	85%	86%	85%
Client satisfaction with the quality of access to legislation available online	1	85%	89%	85%
<i>Efficiency measure</i>				
Average cost per hour of legislative drafting and publishing output	2, 3	\$140/hour	\$146/hour	\$145/hour

Notes:

1. This service standard informs on overall satisfaction of the service and is derived from an annual client survey. Clients are Ministers, Chiefs of Staff, Directors-General and their departments' Cabinet Legislation and Liaison Officers and Senior Policy Officers. In 2017-18, the department introduced a new satisfaction scale in its survey. This has resulted in the establishment of new baselines.
2. This service standard informs on the average cost per hour to draft and publish Queensland legislation. The calculation methodology applied to determine average cost per hour is - the total operational expense per annual period, plus a percentage of centralised costs, divided by the total cumulative recurrent standard hours per annual period.
3. The 2017-18 Estimated Actual has increased due to the effect of machinery-of-government changes on the total departmental costs. The 2018-19 Target Estimate also reflects this.

Administered items

Administered activities are those undertaken by departments on behalf of the government.

The Department of the Premier and Cabinet administers funds on behalf of the State which includes Ministerial Offices and the Office of the Leader of the Opposition. The key clients are Ministers, Assistant Ministers, the Leader of the Opposition and their respective staff.

The services provided are:

- support for Ministers to assist in undertaking their responsibilities as Ministers of the State
- management of advisory, secretarial and administrative staff and associated resources for all Ministerial Offices
- maintenance of procedures to ensure the financial accountability of these offices is in accordance with the Queensland Ministerial Handbook
- corporate support for the Office of the Leader of the Opposition.

The accounting, purchasing, information technology, telecommunications, asset management and personnel requirements for these administered areas are supplied by Ministerial Services within the Government Services area.

In 2018-19, administered funding will also be provided to the following entities:

- \$47.5 million for Trade and Investment Queensland.
- \$18.8 million for Screen Queensland.

Financial statements and variance explanations in relation to administered items appear in the Departmental Financial Statements. Further information can be obtained by referring to the Public Reports of office expenses tabled twice-yearly in Parliament.

Ministerial Offices and Office of the Leader of the Opposition

Staff by Office ¹	2017-18 Budget	2017-18 Est. Actual ²	2018-19 Estimate
Premier and Minister for the Arts	35	35	..
Deputy Premier, Minister for Transport and Minister for Infrastructure and Planning	18	19	..
Treasurer and Minister for Trade and Investment	14	14	..
Minister for Health and Minister for Ambulance Services	13	13	..
Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games	13	13	..
Minister for State Development and Minister for Natural Resources and Mines	10	10	..
Attorney-General and Minister for Justice and Minister for Training and Skills	11	11	..
Minister for Agriculture and Fisheries and Minister for Rural Economic Development	9	9	..
Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply	12	12	..
Minister for Environment and Heritage Protection and Minister for National Parks and the Great Barrier Reef	9	9	..
Minister for Innovation, Science and the Digital Economy and Minister for Small Business	9	9	..
Minister for Communities, Women and Youth, Minister for Child Safety and Minister for the Prevention of Domestic and Family Violence	9	9	..
Minister for Disability Services, Minister for Seniors and Minister Assisting the Premier on North Queensland	9	9	..
Minister for Employment and Industrial Relations, Minister for Racing and Minister for Multicultural Affairs	9	9	..
Minister for Housing and Public Works and Minister for Sport	10	10	..
Minister for Police, Fire and Emergency Services and Minister for Corrective Services	10	10	..
Minister for Local Government and Minister for Aboriginal and Torres Strait Islander Partnerships	10	10	..
Total Ministerial Offices	209	210	..
Assistant Minister of State Assisting the Premier	..	..	..
Assistant Minister for Transport and Infrastructure	..	..	..
Total Assistant Ministers	..	..	..

Staff by Office¹	2017-18 Budget	2017-18 Est. Actual²	2018-19 Estimate
Total for Ministerial Offices and Assistant Ministers	209	210	..
Office of the Leader of the Opposition	22	22	..
Total for Non-Government support	22	22	..
Corporate Support	..	..	..
GRAND TOTAL	231	232	..

Notes:

1. Figures may not add due to rounding.
2. Staffing for portfolios dated 1 July 2017 to 11 December 2017.

Staff by Office ¹	2017-18 Budget	2017-18 Est. Actual	2018-19 Estimate
Premier and Minister for Trade	..	34	34
Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships	..	17	17
Minister for State Development, Manufacturing, Infrastructure and Planning	..	11	11
Minister for Innovation and Tourism Industry Development and Minister for the Commonwealth Games	..	12	12
Attorney-General and Minister for Justice	..	11	11
Minister for Health and Minister for Ambulance Services	..	12	12
Minister for Education and Minister for Industrial Relations	..	12	12
Minister for Transport and Main Roads	..	12	12
Minister for Natural Resources, Mines and Energy	..	11	11
Minister for Housing and Public Works, Minister for Digital Technology and Minister for Sport	..	11	11
Minister for Employment and Small Business and Minister for Training and Skills Development	..	11	11
Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts	..	10	10
Minister for Police and Minister for Corrective Services	..	10	10
Minister for Communities and Minister for Disability Services and Seniors	..	8	8
Minister for Agricultural Industry Development and Fisheries	..	9	9
Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs	..	9	9
Minister for Child Safety, Youth and Women and Minister for the Prevention of Domestic and Family Violence	..	9	9
Minister for Fire and Emergency Services	..	8	8
Total Ministerial Offices	..	217	217
Assistant Minister for Veterans' Affairs and Assistant Minister of State
Assistant Minister for Treasury
Assistant Minister for State Development
Assistant Minister for Education
Assistant Minister for Tourism Industry Development
Total Assistant Ministers
Total for Ministerial Offices and Assistant Ministers	..	217	217
Office of the Leader of the Opposition	..	22	22

Staff by Office ¹	2017-18 Budget	2017-18 Est. Actual	2018-19 Estimate
Total for Non-Government support	..	22	22
Corporate Support	..	0	0
GRAND TOTAL	..	239	239

Note:

1. Figures may not add due to rounding.

Budget and Expenses by Office¹	2017-18 Budget \$'000	2017-18 Est. Actual² \$'000	2018-19 Estimate \$'000
Premier and Minister for the Arts	7,542	4,172	..
Deputy Premier, Minister for Transport and Minister for Infrastructure and Planning	3,379	1,598	..
Treasurer and Minister for Trade and Investment	2,882	1,423	..
Minister for Health and Minister for Ambulance Services	2,485	1,187	..
Minister for Education and Minister for Tourism, Major Events and the Commonwealth Games	2,386	1,087	..
Minister for State Development and Minister for Natural Resources and Mines	1,921	1,002	..
Attorney-General and Minister for Justice and Minister for Training and Skills	2,067	997	..
Minister for Agriculture and Fisheries and Minister for Rural Economic Development	1,789	842	..
Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply	2,147	1,065	..
Minister for Environment and Heritage Protection and Minister for National Parks and the Great Barrier Reef	1,844	964	..
Minister for Innovation, Science and the Digital Economy and Minister for Small Business	1,801	893	..
Minister for Communities, Women and Youth, Minister for Child Safety and Minister for the Prevention of Domestic and Family Violence	1,764	844	..
Minister for Disability Services, Minister for Seniors and Minister Assisting the Premier on North Queensland	1,768	830	..
Minister for Employment and Industrial Relations, Minister for Racing and Minister for Multicultural Affairs	1,790	883	..
Minister for Housing and Public Works and Minister for Sport	1,917	951	..
Minister for Police, Fire and Emergency Services and Minister for Corrective Services	2,002	987	..
Minister for Local Government and Minister for Aboriginal and Torres Strait Islander Partnerships	1,881	862	..
Total Ministerial Offices	41,366	20,587	..
Assistant Minister of State Assisting the Premier	65	17	..
Assistant Minister for Transport and Infrastructure	90	27	..
Total Assistant Ministers	155	44	..
Total for Ministerial Offices and Assistant Ministers	41,520	20,631	..
Office of the Leader of the Opposition	4,097	2,268	..
Total for Non-Government support	4,097	2,268	..
Corporate Support	3,359	931	..
GRAND TOTAL	48,976	23,830	..

Notes:

1. Figures may not add due to rounding.
2. Costs for portfolios dated 1 July 2017 to 11 December 2017.

Budget and Expenses by Office¹	2017-18 Budget \$'000	2017-18 Est. Actual² \$'000	2018-19 Estimate \$'000
Premier and Minister for Trade	..	3,877	7,867
Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Islander Partnerships	..	1,514	3,322
Minister for State Development, Manufacturing, Infrastructure and Planning	..	1,178	2,482
Minister for Innovation and Tourism Industry Development and Minister for the Commonwealth Games	..	991	2,225
Attorney-General and Minister for Justice	..	924	2,204
Minister for Health and Minister for Ambulance Services	..	930	2,316
Minister for Education and Minister for Industrial Relations	..	914	2,324
Minister for Transport and Main Roads	..	996	2,250
Minister for Natural Resources, Mines and Energy	..	924	2,087
Minister for Housing and Public Works, Minister for Digital Technology and Minister for Sport	..	861	2,107
Minister for Employment and Small Business and Minister for Training and Skills Development	..	832	2,089
Minister for Environment and the Great Barrier Reef, Minister for Science and Minister for the Arts	..	974	2,013
Minister for Police and Minister for Corrective Services	..	968	2,080
Minister for Communities and Minister for Disability Services and Seniors	..	785	1,852
Minister for Agricultural Industry Development and Fisheries	..	793	1,876
Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs	..	878	1,914
Minister for Child Safety, Youth and Women and Minister for the Prevention of Domestic and Family Violence	..	890	1,858
Minister for Fire and Emergency Services	..	874	1,987
Total Ministerial Offices	..	20,102	44,853
Assistant Minister for Veterans' Affairs and Assistant Minister of State	..	11	65
Assistant Minister for Treasury	..	24	105
Assistant Minister for State Development	..	11	96
Assistant Minister for Education	..	13	92
Assistant Minister for Tourism Industry Development	..	15	68
Total Assistant Ministers	..	74	426
Total for Ministerial Offices and Assistant Ministers	..	20,175	45,279

Budget and Expenses by Office¹	2017-18 Budget \$'000	2017-18 Est. Actual² \$'000	2018-19 Estimate \$'000
Office of the Leader of the Opposition	..	1,652	3,749
Total for Non-Government support	..	1,652	3,749
Corporate Support	..	3,071	3,783
GRAND TOTAL	..	24,898	52,810

Notes:

1. Figures may not add due to rounding.
2. Costs for portfolios dated 12 December 2017 to 30 June 2018.

Departmental budget summary

The table below shows the total resources available in 2018-19 from all sources and summarises how resources will be applied by service area and by controlled and administered classifications.

Department of the Premier and Cabinet	2017-18 Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
CONTROLLED			
Income			
Appropriation revenue ¹			
Deferred from previous year/s	10,552	7,951	11,074
Balance of service appropriation	166,890	179,802	96,098
Other revenue	22,028	23,556	9,198
Total income	199,470	211,309	116,370
Expenses²			
Policy Advice and Coordination, and Cabinet Support	42,564	37,722	44,621
Strategy and Engagement	23,894	34,353	35,971
Government Services	33,649	38,106	21,571
Legislative Drafting and e-Publishing	12,278	12,211	12,681
Arts Queensland ³	72,760	74,605	..
Services Provided to other agencies			
Corporate Administration Agency ³	6,084	6,070	..
Other	1,651	1,652	1,526
Other – machinery-of-government ⁴	6,590	6,590	..
Total expenses	199,470	211,309	116,370
Operating surplus/deficit	..	..	..
Net assets	10,681	7,318	7,318
ADMINISTERED			
Revenue			
Commonwealth revenue	..	..	..
Appropriation revenue	140,561	137,247	123,127
Other administered revenue	..	..	..
Total revenue	140,561	137,247	123,127
Expenses			
Transfers to government	..	..	..
Administered expenses	140,561	137,247	123,127
Total expenses	140,561	137,247	123,127
Net assets	4,928	5,140	5,140

Notes:

1. Includes State and Federal funding.
2. Totals reconcile with the department's Reporting Entity Income Statement.

3. As a result of the machinery-of-government changes, Arts Queensland and the Corporate Administration Agency were transferred out to the Department of Environment and Science effective 12 December 2017.
4. As a result of the machinery-of-government changes, Queensland Government Chief Information Office, One-Stop Shop Strategy and Implementation Office and Digital Economy and Productivity were transferred into the department from the Department of Science, Information Technology and Innovation on 12 December 2017 and transferred out to the Department of Housing and Public Works on 8 February 2018.

Service area sources of revenue¹

Sources of revenue 2018-19 Budget					
Department of the Premier and Cabinet	Total cost \$'000	State contribution \$'000	User charges and fees \$'000	C'wealth revenue \$'000	Other revenue \$'000
Policy Advice and Coordination, and Cabinet Support	44,621	40,470	21	..	4,130
Strategy and Engagement	35,971	34,640	560	..	771
Government Services	21,571	18,626	1,924	..	1,021
Legislative Drafting and e-Publishing	12,681	12,670	6	..	5
Total²	114,844	106,406	2,511	..	5,927

Notes:

1. Explanations of variances are provided in the financial statements.
2. The total sources of revenue does not equal the total income in the Departmental Budget Summary nor the Consolidated Income Statement as the department will provide corporate services to the other agencies. This includes support provided to the Public Service Commission and the Office of the Governor.

Budget measures summary

This table shows a summary of budget measures relating to the department since the 2017-18 State Budget. Further details are contained in *Budget Measures (Budget Paper 4)*.

Department of the Premier and Cabinet	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
Revenue measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..
Expense measures¹					
Administered	(322)	6,276	3,974	6,023	6,023
Departmental	9,142	11,938	2,750	4,564	..
Capital measures					
Administered	..	..	..	..	..
Departmental	..	..	..	..	..

Note:

- Figures reconcile with *Budget Measures (Budget Paper 4)*, including the whole-of-government expense measure 'Reprioritisation', Disaster Recovery Services and support for refugees and asylum seekers.

Departmental capital program

The department (including Ministerial Offices and Office of the Leader of the Opposition) has a planned capital outlay of \$1.047 million in 2018-19. This involves upgrades to multiple information and communication technology systems including the Joiners, Leavers and Movers System, Performance Information Management System and Queensland Integrated Legislation Lifecycle System as well as the replacement of the Ministerial Firewall which forms part of the Ministerial Offices' and Office of the Leader of the Opposition's security platform.

Capital budget

Department of the Premier and Cabinet	Notes	2017-18 Budget \$'000	2017-18 Est. Actual \$'000	2018-19 Budget \$'000
Capital purchases	1			
Total land, buildings and infrastructure	2	5,872	2,798	0
Total plant and equipment		919	434	1047
Total capital purchases		6,791	3,232	1,047

Notes:

- For more detail on the agency's capital acquisitions please refer to the *Capital Statement (Budget Paper 3)*.
- Variance is due to the completion of the infrastructure program for the Anzac Legacy Gallery project for the relocation of *Mephisto*, with the balance transferred to operating funding for the completion of curatorial works.

Staffing¹

Department of the Premier and Cabinet	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Services	2			
Policy Advice and Coordination, and Cabinet Support		228	224	228
Strategy and Engagement		107	110	106
Government Services	3	76	72	63
Legislative Drafting and e-Publishing		62	65	64
Administered				
Ministerial Offices and Office of the Leader of the Opposition		231	239	239
Services provided to other agencies				
Other	4	7	7	6
TOTAL	3	711	717	706

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate full-time equivalents are allocated across the service to which they relate.
3. The FTE decrease from the 2017-18 Estimated Actual to the 2018-19 Budget is due to the reduction in staff in the Anzac Centenary Coordination Unit.
4. General corporate support is provided to the Public Service Commission and the Office of the Governor.

Budgeted financial statements

Analysis of budgeted financial statements

An analysis of the department's financial performance and position as reflected in the following financial statements is provided below.

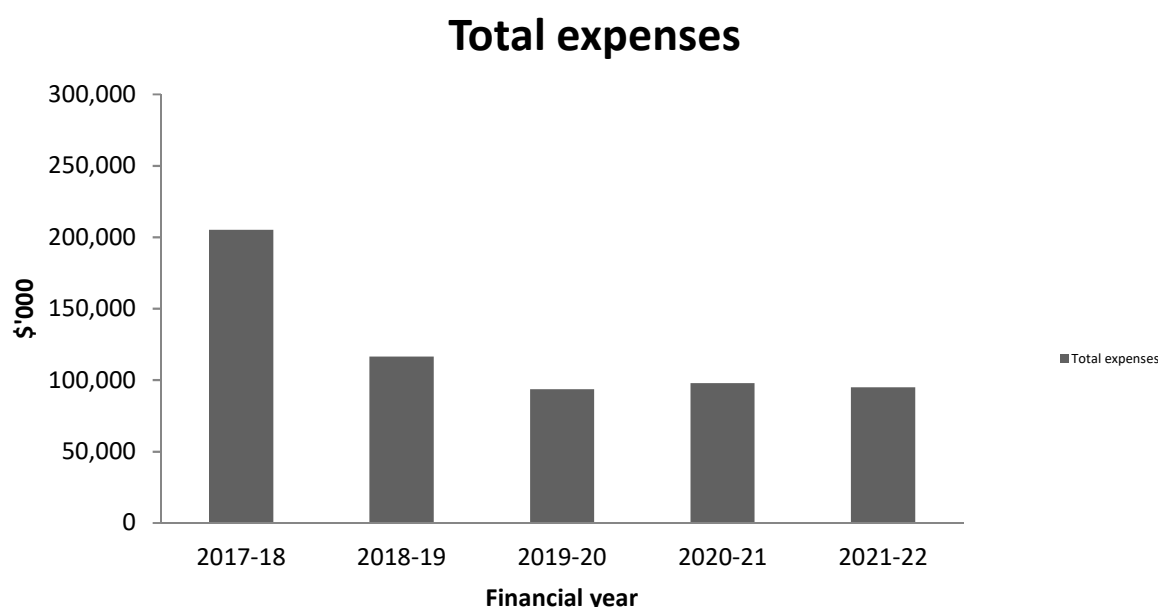
Departmental income statement

Total expenditure for the year ending 30 June 2018 is estimated to be \$205.3 million, an increase of \$11.9 million from the 2017-18 adjusted budget. This increase is primarily due to additional funding received for the Screen Queensland Production Attraction Strategy (PAS) as an outcome of the Mid Year Fiscal Economic Review (MYFER). This funding is controlled by the department.

The 2018-19 budget is \$116.4 million, a decrease of \$88.9 million from the 2017-18 Estimated Actual budget. This decrease is primarily due to machinery of government movements resulting in the transfer out of Arts Queensland to the Department of Environment and Science on 12 December 2017. The expenditure decrease is partly offset by new limited life appropriation funding obtained in the 2018-19 State Budget to:

- continue operating the Townsville office and expand the department's regional presence through establishing four additional department offices to service regional Queensland
- continue attracting and sponsoring events of significance for the State through the Events Sponsorship Fund.

Chart: Total departmental expenses across the Forward Estimates period



Across the forward estimates, department expenditure is expected to decrease further as funding for a number of limited life projects comes to an end.

Departmental balance sheet

Total department assets are estimated to be \$36.8 million at the end of 30 June 2018, an increase of \$14.5 million from the 2017-18 adjusted budget. The increase is primarily due to higher utilisation of the Queensland Treasury Corporation (QTC) Revolving Film Finance Fund (RFFF) by Screen Queensland. The RFFF is administered for Screen Queensland by the department.

The department's net asset position for 2018-19 is expected to remain consistent with the current financial year.

Controlled income statement

Department of the Premier and Cabinet	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	1,9,19	177,442	187,753	107,172
Taxes		..	..	..
User charges and fees	10,20	15,362	15,481	3,271
Royalties and land rents		..	..	..
Grants and other contributions	11,21	372	275	1,436
Interest	2,12	205	374	400
Other revenue	3,13,22	66	1,403	4,091
Gains on sale/revaluation of assets		..	..	..
Total income		193,447	205,286	116,370
EXPENSES				
Employee expenses	4,14,23	61,916	64,754	55,321
Supplies and services	5,15,24	59,396	56,100	33,141
Grants and subsidies	6,16,25	42,470	53,785	22,167
Depreciation and amortisation	17,26	24,957	24,945	548
Finance/borrowing costs	7,18	205	374	400
Other expenses	8,27	4,503	5,328	4,793
Losses on sale/revaluation of assets		..	..	..
Total expenses		193,447	205,286	116,370
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Department of the Premier and Cabinet	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		4,134	4,107	3,893
Receivables	28,38,46	3,456	19,858	5,932
Other financial assets		..	..	..
Inventories		15	..	..
Other	29,39	470	600	588
Non-financial assets held for sale		..	..	..
Total current assets		8,075	24,565	10,413
NON-CURRENT ASSETS				
Receivables	30,40,47	5,282	6,951	20,777
Other financial assets		..	..	..
Property, plant and equipment	31,41	6,361	3,015	2,917
Intangibles	32	2,518	2,247	2,394
Other		..	..	..
Total non-current assets		14,161	12,213	26,088
TOTAL ASSETS		22,236	36,778	36,501
CURRENT LIABILITIES				
Payables	33,42	3,096	3,662	3,606
Accrued employee benefits	34,43	1,878	2,364	2,243
Interest bearing liabilities and derivatives	35,48	1,298	15,641	1,715
Provisions		..	..	..
Other		..	29	29
Total current liabilities		6,272	21,696	7,593
NON-CURRENT LIABILITIES				
Payables	36,44	..	813	813
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives	37,45,49	5,283	6,951	20,777
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		5,283	7,764	21,590
TOTAL LIABILITIES		11,555	29,460	29,183
NET ASSETS/(LIABILITIES)		10,681	7,318	7,318
EQUITY				
TOTAL EQUITY		10,681	7,318	7,318

Controlled cash flow statement

Department of the Premier and Cabinet	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	57,71	178,765	182,675	107,006
User charges and fees	58,72	15,904	16,023	3,343
Royalties and land rent receipts		..	..	..
Grants and other contributions	59,73	372	275	1,436
Interest received		..	..	..
Taxes		..	..	..
Other	50,60,74	9,621	10,958	7,298
Outflows:				
Employee costs	51,61,75	(61,918)	(64,756)	(55,442)
Supplies and services	52,62,76	(65,168)	(62,127)	(36,056)
Grants and subsidies	53,63,77	(42,799)	(54,114)	(22,337)
Borrowing costs		..	..	..
Other	54,64,78	(6,067)	(6,892)	(4,865)
Net cash provided by or used in operating activities		28,710	22,042	383
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	65,79	271	271	15,789
Outflows:				
Payments for non-financial assets	55,66,80	(9,816)	(6,524)	(597)
Payments for investments		..	..	..
Loans and advances made	81	(14,996)	(17,346)	(15,000)
Net cash provided by or used in investing activities		(24,541)	(23,599)	192
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	67,82	9,721	12,071	15,000
Equity injections	68,83	8,458	8,095	..
Outflows:				
Borrowing redemptions	69,84	(271)	(271)	(15,789)
Finance lease payments		..	..	..
Equity withdrawals	56,70,85	(24,367)	(27,367)	..
Net cash provided by or used in financing activities		(6,459)	(7,472)	(789)
Net increase/(decrease) in cash held		(2,290)	(9,029)	(214)
Cash at the beginning of financial year		9,559	14,416	4,107
Cash transfers from restructure		(3,135)	(1,280)	..
Cash at the end of financial year		4,134	4,107	3,893

Administered income statement

Department of the Premier and Cabinet	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	86,90	140,561	137,247	123,127
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		140,561	137,247	123,127
EXPENSES				
Employee expenses	87,91	31,493	31,493	33,612
Supplies and services	88,92	17,065	16,950	18,759
Grants and subsidies	89,93	91,433	88,234	70,167
Depreciation and amortisation		418	418	424
Finance/borrowing costs		..	..	..
Other expenses		152	152	165
Losses on sale/revaluation of assets		..	..	..
Transfers of Administered Revenue to Government		..	..	..
Total expenses		140,561	137,247	123,127
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered balance sheet

Department of the Premier and Cabinet	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		9,219	8,638	8,612
Receivables	94,99	775	1,141	1,141
Other financial assets		..	..	..
Inventories		..	..	..
Other		19	26	26
Non-financial assets held for sale		..	..	..
Total current assets		10,013	9,805	9,779
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,049	785	811
Intangibles	95,100	..	253	253
Other		..	..	..
Total non-current assets		1,049	1,038	1,064
TOTAL ASSETS		11,062	10,843	10,843
CURRENT LIABILITIES				
Payables	96,101	673	1,600	1,600
Transfers to Government payable		..	..	..
Accrued employee benefits		3,380	2,422	2,422
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		4,053	4,022	4,022
NON-CURRENT LIABILITIES				
Payables	97,102	..	994	994
Accrued employee benefits	98,103	2,081	687	687
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		2,081	1,681	1,681
TOTAL LIABILITIES		6,134	5,703	5,703
NET ASSETS/(LIABILITIES)		4,928	5,140	5,140
EQUITY				
TOTAL EQUITY		4,928	5,140	5,140

Administered cash flow statement

Department of the Premier and Cabinet	Notes	2017-18 Budget* \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	104,106	140,561	136,063	123,127
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		185	5	..
Outflows:				
Employee costs	107	(33,002)	(31,413)	(33,612)
Supplies and services	108	(17,062)	(14,806)	(18,759)
Grants and subsidies	105,109	(91,430)	(88,231)	(70,167)
Borrowing costs		..	..	..
Other		(56)	(56)	(165)
Transfers to Government		..	..	..
Net cash provided by or used in operating activities		(804)	1,562	424
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		(419)	(152)	(450)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(419)	(152)	(450)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		(1,223)	1,410	(26)
Cash at the beginning of financial year		10,442	7,228	8,638
Cash transfers from restructure		..	..	..
Cash at the end of financial year		9,219	8,638	8,612

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Adjusted Budget and 2017-18 Estimated Actual include:

1. An increase in appropriation revenue primarily due to additional funding for the Screen Queensland (SQ) Production Attraction Strategy (PAS) and a transfer of capital funding for the Anzac Legacy Gallery project. The increase is partly offset by the department's contribution to whole-of-government reprioritisation measures, funds provided to Arts Queensland (AQ) to support the infrastructure upgrade for Woodfordia, the Queensland Maritime Museum Association and implementation of recommendations arising from the Opera Queensland Review.
2. An increase in interest due to increased SQ usage of the Revolving Film Finance Fund (RFFF). The RFFF is a Queensland Treasury Corporation (QTC) loan facility administered by the department.
3. An increase in other revenue due to higher cost recoveries from Queensland Government agencies in relation to the Policy Graduate Program.
4. An increase in employee expenses primarily due to limited life initiatives focused upon supporting government objectives in relation to Advance Queensland, anti-cyberbullying, social cohesion, reducing domestic and family violence and youth crime and additional Policy Graduate Program placements.
5. A decrease in supplies and services due to the rescheduling of limited life projects including, implementation of the Ice Awareness strategy and developing community-driven action plans and continued development of response strategies for reducing domestic and family violence.
- Total An increase in grants and subsidies primarily due to additional SQ PAS funding.
7. An increase in finance and borrowing costs due to increased SQ usage of the RFFF.
8. An increase in other expenses primarily due to an increase in sponsored events associated with the Anzac Centenary events program.

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

9. A decrease in appropriation revenue primarily due to the transfer of AQ to the Department of Environment and Science (DES) and the transfer of the Queensland Government Chief Information Office (QGCIIO), One Stop Shop Strategy and Implementation Office (OSSSIO) and Digital Economy and Productivity (DEP) to the Department of Housing and Public Works (DHPW) as part of machinery-of-government changes. In addition, the decrease is partly due to the department's contribution to whole-of-government reprioritisation measures as well as lower funding for the Anzac Centenary Coordination Unit (ACCU) as the program enters its final year and a redirection of funding to the Department of Local Government, Racing and Multicultural Affairs (DLGRMA) to support social cohesion programs for refugees and asylum seekers. The appropriation revenue decrease is partly offset by additional funding for the Veterans' Grants Program, SQ PAS, additional regional offices and the continuation of the Events Sponsorship Fund.
10. A decrease in user charges and fees due to the transfer of AQ to DES as part of machinery-of-government changes.
11. An increase in grants and contributions due to Federal funding to support the completion of Anzac Centenary legacy projects.
12. An increase in interest revenue due to increased SQ usage of the RFFF.
13. An increase in other revenue due to higher cost recoveries from Queensland Government agencies in relation to the Policy Graduate Program.
14. A decrease in employee expenses primarily due to the transfer of AQ to DES as part of machinery-of-government changes. The decrease is partly offset by employee enterprise bargaining agreement increases, the full year expenditure impact of the Policy Graduate Program and additional funding for the Regional Office Initiative.
15. A decrease in supplies and services primarily due to the transfer of AQ to DES and the transfer of QGCIIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes. In addition, the decrease is partly due to a reduction in legal expenses associated with the response to the Royal Commission for Institutional Child Sexual Abuse, lower funding for the Anzac Centenary events program as it draws to completion and the redirection of funding to DLGRMA to support social cohesion programs for refugees and asylum seekers.
16. A decrease in grants and subsidies primarily due to the transfer of AQ to DES as part of machinery-of-government changes.

17. A decrease in depreciation and amortisation primarily due to the transfer of AQ to DES and the transfer of QGCIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes.
18. An increase in finance and borrowing costs due to increased SQ usage of the RFFF.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

19. A decrease in appropriation revenue primarily due to the transfer of AQ to DES and the transfer of QGCIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes. In addition, the decrease is partly due to the department's contribution to whole-of-government reprioritisation measures as well as lower funding for ACCU as the program enters its final year and a redirection of funding to DLGRMA to support social cohesion programs for refugees and asylum seekers. The decrease is partly offset by additional funding for the Veterans' Grants Program, Regional Office Initiative and the continuation of the Events Sponsorship Fund.
20. A decrease in user charges and fees due to the transfer of AQ to DES as part of machinery-of-government changes.
21. An increase in grants and contributions due to Federal funding provided to support the completion of Anzac Centenary legacy projects.
22. An increase in other revenue due to higher cost recoveries from Queensland Government agencies in relation to the Policy Graduate Program.
23. A decrease in employee expenses primarily due to the transfer of AQ to DES and the transfer of QGCIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes. In addition, the decrease is partly due to a reduction in ACCU employee expenses as the program enters its final year. The decrease is partly offset by employee enterprise bargaining agreement increases, the full year expenditure impact of the Policy Graduate Program and additional funding for the Regional Office Initiative.
24. A decrease in supplies and services primarily due to the transfer of AQ to DES and the transfer of QGCIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes. The decrease is partly offset by additional funding for the Regional Office Initiative and the continuation of the Events Sponsorship Fund.
25. A decrease in grants and subsidies primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
26. A decrease in depreciation and amortisation primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
27. A decrease in other expenditure due to reduced sponsorship activity associated with the Anzac Centenary events program.

Balance sheet

Major variations between 2017-18 Adjusted Budget and 2017-18 Estimated Actual include:

28. An increase in current receivables primarily due to increased SQ usage of the RFFF.
29. An increase in other current assets due to increased prepaid expenditure of software licences and subscriptions.
30. An increase in non-current receivables primarily due to increased SQ usage of the RFFF. In addition, the increase is partly due to the introduction of a straight-line accounting policy for department lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.
31. A decrease in property, plant and equipment primarily due to the transfer of AQ to DES and the transfer of QGCIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes.
32. A decrease in intangible assets primarily due to reduced expenditure on internally-generated software expenditure.
33. An increase in current payables primarily due to an increase in deferred appropriation payable and grants payable.
34. An increase in accrued employee benefits primarily due to limited life initiatives focused on supporting government objectives in relation to Advance Queensland, anti-cyberbullying, social cohesion, reducing domestic and family violence and youth crime and additional Policy Graduate Program placements.
35. An increase in current interest bearing liabilities due to increased SQ usage of the RFFF.
36. An increase in non-current payables due to the introduction of a straight-line accounting policy for department lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.

37. An increase in non-current interest bearing liabilities due to increased SQ usage of the RFFF.

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

38. An increase in current receivables primarily due to increased SQ usage of the RFFF. In addition, the increase is partly due to the introduction of a straight-line accounting policy for department lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.
39. An increase in other current assets due to increased prepaid expenditure on software licences and subscriptions.
40. An increase in non-current receivables due to increased SQ usage of the RFFF.
41. A decrease in property, plant and equipment primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
42. An increase in current payables primarily due to an increase in deferred appropriation payable and grants payable.
43. An increase in accrued employee benefits primarily due to limited life initiatives focused on supporting government objectives in relation to Advance Queensland, anti-cyberbullying, social cohesion, reducing domestic and family violence and youth crime, and additional Policy Graduate Program placements.
44. An increase in non-current payables due to the introduction of a straight-line accounting policy for department lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.
45. An increase in non-current interest bearing liabilities due to increased SQ usage of the RFFF.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

46. A decrease in current receivables due to reclassification of RFFF loans to non-current receivables.
47. An increase in non-current receivables due to reclassification of RFFF loans from current receivables.
48. A decrease in current interest bearing liabilities due to reclassification of RFFF loans to non-current interest bearing liabilities.
49. An increase in non-current interest bearing liabilities due to reclassification of RFFF loans from current interest bearing liabilities.

Cash flow statement

Major variations between 2017-18 Adjusted Budget and 2017-18 Estimated Actual include:

50. An increase in other operating inflows due to higher cost recoveries from Queensland Government agencies in relation to the Policy Graduate Program.
51. An increase in employee costs primarily due to limited life initiatives focused on supporting government objectives in relation to Advance Queensland, anti-cyberbullying, social cohesion, reducing domestic and family violence and youth crime. In addition, the increase is partly due to additional Policy Graduate Program placements.
52. A decrease in supplies and services primarily due to the rescheduling of limited life initiatives focused on supporting government objectives in relation to Advance Queensland, anti-cyberbullying, social cohesion, reducing domestic and family violence and youth crime.
53. An increase in grants and subsidies primarily due to additional SQ PAS funding.
54. An increase in other operating outflows primarily due to an increase in sponsored events associated with the Anzac Centenary events program.
55. A decrease in payments for non-financial assets primarily due to reclassification of Anzac Legacy Gallery funding from capital expenditure to operating expenditure.
56. An increase in equity withdrawals due to the reclassification of Anzac Legacy Gallery funding from capital expenditure to operating expenditure.

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

57. A decrease in appropriation receipts primarily due to the transfer of AQ to DES as a result of machinery-of-government changes. In addition, the decrease is partly due to the department's contribution to whole-of-government reprioritisation measures as well as lower funding for ACCU as the program draws to an end, funding provided to DLGRMA to support social cohesion programs for refugees and asylum seekers. The appropriation receipts decrease is partly offset by additional funding for the Veterans' Grants Program, SQ PAS, Regional Office Initiative and the continuation of the Events Sponsorship Fund.
58. A decrease in user charges and fees primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
59. An increase in grants and other contributions due to Federal funding to support the completion of Anzac Centenary legacy projects.
60. A decrease in other operating inflows due to the transfer of AQ to DES as part of machinery-of-government changes and an increase in sponsored events as the Anzac Centenary events program draws to an end, offset by the full year commitment for the 2018 cohort for the Policy Graduate Program and the commencement of the 2019 cohort from February 2019.
61. A decrease in employee costs primarily due to the transfer of AQ to DES as part of machinery-of-government changes. The decrease is partly offset by funding for the Regional Office Initiative, employee enterprise bargaining agreement increases and the full year expenditure impact of the Policy Graduate Program.
62. A decrease in supplies and services primarily due to the transfer of AQ to DES as part of machinery-of-government changes. In addition, the decrease is partly due to reduction in legal expenses associated with the response to the Royal Commission for Institutional Child Sexual Abuse, lower funding for the Anzac Centenary Commemorative events program as it draws to completion and the redirection of funding to DLGRMA to support social cohesion programs for refugees and asylum seekers.
63. A decrease in grants and subsidies primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
64. A decrease in other operating outflows due to the transfer of AQ to DES as part of machinery-of-government changes.
65. An increase in loans and advances redeemed due to increased SQ usage of the RFFF.
66. A decrease in payments for non-financial assets primarily due to the transfer of AQ to DES as part of machinery-of-government changes and completion of the Anzac Legacy Gallery project.
67. An increase in borrowings due to increased SQ usage of the RFFF.
68. A decrease in equity injections primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
69. An increase in borrowing redemptions due to increased SQ usage of the RFFF.
70. A decrease in equity withdrawals primarily due to the transfer of AQ to DES as part of machinery-of-government changes.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

71. A decrease in appropriation receipts primarily due to the transfer of AQ to DES as part of machinery-of-government changes, a reduction in funding as ACCU draws to an end, a redirection of funding to DLGRMA to support social cohesion programs for refugees and asylum seekers, a reduction in funding for legal costs for the 2011 Queensland Floods Class Action and response to the Royal Commission for Institutional Child Sexual Abuse. The decrease is partly offset by additional funding for the Veterans' Grants Program, Regional Office Initiative and the continuation of the Events Sponsorship Fund.
72. A decrease in user charges and fees primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
73. An increase in grants and other contributions due to Federal funding to support the completion of Anzac Centenary legacy projects.
74. A decrease in other operating inflows primarily due to the transfer of AQ to DES as part of machinery-of-government changes and an increase in sponsored events as the Anzac Centenary events program draws to an end, offset by the full year commitment for the 2018 cohort for the Policy Graduate Program and the commencement of the 2019 cohort from February 2019.
75. A decrease in employee costs primarily due to the transfer of AQ to DES and the transfer of QGCIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes. The decrease is partly offset by the full year impact of the Policy Graduate Program, funding for regional offices and enterprise bargaining agreements.

76. A decrease in supplies and services primarily due to the transfer of AQ to DES and the transfer of QGCIO, OSSSIO and DEP to DHPW as part of machinery-of-government changes. In addition, the decrease is due to a reduction in legal expenses associated with the response to the Royal Commission for Institutional Child Sexual Abuse, a reduction in funding as ACCU draws to an end and a reduction in expenses due to a redirection of funding to DLGRMA to support social cohesion programs for refugees and asylum seekers.
77. A decrease in grants and subsidies primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
78. A decrease in other operating outflows primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
79. An increase in loans and advances redeemed due to increased SQ usage of the RFFF.
80. A decrease in payments for non-financial assets primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
81. A decrease in loans and advances made as a result of increased loans in prior years.
82. An increase in borrowings due to increased SQ usage of the RFFF.
83. A decrease in appropriated equity injections primarily due to the transfer of AQ to DES as part of machinery-of-government changes.
84. An increase in borrowing redemptions due to increased SQ usage of the RFFF.
85. A decrease in equity withdrawals primarily due to the transfer of AQ to DES as part of machinery-of-government changes and reclassification of Anzac Legacy Gallery funding from capital expenditure to operating expenditure.

Administered income statement

Major variations between 2017-18 Adjusted Budget and 2018-19 Budget include:

86. A decrease in appropriation revenue due to the transfer of AQ to DES and the transfer of Queensland Family and Child Commission (QFCC) to the Department of Justice and Attorney-General (DJAG) as part of machinery of government changes. The decrease is partly offset by the transfer of TIQ into the department, additional SQ funding for a dedicated Brisbane Screen Production Facility and support for ministerial offices and enterprise bargaining agreements for ministerial office employees.
87. An increase in employee expenses due to enterprise bargaining agreements and additional support for ministerial offices.
88. An increase in supplies and services to support ministerial offices.
89. A decrease in grants and subsidies due to the transfer of AQ to DES and the transfer of Queensland Family and Child Commission (QFCC) to the Department of Justice and Attorney-General (DJAG) as part of machinery of government changes. The decrease is partly offset by the transfer of TIQ into the department and additional SQ funding for a dedicated Brisbane Screen Production Facility.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

90. A decrease in appropriation revenue due to the transfer of AQ to DES and the transfer of Queensland Family and Child Commission (QFCC) to the Department of Justice and Attorney-General (DJAG) as part of machinery-of-government changes. The decrease is partly offset by SQ funding for a dedicated Brisbane Screen Production Facility, support for ministerial offices and enterprise bargaining agreements for ministerial office employees.
91. An increase in employee expenses due to enterprise bargaining agreements and additional support for ministerial offices.
92. An increase in supplies and services to support ministerial offices.
93. A decrease in grants and subsidies due to the transfer of AQ to DES and the transfer of QFCC to DJAG as part of machinery-of-government changes. The decrease is partly offset by SQ funding for a dedicated Brisbane Screen Production Facility.

Administered balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

- 94. An increase in current receivables due to the introduction of a straight-line accounting policy for lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards. The increase is partly offset by a prior year accounting adjustment to the employee central leave scheme balance.
- 95. An increase in intangibles due to additional software purchased for Ministerial Offices and Office of the Leader of the Opposition.
- 96. An increase in current payables primarily due to an additional ministerial office.
- 97. An increase in non-current payables primarily due to the introduction of a straight-line accounting policy for lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.
- 98. A decrease in non-current accrued employee benefits due to the reduction in employee liabilities following the 2017 State Election.

Major variations between 2017-18 Budget and 2018-19 Budget include:

- 99. An increase in current receivables due to the introduction of a straight-line accounting policy for lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards. The increase is partly offset by a prior year accounting adjustment to the employee central leave scheme balance.
- 100. An increase in intangibles due to additional software purchased for Ministerial Offices and Office of the Leader of the Opposition.
- 101. An increase in current payables primarily due to an additional ministerial office.
- 102. An increase in non-current payables primarily due to the introduction of a straight-line accounting policy for lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.
- 103. A decrease in non-current accrued employee benefits due to the reduction in employee liabilities following the 2017 State Election.

Administered cash flow statement

Major variations between 2017-18 Budget* and 2018-19 Budget include:

- 104. A decrease in appropriation receipts due to the transfer of AQ to DES and the transfer of Queensland Family and Child Commission (QFCC) to the Department of Justice and Attorney-General (DJAG) as part of machinery of government changes. The decrease is partly offset by the transfer of TIQ into the department, additional SQ funding for a dedicated Brisbane Screen Production Facility and support for ministerial offices and enterprise bargaining agreements for ministerial office employees.
- 105. A decrease in grants and subsidies due to the transfer of AQ to DES and the transfer of Queensland Family and Child Commission (QFCC) to the Department of Justice and Attorney-General (DJAG) as part of machinery of government changes. The decrease is partly offset by the transfer of TIQ into the department and additional SQ funding for a dedicated Brisbane Screen Production Facility.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

- 106. A decrease in appropriation receipts due to the transfer of AQ to DES and the transfer of QFCC to DJAG as part of machinery-of-government changes. The decrease is partly offset by SQ funding for a dedicated Brisbane Screen Production Facility, and the establishment of an additional ministerial office and enterprise bargaining agreements for ministerial office employees.
- 107. An increase in employee costs due to enterprise bargaining agreements and additional ministerial office employees.
- 108. An increase in supplies and services due to an additional ministerial office.
- 109. A decrease in grants and subsidies due to the transfer of AQ to DES and the transfer of QFCC to DJAG as part of machinery-of-government changes. The decrease is partly offset by SQ funding for a dedicated Brisbane Screen Production Facility.

Statutory body

Trade and Investment Queensland

Overview

Trade and Investment Queensland (TIQ) is the Queensland Government's dedicated global business agency for trade and investment promotion.

TIQ's vision is a 'prosperous future for Queensland – underpinned by diversified exports and high-value international investments that create jobs and sustain a strong, vibrant and innovative economy'.

TIQ's objectives are:

- growing diversified exports - contributing to jobs creation by enabling Queensland businesses across regions and sectors to be successful exporters
- job creating investment - attracting high value international investment into Queensland to enable a connected and innovative economy
- driving export and investment growth by identifying global opportunities and promoting Queensland's strengths to the world
- a well-functioning TIQ.

TIQ's contributes to the Queensland Government's objectives for the community to:

- Create jobs in a strong economy – private sector investment, including:
 - contributing to jobs by attracting vital investment to the State through international networks and activities on and offshore
 - supporting the growth of Queensland exporting businesses to increase jobs in the State and contribute to the dynamism of the Queensland economy.
 - contributing to a diversified and innovative economy by providing support across key sectors as well as for emerging industries.
- Be a responsive government – make Queensland Government services easy to use, including:
 - delivering responsive and quality integrated export and investment services to Queensland's business community and international buyers and investors and working on streamlining whole-of-government offering.
 - supporting Queensland's regional communities by providing locally relevant and responsive services through regional networks and upskilling regional export and investment capabilities through targeted programs.

These objectives are achieved through the delivery of Queensland's whole-of-government trade and investment strategy *Advancing Trade and Investment – Queensland Trade and Investment Strategy 2017-2022*.

TIQ uses global and regional office networks to identify international export opportunities, to promote Queensland exporters to potential customers, to identify international investors for foreign direct investment and to promote Queensland as an ideal destination offering diverse sectoral and investment opportunities.

TIQ's activities align with Queensland Government policies in relation to international trade and investment opportunities including Advance Queensland and the development of northern Queensland.

Service summary

TIQ is leading the implementation of two whole-of-government strategies. The first, the *Advancing Trade and Investment – Queensland Trade and Investment Strategy 2017-2022* aims to use Queensland's natural and acquired strengths to tap into opportunities in international markets. The second strategy, the *International Education and Training Strategy to Advance Queensland 2016-2026*, articulates the Queensland Government's vision for the International Education and Training industry. It provides a framework for industry and government to work together to grow the industry and enhance the State's reputation as a leading global provider of international education and training services.

These two strategies include numerous initiatives which are being used to promote trade and investment opportunities throughout the State and across the globe, and help attain our performance targets.

In addition to the two strategies, TIQ will continue to deliver on other core responsibilities including:

- collaborating with other state government agencies in attracting foreign investment in Queensland
- encouraging Queensland businesses to link with emerging global opportunities by working closely with key trading partners (particularly in Asia); taking advantage of trade agreements or partner agreements; and capitalising on Queensland's supply chain connectivity and superior track-record in doing business
- working with other government agencies to position Queensland globally as a leader in a number of industries, with a particular focus on international education and training; biofuels; agriculture; mining technology; energy and resources; life sciences; medical technology and creative industries
- provide trade and investment advice to Queensland Government stakeholders
- promoting Queensland as a preferred destination in Australia for business and skilled migrants
- collaborating with other state government agencies and stakeholders to coordinate Ministerial trade and investment missions to promote Queensland internationally
- delivering the annual Premier of Queensland's Export Awards.

Service performance

Performance statement

Trade and Investment Missions

Service area objective

To plan, coordinate and deliver Ministerial trade and investment missions and Governor visits to promote Queensland internationally.

Service area description

Missions led by a Queensland Government Minister highlight the State as a world-class destination to invest, source world-class products and services and promote Queensland as a whole. These missions are key tools to assist Queensland businesses to enter markets and identify business opportunities to which they may otherwise not have access.

Similarly, for investment, missions led by Ministers provide Queensland-based investment projects with increased visibility and access to high-quality international investors. These missions specifically target potential investors and highlight the benefits of investing in our state.

TIQ's mission program supports Ministerial trade and investment missions and official visits including those for the Governor and the Leader of the Opposition. Programs are developed based on government priorities, market opportunities and business capability.

Through consultation with other government agencies and stakeholders, programs including in-market meetings, events and receptions are designed to provide an opportunity to develop stronger government-to-government and business relationships and increase trade and investment outcomes for Queensland businesses.

Trade and Investment Queensland	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Trade and Investment Missions				
Service standards				
<i>Effectiveness measure</i> Overall level of satisfaction of Ministerial mission participants with the missions delivered by TIQ	1	75%	90%	75%
<i>Efficiency measure</i> Cost per hour of Ministerial mission coordination	2	New measure	New measure	\$105.00

Notes:

1. This service standard measures the level of satisfaction with the timeliness and consistency of advice and services to produce an overall satisfaction result. Ministerial mission participants include Queensland Ministers, Directors-General and Queensland business delegates.
2. This is a new measure of efficiency. This service standard measures costs incurred by Trade and Investment Missions in supporting Ministerial-led overseas missions. Costs include full-time equivalent salaries of TIQ Queensland-based staff, with a primary focus in the planning and delivery of Ministerial-led overseas missions and Governor visit programs, divided by the number of hours taken to deliver these services.

Trade and Investment Services

Service area objective

To provide trade and investment advice to Queensland Government stakeholders and to facilitate trade and investment opportunities for Queensland businesses and encourage investment in Queensland.

Service area description

Trade and Investment Services:

- provides timely, high quality advice to Queensland Government stakeholders on trade and investment policy development, coordination and implementation and other trade and investment matters
- creates awareness within the Queensland business community of export and investment opportunities
- identifies Queensland companies with an internationally competitive export or investment offering
- promotes Queensland-based exporters and investment opportunities to potential customers through Trade and Investment Queensland's (TIQ's) global network
- provides market, sector and general business intelligence to clients in order for them to progress their international business dealings.

Trade and Investment Queensland	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Trade and Investment Services	1			
Service standards				
<i>Effectiveness measures</i>				
Overall client satisfaction with advice and/or support provided to a Queensland organisation seeking to export a good or service	2	75%	87%	75%
Overall client satisfaction of investment clients assisted by TIQ	2	75%	89%	75%
Proportion of clients assisted by TIQ who report at least moderate progress in their international business dealings	3	75%	72%	75%
Overall government stakeholder satisfaction with advice and support on intergovernmental issues in trade and investment promotion	4	75%	82%	75%
<i>Efficiency measures</i>				
Cost per export lead	5	\$5,600	\$5,600	\$5,600
Cost per investment lead	6	\$19,700	\$19,000	\$19,700

Notes:

1. This service area combines the 'Policy Advice and Coordination' and 'Trade and Investment facilitation' service areas presented in the 2017-18 Service Delivery Statements.
2. This service standard provides an overall satisfaction level informed by the quality, timeliness and support provided by TIQ and is derived from client surveys. Responses relate to averaged overall score on a 1 to 5 scale, (1 = very dissatisfied, 2 = dissatisfied, 3 = neutral, 4 = moderately satisfied, 5 = very satisfied), with the raw score converted to a percentage.
3. This measure reports the percentage of clients who report TIQ has assisted them to progress their international business dealings either moderately or significantly. Performance is based on the percentage of responses which scored either a moderate assistance or significant assistance (either 4 or 5 on a 1-5 point scale) where 1 = no assistance, 2 = limited assistance, 3 = neutral, 4 = moderate assistance, 5 = significant assistance.
4. This service standard was previously in the 'Policy Advice and Coordination' service area. This service standard informs on overall satisfaction levels with the quality, timeliness and support provided by TIQ and is derived from an annual client survey. Government

stakeholders include Queensland Government Ministers, Directors-General and their agencies. Responses relate to averaged overall score on a 1 to 5 scale, (1= very dissatisfied, 2 = dissatisfied, 3 = neutral, 4 = moderately satisfied, 5 = very satisfied), with the raw score converted to a percentage.

5. This measure represents costs associated with TIQ's facilitation of export opportunities for Queensland companies. Calculation of performance is based on costs of salaries and discretionary budget of business-facing teams which facilitate export opportunities for Queensland businesses divided by the number of export opportunities created.
6. This measure represents costs associated with TIQ's facilitation of investment opportunities for foreign investors. Calculation of performance is based on costs of salaries and discretionary budget of business-facing teams which facilitate investment opportunities for Queensland divided by the number of investment opportunities created.

Staffing¹

Trade and Investment Queensland	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Trade and Investment Queensland	2	136	134	136

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. Trade and Investment Queensland (TIQ) employs 134.36 FTEs in Queensland as at 30 June and in accordance with the Queensland Government reporting on whole-of-government workforce data known as Minimum Obligatory Human Resource Information (MOHRI). TIQ also employs a further 67.40 FTEs across its international network in 15 offices across 12 countries under Locally Engaged Staff (LES) conditions. These LES are not accounted for in the MOHRI data reported by Government.

Income statement

Trade and Investment Queensland	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Taxes		..	..	..
User charges and fees		701	701	729
Grants and other contributions	1,4,7	44,233	38,634	47,881
Interest		75	75	75
Other revenue		300	300	300
Gains on sale/revaluation of assets		..	..	..
Total income		45,309	39,710	48,985
EXPENSES				
Employee expenses	8	25,204	24,604	25,804
Supplies and services	2,5,9	19,764	13,565	21,637
Grants and subsidies	3,6	..	1,200	1,200
Depreciation and amortisation		200	200	200
Finance/borrowing costs		..	..	..
Other expenses		141	141	144
Losses on sale/revaluation of assets		..	..	..
Total expenses		45,309	39,710	48,985
OPERATING SURPLUS/(DEFICIT)		..	..	..

Balance sheet

Trade and Investment Queensland	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		2,657	2,938	3,138
Receivables		843	1,113	1,113
Other financial assets	
Inventories	
Other		766	845	845
Non-financial assets held for sale	
Total current assets		4,266	4,896	5,096
NON-CURRENT ASSETS				
Receivables		424	419	419
Other financial assets	
Property, plant and equipment		473	559	439
Intangibles		300	240	160
Other	
Total non-current assets		1,197	1,218	1,018
TOTAL ASSETS		5,463	6,114	6,114
CURRENT LIABILITIES				
Payables		1,050	1,077	1,077
Accrued employee benefits		841	938	938
Interest bearing liabilities and derivatives	
Provisions	
Other		49	9	9
Total current liabilities		1,940	2,024	2,024
NON-CURRENT LIABILITIES				
Payables	
Accrued employee benefits		714	414	414
Interest bearing liabilities and derivatives	
Provisions	
Other	
Total non-current liabilities		714	414	414
TOTAL LIABILITIES		2,654	2,438	2,438
NET ASSETS/(LIABILITIES)		2,809	3,676	3,676
EQUITY				
TOTAL EQUITY		2,809	3,676	3,676

Cash flow statement

Trade and Investment Queensland	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges and fees		701	701	729
Grants and other contributions	10,13,16	44,233	38,634	47,881
Interest received		75	75	75
Taxes		..	..	..
Other		300	300	300
Outflows:				
Employee costs	17	(25,204)	(24,604)	(25,804)
Supplies and services	11,14,18	(19,764)	(13,565)	(21,637)
Grants and subsidies	12,15	..	(1,200)	(1,200)
Borrowing costs		..	..	..
Other		(141)	(141)	(144)
Net cash provided by or used in operating activities		200	200	200
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		200	200	200
Cash at the beginning of financial year		2,457	2,738	2,938
Cash transfers from restructure		..	..	..
Cash at the end of financial year		2,657	2,938	3,138

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

1. A decrease is due to the delay in the delivery of the Trade and Investment Strategy initiatives, exposure to foreign currency fluctuations funded through Queensland Treasury and whole-of-government reprioritisation measures.
2. A decrease is due to the delay in the delivery of the Trade and Investment Strategy initiatives, exposure to foreign currency fluctuations funded through Queensland Treasury, whole-of-government reprioritisation measures and reclassification of grant expenditure.
3. A increase is due to the reclassification of the Queensland International Education and Training Partnership Fund from supplies and services to grants and subsidies.

Major variations between 2017-18 Budget and 2018-19 Budget include:

4. A increase is primarily due to the timing for the delivery of the Trade and Investment Strategy initiatives.
5. A increase is primarily due to the timing for the delivery of the Trade and Investment Strategy initiatives and offset by the reclassification of grant expenditure.
6. A increase is due to the reclassification of the Queensland International Education and Training Partnership Fund from supplies and services to grants and subsidies.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

7. A increase is due to the deferral in the delivery of the Trade and Investment Strategy initiatives.
8. A increase is due to the deferral in the delivery of the Trade and Investment Strategy initiatives.
9. A increase is due to the deferral in the delivery of the Trade and Investment Strategy initiatives.

Cash flow statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

10. A decrease is due to the delay in the delivery of the Trade and Investment Strategy initiatives, exposure to foreign currency fluctuations funded through Queensland Treasury and whole-of-government reprioritisation measures.
11. A decrease is due to the delay in the delivery of the Trade and Investment Strategy initiatives, exposure to foreign currency fluctuations funded through Queensland Treasury, whole-of-government reprioritisation measures and reclassification of grant expenditure.
12. A increase is due to the reclassification of the Queensland International Education and Training Partnership Fund from supplies and services to grants and subsidies.

Major variations between 2017-18 Budget and 2018-19 Budget include:

13. A increase is primarily due to the timing for the delivery of the Trade and Investment Strategy initiatives.
14. A increase is primarily due to the timing for the delivery of the Trade and Investment Strategy initiatives and offset by the reclassification of grant expenditure.
15. A increase is due to the reclassification of the Queensland International Education and Training Partnership Fund from supplies and services to grants and subsidies.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

16. A increase is due to the deferral in the delivery of the Trade and Investment Strategy initiatives.
17. A increase is due to the deferral in the delivery of the Trade and Investment Strategy initiatives.
18. A increase is due to the deferral in the delivery of the Trade and Investment Strategy initiatives.



Queensland
Government

Office of the Governor

Departmental overview

The *Constitution of Queensland 2001* provides that there must be a Governor of Queensland who is appointed by the Sovereign. The Governor is authorised and required to do all things that belong to the Governor's office under any law. This will be the fifth year in office for His Excellency the Honourable Paul de Jersey AC.

While the Governor as the representative of The Queen, who is the Head of State in Queensland, does not participate in the political process, it is the main constitutional responsibility of the Governor to ensure that the State continues to have a stable government which commands the popular support of the Parliament.

As an independent entity, the Office of the Governor (the Office) provides executive, administrative, logistical and personal support that enables the Governor to exercise effectively the constitutional powers and responsibilities of office, and to undertake constitutional and ceremonial duties and community activities. The autonomous nature of the Office is consistent with the Governor's role to function with political neutrality. The Office also maintains the Government House Estate, in partnership with the Department of Housing and Public Works.

Service performance

Performance statement

Office of the Governor

Service area objective

To enable His Excellency, the Governor to exercise his statutory and constitutional, ceremonial, civic and social duties of office.

Service area description

The Office of the Governor (the Office) provides executive, administrative, logistical and personal support to the Governor and manages the Government House Estate.

2018-19 service area highlights

In 2018-19, the Office will continue to provide support for the:

- Governor's constitutional and legal responsibilities of office through high quality policy advice and executive support
- Governor's ceremonial responsibilities of office, in particular the Australian Honours and Awards System and other ceremonial parades and military ceremonies
- Governor's program of civic engagements at Government House within the community along with educating the community about the role of the Governor and promoting community organisations through His Excellency's patronage
- Governor's commitment to promote Queensland's produce, culture, trade and business initiatives
- hosting of significant visitors to Government House
- Governor and Acting or Deputy Governor at times when the Governor acts as Administrator of the Commonwealth
- efficient and effective stewardship of Government House and the Estate.

Office of the Governor	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Office of the Governor				
Service standards				
<i>Effectiveness measures</i>				
Client satisfaction with support provided to the Governor on constitutional, legal and ceremonial duties of office	1	90%	100%	90%
Visits to Queensland Regional Centres	2	45	50	45
Increase in the number of visitors to Government House	3	10%	23%	10%
Percentage of menu items featuring Queensland produce as its main element	4	80%	93%	80%
Client satisfaction with presentation of gardens and grounds	5	85%	100%	85%
<i>Efficiency measure</i>	6			

Notes:

1. This service standard aims to measure satisfaction with the Office of the Governor's support provided to the Governor.
2. This service standard aims to measure the effectiveness of the Governor's endeavours to support and promote Queensland's regions in accordance with the pledge His Excellency made at his Swearing in in 2014 to visit the people of all communities within the State. Further detail on this measure is provided in the Office of the Governor Annual Report.

3. This service standard indicates the level of public engagement with the Governor and Government House. The term “visitors” includes all who participate in the Government House visit program and other events open to the public, such as the Christmas lights display, open day and Government House involvement in Brisbane Open House. In 2017-18, the Government House Christmas lights display was extended from five to ten nights, which increased visitor numbers by more than 50 per cent. In addition, from late 2017 the Office of the Governor has introduced on-line bookings for public tours on set days, when in the past bookings were only available to tour groups, such as schools and community organisations.
4. This measure of effectiveness demonstrates the Office's support to the Governor in promoting Queensland through ensuring Queensland produce is a main feature of the food served at Government House functions.
5. This service standard aims to measure overall satisfaction with the Office's management of the Government House Estate.
6. An efficiency measure is being developed for this service area and will be included in a future *Service Delivery Statement*.

Staffing¹

Office of the Governor	Notes	2017-18 Budget	2017-18 Est. actual	2018-19 Budget
Office of the Governor		44	44	44

Note:

1. Full-time equivalents (FTEs) as at 30 June.

Budgeted financial statements

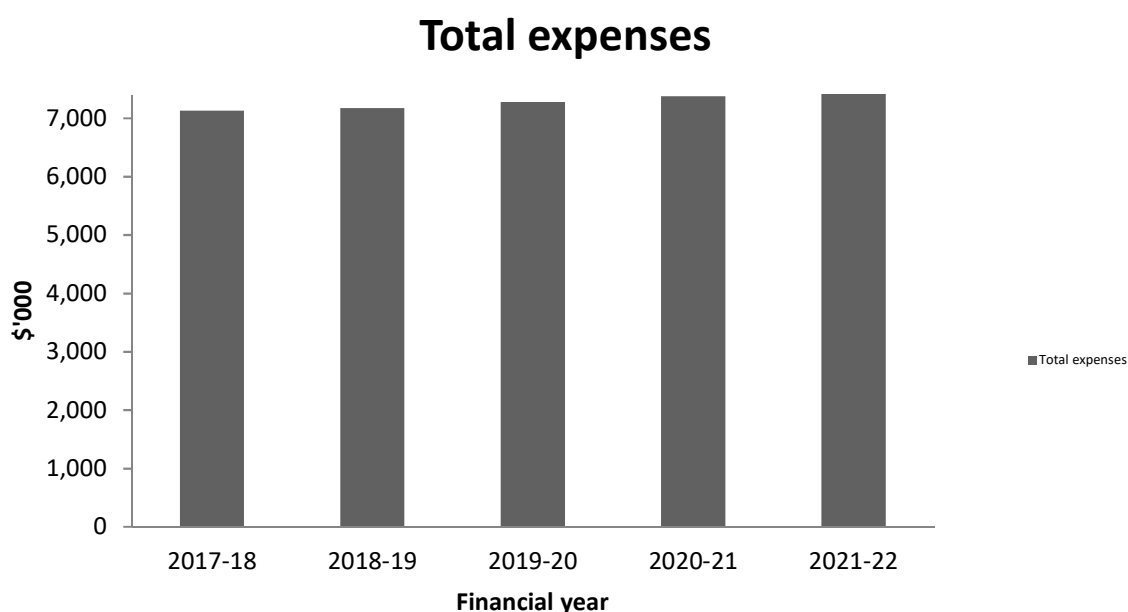
Analysis of budgeted financial statements

An analysis of the Office of the Governor's financial position, as reflected in the Office's financial statements, is provided below.

Departmental income statement

Total expenses are estimated to be \$7.174 million in 2018-19, an increase of \$48,000 from the 2017-18 financial year. The increase is mostly due to the impact of enterprise bargaining arrangements.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Office's major assets in 2017-18 are in property, plant and equipment (\$1.921 million) - primarily the heritage and cultural collection. The value of these assets is anticipated to remain steady over the next three years. The Office's main liabilities relate to trade creditors at year end. These are not anticipated to change markedly over the forward

Controlled income statement

Office of the Governor	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	1,3	6,968	7,126	7,174
Taxes		..	..	..
User charges and fees		..	..	..
Royalties and land rents		..	..	..
Grants and other contributions		..	..	..
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		6,968	7,126	7,174
EXPENSES				
Employee expenses	4,6	5,161	5,174	5,367
Supplies and services	2,7	1,621	1,766	1,674
Grants and subsidies		..	..	..
Depreciation and amortisation	5,8	162	162	109
Finance/borrowing costs		..	..	..
Other expenses		24	24	24
Losses on sale/revaluation of assets		..	..	..
Total expenses		6,968	7,126	7,174
OPERATING SURPLUS/(DEFICIT)		..	..	..

Controlled balance sheet

Office of the Governor	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		1,073	1,368	1,413
Receivables		161	124	124
Other financial assets		..	..	..
Inventories		39	38	38
Other		28	8	8
Non-financial assets held for sale		..	..	..
Total current assets		1,301	1,538	1,583
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,921	1,888	1,883
Intangibles		23	13	..
Other		..	..	..
Total non-current assets		1,944	1,901	1,883
TOTAL ASSETS		3,245	3,439	3,466
CURRENT LIABILITIES				
Payables	9,10	195	296	296
Accrued employee benefits		156	197	197
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		351	493	493
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		351	493	493
NET ASSETS/(LIABILITIES)		2,894	2,946	2,973
EQUITY				
TOTAL EQUITY		2,894	2,946	2,973

Controlled cash flow statement

Office of the Governor	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	13,15	6,968	6,931	7,174
User charges and fees		..	..	..
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other		..	..	..
Outflows:				
Employee costs	14,16	(5,161)	(5,174)	(5,367)
Supplies and services	11,17	(1,621)	(1,766)	(1,674)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(24)	(24)	(24)
Net cash provided by or used in operating activities		162	(33)	109
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	12,18	(64)	(114)	(64)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(64)	(114)	(64)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	50	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		(53)	(53)	..
Net cash provided by or used in financing activities		(53)	(3)	..
Net increase/(decrease) in cash held		45	(150)	45
Cash at the beginning of financial year		1,028	1,518	1,368
Cash transfers from restructure		..	..	..
Cash at the end of financial year		1,073	1,368	1,413

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

1. An increase in appropriation revenue due to prior year funding deferral for minor works projects.
2. An increase in other supplies and services due to a prior year funding deferral to fund minor works projects.

Major variations between 2017-18 Budget and 2018-19 Budget include:

3. An increase in appropriation revenue as a result of employee enterprise bargaining arrangements.
4. An increase in employee expenses due to employee enterprise bargaining arrangements.
5. A decrease in amortisation as underlying asset is fully amortised.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

6. An increase in employee expenses due to enterprise bargaining arrangements.
7. A decrease in supplies and services largely due to the completion of minor works projects in 2017-18.
8. A decrease in amortisation expense due to total amortisation.

Balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

9. An increase in payables due to the fluctuations in accrued expenses at year end.

Major variations between 2017-18 Budget and 2018-19 Budget include:

10. An increase in payables due to the fluctuations in accrued expenses at year end.

Cash flow statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

11. An increase in outflows for other supplies and services due to a prior year funding deferral for minor works projects.
12. An increase in outflows for payments for non-financial assets due to increased investment in plant and equipment.

Major variations between 2017-18 Budget and 2018-19 Budget include:

13. An increase in appropriation receipts due to enterprise bargaining arrangements.
14. An increase in outflows for employee costs due to enterprise bargaining arrangements.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

15. An increase in appropriation receipts due to enterprise bargaining arrangements.
16. An increase in outflows for employee costs due to enterprise bargaining arrangements.
17. A decrease in outflows for other supplies and services due to the completion of minor works projects in 2017-18.
18. A decrease in outflows for payments for non-financial assets due to completion of plant and equipment investment in 2017-18.



Queensland
Government

Public Service Commission

Departmental overview

The Public Service Commission (PSC) provides leadership and expertise to build and foster a professional high-performing workforce, highly capable, collaborative and inspiring leaders, and continuously improving, future-focused organisations.

PSC contributes to the Government's objectives for the community by:

- leading public sector employee participation and engagement strategies
- connecting agencies to support collaborative responses to current and future challenges
- supporting agencies to continuously improve their performance
- co-designing community-focused solutions
- building leadership capability and development
- fostering a diverse and inclusive public sector.

As a central agency, PSC provides independent advice to government and collaborates across the public sector to achieve its vision of a high-performing, future-focused public sector for Queensland. To achieve this vision, our strategic objectives are to:

- provide effective stewardship of the public sector by managing an employment framework that drives performance and accountability; fostering constructive workplace cultures; supporting the achievement of cross-sector objectives through collaborative, outcome-focused governance
- develop public sector capability by collaborating with agencies to develop leaders at all levels across the sector; and promoting a culture of personal and organisational improvement that embodies public sector values; and building analytical capability of workforce information to inform evidence based decision making
- enable an agile, future-focused public sector by connecting agencies to drive sector-wide and place-based responses; increasing sector confidence and readiness to manage the changing nature of work; partner with agencies to anticipate and respond to the changing community
- optimise our capability and performance by embedding a new approach to organisational governance; and fostering a customer-centric culture by ensuring we deliver value to the sector in all aspects of our work.

To meet the community's changing priorities and expectations, PSC works with agencies to build workforce and leadership capability to deliver government objectives, and connect agencies to support a collaborative response to current and emerging challenges that impact the public sector.

Key initiatives include:

- continuing to implement strategic initiatives in the *10 Year Strategic Human Capital Outlook* and the *3 Year Strategic Roadmap* to promote contemporary workforce planning and management
- implementing a new leadership capability assessment and development solution to support the development of leaders at all levels across the sector
- launching a membership offering for a revitalised Institute of Public Administration Australia (IPAA) Queensland
- publishing an inaugural audit report on gender pay equity in the Queensland public sector
- issuing a revised and improved code of conduct.

Key challenges which may impact PSC's ability to deliver its vision include:

- demonstrating unique value to customers
- meeting changing customer needs and expectations
- building organisational and individual capability.

PSC will mitigate these challenges by:

- building trusted relationships with customers based on a clear understanding of needs and expectations
- adjusting priorities and operations to meet changing customer needs, emerging issues and trends, and involving customers in co-designing solutions
- applying capability-building strategies internally and accessing thought leadership where we lack internal skills.

The Integrity Commissioner is administratively included within the PSC and is responsible for providing advice to designated persons, raising awareness on ethics and integrity issues, and for maintaining the Queensland Register of Lobbyists. The Integrity Commissioner is an independent officer of the Queensland Parliament who reports to the Economics and Governance Committee of the Parliament.

Service performance

Performance statement

Provision of Services for a High Performing Public Service

Service area objective

Deliver high quality community and service-focused policies, strategies, programs and advice to government on workforce, leadership and organisational matters that support Queensland Government agencies to deliver on their strategic vision, purpose and objectives.

Service area description

The Public Service Commission (PSC) has three key areas of focus:

- providing effective stewardship of the public sector
- developing public sector capability
- enabling a future-focused public sector.

To support the delivery of these services, the PSC will optimise its capability and performance and focus on developing a customer-centric culture, modelling leadership behaviours and developing and sharing capabilities.

PSC collaborates with external stakeholders including the tertiary education and development sector, industry, employer associations, unions, research institutes and other public sector jurisdictions, in the design and delivery of its services.

2018-19 service area highlights

During 2018-19, PSC will:

- partner with departments to increase organisational performance across government through the Capability Blueprint program that enables departments to assess and build organisational capability to meet future challenges
- provide advisory services to support agencies to develop integrated services and programs, and build their capability in community-centred service design methods
- build expertise in the future of work through the Queensland Public Sector *10 Year Strategic Human Capital Outlook*, and implement strategic workforce initiatives in the *3 Year Strategic Roadmap*
- prepare an annual audit to monitor improvements in gender pay equity in the Queensland public sector
- assess the viability of expanding the scale of an internal talent mobility approach based on the Talent Now pilot learnings from 2017-18
- deliver on commitments under Queensland's domestic and family violence prevention workplace reforms in collaboration with key stakeholders, including promoting cultural change through strengthening the multi-agency approach to White Ribbon Australia workplace accreditation with Queensland Government departments
- undertake a 12-month pilot program to identify at least 100 employment opportunities in the Queensland public sector for veterans and deliver a recruitment campaign to help veterans match their skills with available roles
- collaborate with agencies to develop great leaders at all levels across the sector through targeted, impactful and streamlined, cutting edge leadership development initiatives that include a blend of formal learning (e.g. PSC's calendar of leadership development forums), peer learning (such as the Herding Professional Cats masterclasses), and experiential learning (such as the Leader Connect initiative)
- build the professionalism of the public sector through support of the re-established Institute of Public Administration Australia (IPAA) Queensland
- refine collation and reporting of workforce data to enable evidence based decision making in the management of the sector's workforce
- grow leadership and management capability to manage conduct and performance across the sector by conducting workshops in Brisbane and regional Queensland; developing resources and tools for managers and human resource practitioners; and providing an advisory service supported by an up-to-date website
- support an ethical public service by issuing a revised and improved code of conduct.

Public Service Commission	Notes	2017-18 Target/est.	2017-18 Est. actual	2018-19 Target/est.
Service area: Provision of Services for a High Performing Public Service				
<i>Effectiveness measures</i>				
Overall participant satisfaction with PSC leadership development offerings	1	85%	87%	87%
Client satisfaction with specialist workforce services advice	2	80%	91%	85%
<i>Efficiency measures</i>				
Cost per participant at PSC leadership development offerings	3	\$300	\$279	\$300
Cost per employee of conducting annual sector-wide employee opinion survey	4	\$1.40	\$1.03	\$1.40

Notes:

1. Overall satisfaction is measured across leadership development calendar offerings (using a 5-point Likert scale ranging from strongly agree to strongly disagree) covering three dimensions: The offering has given me a good understanding of the topic; I will use or adapt the ideas from the offering in my work; and I would recommend the offering to my colleagues.
2. Includes overall client satisfaction with both PSC Advisory Service and Conduct and Performance Excellence where clients indicated they were either satisfied or highly satisfied with the service based on client survey results. Systemic changes to the way PSC delivers and seeks feedback on advice will be made during 2018-19 so it is uncertain whether the client satisfaction target will be achieved. Should high satisfaction ratings be received in 2018-19, the target will be revised for 2019-20.
3. Value for money is measured on the total number of attendees against the total cost of holding the leadership development calendar offerings. Total cost includes venue hire, catering, facilities, facilitator related costs such as travel and/or accommodation, and video production costs. Estimated Actual figure has been calculated using data up to 31 March 2018 and may not reflect the full year.
4. The cost per employee of the annual Working for Queensland employee opinion survey is based on the cost of the core elements of the survey (i.e. standard survey services that are funded by PSC and provided to all participating agencies). Core costs are divided by the number of employees that are eligible to complete the survey. Eligibility to complete the survey is based primarily on an agency's participation in the Minimum Obligatory Human Resource Information (MOHRI) workforce data collection. The target figure for 2018-19 is based on a new contract period (2018-2020). The contract amount is unknown at this time and the target figure is based on assumptions (cost of software services, plus additional project services and deliverables).

Staffing¹

Public Service Commission	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Public Service Commission	2	73	73	70

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. The reduction is due to realignment of the Community Insights function within the Commission's core service function and offset by additional FTEs to support the expanded role of the Integrity Commissioner.

Budgeted financial statements

Analysis of budgeted financial statements

An analysis of the Public Service Commission's financial statements is provided below.

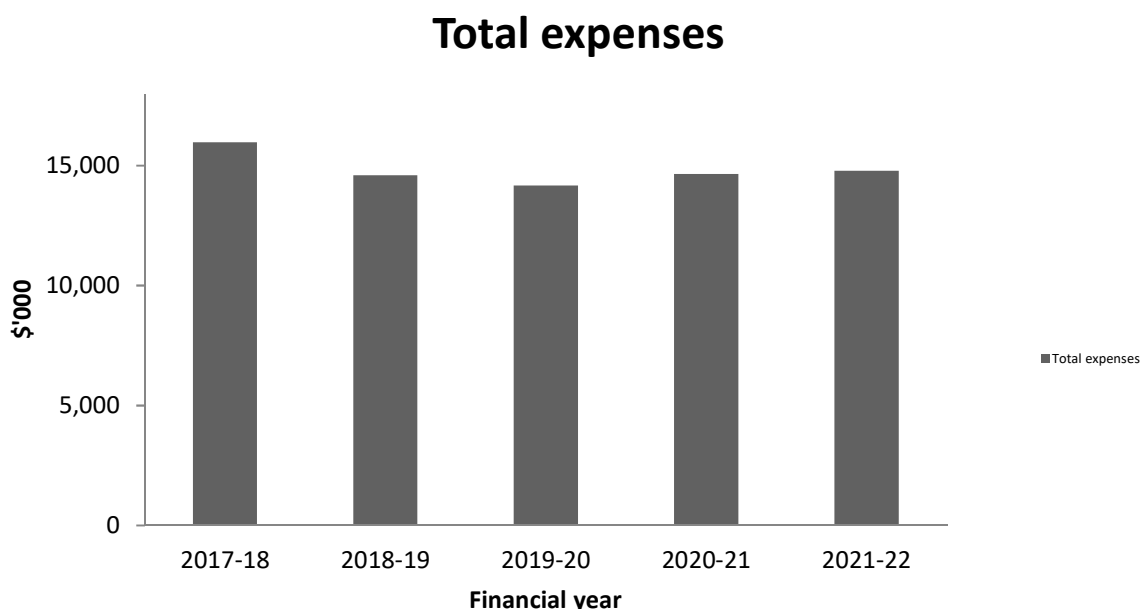
Departmental income statement

Total expenses are estimated to be \$14.6 million in 2018-19, a decrease of \$1.4 million from the 2017-18 Estimated Actual. The decrease is due to:

- cessation of temporary funding for the Community Insights function, which will be realigned within the Commission's core service delivery.
- completion of limited life projects such as Talent Now and whole-of-government expense measure 'Reprioritisations' in the current financial year.

The reduction of expenses in 2018-19 is partly offset by additional funding to assist the Integrity Commissioner's expanded role in responding to the government's commitment to integrity in public office and institutions.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The Commission's net asset position for 2018-19 is expected to remain consistent with the current financial year.

Controlled income statement

Public Service Commission	Notes	2017-18 Budget* \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue	1,4,10	14,871	14,523	13,675
Taxes		..	..	..
User charges and fees	2,5,11	421	538	203
Royalties and land rents		..	..	..
Grants and other contributions	6,7,12	908	908	720
Interest		..	..	..
Other revenue		..	..	..
Gains on sale/revaluation of assets		..	..	..
Total income		16,200	15,969	14,598
EXPENSES				
Employee expenses	3,8,13	10,161	9,966	9,804
Supplies and services	9,14	5,924	5,886	4,729
Grants and subsidies	15	70	70	20
Depreciation and amortisation		..	2	2
Finance/borrowing costs		..	..	..
Other expenses		45	45	43
Losses on sale/revaluation of assets		..	..	..
Total expenses		16,200	15,969	14,598
OPERATING SURPLUS/(DEFICIT)		..	..	..

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Controlled balance sheet

Public Service Commission	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets	16,21,23	1,417	1,638	1,536
Receivables		194	233	185
Other financial assets		..	..	..
Inventories		..	..	..
Other	17	138	177	189
Non-financial assets held for sale		..	..	..
Total current assets		1,749	2,048	1,910
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		..	..	..
TOTAL ASSETS		1,749	2,048	1,910
CURRENT LIABILITIES				
Payables		391	398	359
Accrued employee benefits	18	422	463	479
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other	19,24	..	115	..
Total current liabilities		813	976	838
NON-CURRENT LIABILITIES				
Payables	20,22	..	136	136
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	136	136
TOTAL LIABILITIES		813	1,112	974
NET ASSETS/(LIABILITIES)		936	936	936
EQUITY				
TOTAL EQUITY		936	936	936

Controlled cash flow statement

Public Service Commission	Notes	2017-18 Budget* \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts	25,30,37	14,871	14,047	13,675
User charges and fees	26,31,38	804	1,550	313
Royalties and land rent receipts		..	..	..
Grants and other contributions	32,39	908	908	720
Interest received		..	..	..
Taxes		..	..	..
Other	33,40	678	626	356
Outflows:				
Employee costs	27,34,41	(10,142)	(9,910)	(9,788)
Supplies and services	28,35,42	(6,547)	(7,016)	(5,121)
Grants and subsidies	36,43	(70)	(70)	(20)
Borrowing costs		..	..	..
Other	29,44	(170)	(55)	(235)
Net cash provided by or used in operating activities		332	80	(100)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets		..	(1)	(2)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		..	(1)	(2)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		332	79	(102)
Cash at the beginning of financial year		1,085	1,559	1,638
Cash transfers from restructure		..	..	..
Cash at the end of financial year		1,417	1,638	1,536

*Technical adjustments have been made in this statement to reallocate amounts between categories and facilitate consistency across agencies.

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Budget* and 2017-18 Estimated Actual include:

1. A decrease in appropriation revenue due to the Commission's contribution to whole-of-government reprioritisation measures, a transfer of funding to the Queensland Ombudsman for the Public Interest Disclosure (PID) initiatives, funding deferrals for the completion of employee surveying and executive development enhancement projects. The decrease is partly offset by additional funding provided for employee enterprise bargaining arrangements for external corporate service provider and deferred funding provided for projects supporting development initiatives such as the Institute of Public Administration Australia (IPAA) from the previous financial year.
2. An increase in user charges and fees due to additional contributions from Interstate jurisdiction for the transition of workforce reporting services and Queensland public sector contributions for IPAA development activities.
3. A decrease in employee expenses due to a revision to the Commission's staffing structure.

Major variations between 2017-18 Budget* and 2018-19 Budget include:

4. A decrease in appropriation revenue due to the Commission's contribution to whole-of-government reprioritisation measures, completion of limited life projects, reduced Community Insights activities and a transfer of funding to the Queensland Ombudsman for the PID initiatives. The decrease is partly offset by additional funding for the expansion of the Integrity Commissioner's role in responding to the government's commitment to integrity in public office and institutions and employee enterprise bargaining agreement increases.
5. A decrease in user charges and fees primarily due to reduced Community Insights activities.
6. A decrease in grants and contributions due to discontinuing agency contributions for workforce reporting services.
7. A decrease in grants and subsidies due to a Policy Innovation Hub grant provided in 2017-18.
8. A decrease in employee expenses primarily due to lower FTEs partly offset by employee enterprise bargaining agreement increases.
9. A decrease in supplies and services due to a funding deferral for the whole-of-government Employee Surveying enhancement project, reduced allocation to support IPAA, reduced Community Insights activities and lower reliance on external contractors for Capability Blueprint Reviews by collaborating with the sector and securing additional resources through in-kind support.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

10. A decrease in appropriation revenue due to the Commission's contribution to whole-of-government reprioritisation measures, completion of limited life projects and reduced Community Insights activities. The decrease is partly offset by additional funding for the expansion of the Integrity Commissioner's role in responding to the government's commitment to integrity in public office and institutions, funding deferrals to complete employee surveying and executive development enhancement projects and employee enterprise bargaining agreement increases.
11. A decrease in user charges and fees primarily due to reduced Community Insights activities and lower revenues for development activities supporting IPAA.
12. A decrease in grants and contributions due to discontinuing agency contributions for workforce reporting services.
13. A decrease in employee expenses primarily due to lower FTEs partly offset by employee enterprise bargaining agreement increases.
14. A decrease in supplies and services due to deferral of enhancement of whole-of-government Employee Surveying projects, reduced allocation to support IPAA, reduced requirement for external contractors for Community Insights and Capability Blueprint Reviews by collaborating with the sector and securing additional resources through in-kind support as opposed to seeking external resources.
15. A decrease in grants and subsidies due to a Policy Innovation Hub grant provided in 2017-18.

Balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

16. An increase in cash assets primarily due to the recognition of an unearned revenue as at 30 June 2018.
17. An increase in prepayments due to the funding of Australia and New Zealand School of Government (ANZSOG) scholarships and professional memberships across the financial year.
18. An increase in employee accrued benefits due to timing of accrued leave entitlements and leave taken by employees.
19. An increase in other current liabilities to reflect the accounting treatment for an unearned revenue for contributions to ANZSOG programs requiring completion in 2018-19.
20. An increase in non-current payables due to the introduction of a straight-line accounting policy for commission lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.

Major variations between 2017-18 Budget and 2018-19 Budget include:

21. An increase in cash assets primarily due to the recognition of an unearned revenue as at 30 June 2018.
22. An increase in non-current payables due to the introduction of a straight-line accounting policy for commission lease agreements in accordance with Financial Reporting Requirements and Australian Accounting Standards.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

23. A decrease in cash assets primarily due to unearned revenue for contributions to ANZSOG program being realised in 2018-19.
24. A decrease in other current liabilities to reflect the accounting treatment for an unearned revenue for contributions to ANZSOG program for the current financial year, with expenditure being realised in 2018-19.

Cash flow statement

Major variations between 2017-18 Budget* and 2017-18 Estimated Actual include:

25. A decrease in appropriation receipts due to the Commission's contribution to whole-of-government reprioritisation measures, a transfer of funding to the Queensland Ombudsman for the PID initiatives, funding deferrals for the completion of employee surveying and executive development enhancement projects. The decrease is partly offset by additional funding provided for employee enterprise bargaining arrangements for external corporate service provider and deferred funding provided for projects supporting development initiatives such as IPAA from the previous financial year.
26. An increase in user charges and fees due to additional contributions for the transition of workforce reporting services from Interstate jurisdiction, Queensland public sector contributions for IPAA development activities and prior year ANZSOG cost recoveries from the Queensland public sector.
27. A decrease in employee expenses due to a revision to the Commission's staffing structure.
28. An increase in supplies and services primarily due to timing of payments of prior year end of year accruals for supplies and services.
29. A decrease in other outflows due to an ANZSOG program funding deferral to be completed in 2018-19.

Major variations between 2017-18 Budget* and 2018-19 Budget include:

30. A decrease in appropriation receipts due to the Commission's contribution to whole-of-government reprioritisation measures, completion of limited life projects, reduced Community Insights activities and a transfer of funding to the Queensland Ombudsman for the PID initiatives. The decrease is partly offset by additional funding for the expansion of the Integrity Commissioner's role in responding to the government's commitment to integrity in public office and institutions and employee enterprise bargaining agreement increases.
31. A decrease in user charges and fees primarily due to reduced Community Insights activities.
32. A decrease in grants and contributions due to discontinuing agency contributions for workforce reporting services.
33. A decrease in other operating inflows primarily due to the timing of GST impacts on the collection of prior year receivables that were accrued at year end.
34. A decrease in employee expenses primarily due to lower FTEs partly offset by employee enterprise bargaining agreement increases.

35. A decrease in supplies and services due to a funding deferral for the whole-of-government Employee Surveying enhancement project, reduced allocation to support IPAA, reduced Community Insights activities and lower reliance on external contractors for Capability Blueprint Reviews by collaborating with the sector and securing additional resources through in-kind support.
36. A decrease in grants and subsidies due to a Policy Innovation Hub grant received in 2017-18.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

37. A decrease in appropriation receipts due to the Commission's contribution to whole-of-government reprioritisation measures, completion of limited life projects and reduced Community Insights activities. The decrease is partly offset by additional funding for the expansion of the Integrity Commissioner's role in responding to the government's commitment to integrity in public office and institutions, funding deferrals to complete employee surveying and executive development enhancement projects and employee enterprise bargaining agreement increases.
38. A decrease in user charges and fees primarily due to reduced Community Insights activities and lower cost recoveries associated with IPAA development activities.
39. A decrease in grants and contributions due to discontinuing agency contributions for workforce reporting services.
40. A decrease in other operating inflow primarily due to the timing of GST impacts on the collection of prior year receivables that were accrued at year end.
41. A decrease in employee expenses primarily due to lower FTEs partly offset by employee enterprise bargaining agreement increases.
42. A decrease in supplies and services due to deferral of enhancement of whole-of-government Employee Surveying projects, reduced allocation to support IPAA, reduced requirement for external contractors for Community Insights and Capability Blueprint Reviews by collaborating with the sector and securing additional resources through in-kind support as opposed to seeking external resources.
43. A decrease in grants and subsidies due to a Policy Innovation Hub grant received in 2017-18.
44. An increase in other outflows due to commitments for ANZSOG programs to be completed in 2018-19.



Queensland
Government

Queensland Audit Office

Departmental overview

The Queensland Audit Office (QAO) is the independent auditor of the Queensland public sector.

QAO conducts financial and performance audits to provide public confidence in the reliability of public sector entity financial statements and operating performance. Through its audit work, the QAO makes recommendations to improve accountability and performance.

QAO's unique position provides it with visibility across the entire public sector of matters that impact financial performance, and its audit mandate provides it with access to the information it needs to develop an evidence-based understanding of operating performance.

QAO's vision is for better public services and it strives to use its unique position and mandate to achieve this vision.

QAO's objectives are:

- supporting and challenging its people to best serve Parliament and its clients
- ensuring those it serves, trust and value its services and advice
- for its assurance services and advice to be used to improve accountability and performance.

QAO's financial audit services are paid for directly by public sector entities, while performance audit services are paid for by parliamentary funding.

Each year QAO invests responsibly to deliver the best value it can from its services.

The most significant impacts to QAO in 2018-19 will be:

- the current round of machinery-of-government changes that resulted in significant changes in departmental service delivery and asset stewardship. Three departments were abolished, three departments created and 12 departments were subject to redistribution of functions. Additional audit effort is required to confirm the accuracy of pre and post machinery-of-government financial statements.

Service performance

Performance statement

Independent Public Sector Auditing and Reporting

Service area objective

To provide independent assurance and trusted advice about public sector performance, facilitating better public services.

Service area description

The Queensland Audit Office (QAO) conducts financial and performance audits to provide public confidence in the reliability of public sector entity financial statements and operating performance. Each year, the QAO develops plans about what audits it will conduct in future years. During each audit, the QAO performs analysis, develops insights, and makes recommendations designed to promote accountability and transparency, and improve performance. The QAO's reports provide valuable information to Parliament, public sector entities and members of the public. Each year, the QAO follows up with public sector entities to identify to what extent its recommendations have been implemented.

Services

- Reports and advice to the Parliament
- Reports and advice to the public sector

2018-19 service area highlights

In 2018-19, QAO will:

- support its workforce to meet Parliament's and our clients' service needs
- enhance relationships
- adapt its assurance services to provide greater value.

Queensland Audit Office	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Service area: Independent Public Sector Auditing				
Service: Reports and Advice to the Parliament				
Service standards				
<i>Effectiveness measures</i>				
Parliament's overall satisfaction with services	1, 2	80%	..	80%
Audit entities' overall satisfaction with performance audit services (index points)	1, 3	80	80	80
Average time taken to produce reports - Results of financial audits – from applicable balance dates (months)	4, 5	6	6.7	6
Average time taken to produce reports - Results of performance audits - from initiation of audits (months)	4, 6	9	9.9	9
<i>Efficiency measures</i>				
Average cost of reports tabled - Results of financial audits (\$'000)	7, 8	140	131	140

Queensland Audit Office	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Average cost of reports tabled - Results of performance audits (\$'000)	7, 9	395	345	395
Service: Reports and Advice to the Public Sector				
Service standards				
<i>Effectiveness measure</i>				
Audit entities' overall satisfaction with financial audit services (index points)	1,3	80	80	80
<i>Efficiency measures</i>				
Average cost of financial audits - State entities (\$'000)	10	80	88	75-90
Average cost of financial audits - Local government entities (\$'000)	10	71	66	65-75

Notes:

1. QAO's service area objective includes providing trusted advice. QAO's performance is effective when its advice is valued by Members of Parliament and the entities that QAO audit. To measure this, independent surveys are conducted with these groups asking for responses about QAO services, including the value it provides. The results are reported here as part of 'overall satisfaction'.
2. Members of Parliament are typically only surveyed twice during their political term (i.e. not annually). Given the recent state election, the next survey to this group is expected to be conducted in 2018-19. Therefore, there will be no result for 2017-18.
3. This measure is based on surveys conducted throughout the year by an independent external provider. The results will be available in July and included in the 2017-18 annual report.
4. QAO tracks the time it takes to produce each report. For performance audits, this is measured from audit initiation to the tabling date. For reports on the results of financial audits, QAO measures the time from financial year-end to the tabling date.
5. This measure is now classified as a measure of effectiveness, as reporting to parliament in a timely manner contributes positively to prompt action being taken and the achievement of better outcomes. For reports on the results of financial audits, the unfavourable variance from the 2017-18 Target/Estimate equates to an average three-week delay which is within tolerance.
6. For reports on the results of performance audits, the unfavourable variance from the 2017-18 Target/Estimate equates to an average four-week delay and is attributable to the complexity of topics and additional time spent addressing client responses to proposed reports.
7. QAO tracks the full life-cycle cost of each report it tables, including internal staff costs and overheads, consultants and other direct costs. The cost of all reports QAO tabled within the financial year are used in the final measure.
8. For reports on the results of financial audits, the favourable variance is 6.4 percent for 2017-18 which is within tolerance.
9. For reports on the results of performance audits, the favourable variance reflects the delay in some larger audits that will now be finalised in 2018-19. While the average cost for completed audits is lower to date than planned for 2017-18, the total parliamentary appropriation for the financial year will be fully utilised with work in progress on audits for next year.
10. QAO tracks the full cost of each financial audit including internal staff costs and overheads, contractor and other direct costs. The full cost of all the financial audits completed within the financial year are included in the final measure. This measure is calculated by dividing the full cost of financial audits by the number of audit opinions produced. It is normal for the total number of opinions to change marginally each year which will impact these results. Machinery-of-government changes will also impact this measure. Expressing the target for this measure as a range better reflects the nature of audit services and provides better information for understanding QAO's performance.

Discontinued measures

Performance measures included in the 2017-18 *Service Delivery Statements* that have been discontinued or replaced are reported in the following table with estimated actual results.

Queensland Audit Office	Notes	2017-18 Target/Est.	2017-18 Est. Actual	2018-19 Target/Est.
Percentage of performance audit recommendations implemented by audited entities	1, 4	90%	..	Discontinued measure
Benefits from performance audits (benefit-cost ratio)	2, 4	>1	..	Discontinued measure
Financial statement material error	3, 4	<5%	..	Discontinued measure

Notes:

1. The measure is being discontinued. This measure does not reflect Queensland Audit Office (QAO) efforts but client efforts. It is currently measured based on available information from client self-assessments which are not independently reviewed. The cost of improving the quality of this measure is not expected to provide further benefit, so the measure is being discontinued.
2. The measure is being discontinued. This measure was developed to demonstrate some of the financial benefits related to QAO audit services. Realising financial benefits may require our clients to implement change based on audit recommendations. This measure does not capture implementation costs or any non-financial benefits. The cost of improving the quality of this measure is not expected to provide further benefit, so the measure is being discontinued.
3. The measure is being discontinued. This measure was developed to demonstrate QAO audit quality by reporting on instances where, during the current financial audit, an issue is identified in the clients' prior year financial statements – where the issue is material enough to require restatement of prior year financial information. While intended to be an indicator of QAO audit quality, issues reported to date predominantly relate to the quality of client accounting, so the measure is being discontinued.
4. The 2017-18 Estimated Actual is not able to be calculated before the end of the year. It will not be calculated this year as it is being discontinued.

Staffing¹

Queensland Audit Office	Notes	2017-18 Budget	2017-18 Est. Actual	2018-19 Budget
Independent public sector auditing services and reporting	2	197	182	182

Notes:

1. Full-time equivalents (FTEs) as at 30 June.
2. This reduction in FTE will be sustained in future years and is aligned with a reduction in corporate support roles, as Queensland Audit Office continues to pursue operational efficiencies.

Budgeted financial statements

Analysis of budgeted financial statements

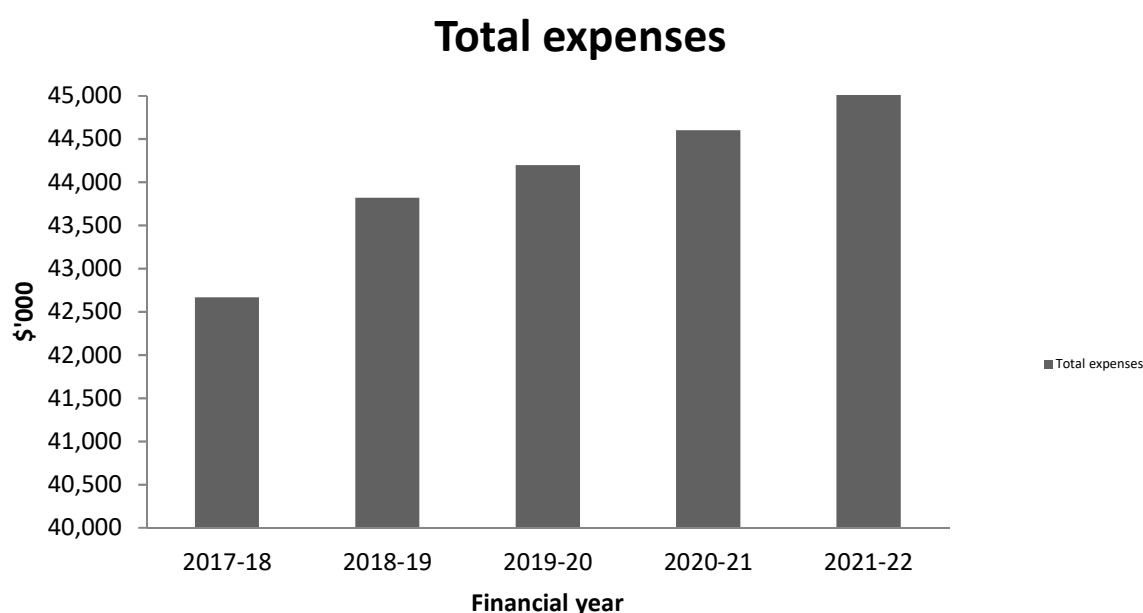
An analysis of the Queensland Audit Office's (QAO) financial statements is provided below.

Departmental income statement

Total income is estimated to be \$43.7 million in 2018-19, a decrease of \$0.7 million compared to the 2017-18 Budget of \$44.4 million, and a decrease of \$0.1 million compared to the 2017-18 Estimated Actual of \$43.8 million. This decrease is primarily due to improvements in audit efficiency.

Total expenses are estimated to be \$43.8 million in 2018-19, a decrease of \$0.2 million compared to the 2017-18 Budget of \$44.0 million, but an increase of \$1.1 million compared to the 2017-18 Estimated Actual of \$42.7 million. This movement is due to (1) a decrease in employee expenses in 2017-18 due to lower staff numbers, which is expected to be sustained into 2018-19, (2) offset by additional expenses in 2018-19 related to the licence of audit software, training and low value equipment related to the corporate accommodation refresh.

Chart: Total departmental expenses across the Forward Estimates period



Departmental balance sheet

The balance sheet position remains sustainable over the forward estimates. QAO's balance sheet primarily reflects liquid assets and liabilities. Major asset holdings in 2018-19 are cash \$5.4 million, receivables \$4.0 million, and work-in-progress \$2.7 million.

Controlled income statement

Queensland Audit Office	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue		6,670	6,727	6,835
Taxes		..	..	..
User charges and fees	1,4	37,042	36,343	36,624
Royalties and land rents		..	..	..
Grants and other contributions		201	201	201
Interest		..	..	..
Other revenue	5,8	439	474	..
Gains on sale/revaluation of assets		..	..	..
Total income		44,352	43,745	43,660
EXPENSES				
Employee expenses	2,6	23,258	21,083	22,572
Supplies and services	3,7	20,021	20,916	20,668
Grants and subsidies		..	..	..
Depreciation and amortisation		436	405	318
Finance/borrowing costs		..	..	..
Other expenses		290	263	263
Losses on sale/revaluation of assets		..	..	..
Total expenses		44,005	42,667	43,821
OPERATING SURPLUS/(DEFICIT)		347	1,078	(161)

Controlled balance sheet

Queensland Audit Office	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets	9,19	5,547	6,535	5,407
Receivables	10,14	2,699	4,006	4,041
Other financial assets		..	..	..
Inventories		..	..	..
Other		2,673	2,333	2,736
Non-financial assets held for sale		..	..	..
Total current assets		10,919	12,874	12,184
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	11,15,20	228	92	424
Intangibles		1,130	1,129	929
Other		10	10	10
Total non-current assets		1,368	1,231	1,363
TOTAL ASSETS		12,287	14,105	13,547
CURRENT LIABILITIES				
Payables	12,16	608	1,471	1,479
Accrued employee benefits	17,21	937	898	514
Interest bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total current liabilities		1,545	2,369	1,993
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest bearing liabilities and derivatives		..	..	..
Provisions	13,18	403	923	902
Other		..	..	..
Total non-current liabilities		403	923	902
TOTAL LIABILITIES		1,948	3,292	2,895
NET ASSETS/(LIABILITIES)		10,339	10,813	10,652
EQUITY				
TOTAL EQUITY		10,339	10,813	10,652

Controlled cash flow statement

Queensland Audit Office	Notes	2017-18 Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		6,670	6,727	6,835
User charges and fees	22,26	40,363	39,600	39,928
Royalties and land rent receipts		..	..	..
Grants and other contributions		..	..	..
Interest received		..	..	..
Taxes		..	..	..
Other	27,30	2,236	2,419	1,933
Outflows:				
Employee costs	23,31	(23,224)	(21,049)	(23,369)
Supplies and services	24,28	(21,588)	(22,640)	(22,413)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(3,856)	(3,610)	(3,592)
Net cash provided by or used in operating activities		601	1,447	(678)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for non-financial assets	25,29,32	(250)	(75)	(450)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by or used in investing activities		(250)	(75)	(450)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by or used in financing activities		..	..	..
Net increase/(decrease) in cash held		351	1,372	(1,128)
Cash at the beginning of financial year		5,196	5,163	6,535
Cash transfers from restructure		..	..	..
Cash at the end of financial year		5,547	6,535	5,407

Explanation of variances in the financial statements

Income statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

1. A decrease in user charges and fees due to QAO continuing to realise efficiencies through the development of audit analytics, resulting in a reduction in chargeable audit work.
2. A decrease in employee expenses due to lower staff numbers as QAO is increasingly using audit analytics to smooth audit work throughout the year and achieving reductions in corporate support.
3. An increase in supplies and services due to IT development and greater use of specialist audit service contracts.

Major variations between 2017-18 Budget and 2018-19 Budget include:

4. A decrease in user charges and fees due to QAO and continuing to realise efficiencies through the development of audit analytics, resulting in a reduction in audit work.
5. A decrease in other revenue due to fees received from other State audit offices for audit tools, due to QAO ceasing to provide support.
6. A decrease in employee expenses due to lower staff numbers as QAO is increasingly using audit analytics to smooth audit work throughout the year and achieving reductions in corporate support.
7. An increase in supplies and services due to ongoing cost increases in providing our IT and information services.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

8. A decrease in other revenue due to fees received from other State audit offices for audit tools, due to QAO ceasing to provide support.

Balance sheet

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

9. An increase in cash assets due to operating surplus from 2017-18 activities and the timing of receivables and trade creditors.
10. An increase in current receivables due to timing of collection of services being provided.
11. A decrease in property, plant and equipment mainly due to depreciation and lower capital works expenditure to replace current office and IT equipment.
12. An increase in current payables due to higher creditor balances with increase in services being provided in June 2018. The QAO replacement audit toolset project commenced in May 2018.
13. An increase in provisions to allow for leasehold restoration costs based on proposed changes to office accommodation.

Major variations between 2017-18 Budget and 2018-19 Budget include:

14. An increase in current receivables due to timing of collection of services being provided.
15. An increase in property, plant and equipment mainly due to higher capital works expenditure for change to office accommodation.
16. An increase in current payables due to higher creditor balances with increase in services being provided in June 2018.
17. A decrease in accrued employee benefits due to reduction in FTEs and timing of payroll.
18. An increase in provisions to allow for leasehold restoration costs based on proposed changes to office accommodation.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

19. A decrease in cash assets due to operating deficit from 2018-19 activities and increased capital expenditure.
20. An increase in property, plant and equipment mainly due to higher capital works expenditure based on proposed change to office accommodation.
21. A decrease in accrued employee benefits due to timing of payroll.

Cash flow statement

Major variations between 2017-18 Budget and 2017-18 Estimated Actual include:

- 22. A decrease in user charges and fees due to QAO continuing to realise efficiencies through the development of audit analytics, resulting in a net reduction in audit work.
- 23. A decrease in employee costs due to lower staff numbers as QAO is increasingly using audit analytics to smooth audit work throughout the year and achieving reductions in corporate support.
- 24. An increase in supplies and services due to ongoing cost increases in providing IT and information services.
- 25. A decrease in payments for non-financial assets mainly due to lower capital works expenditure to maintain and replace current office and IT equipment.

Major variations between 2017-18 Budget and 2018-19 Budget include:

- 26. A decrease in user charges and fees due to QAO continuing to realise efficiencies through the development of audit analytics, resulting in a net reduction in chargeable audit work.
- 27. A decrease in other inflows received from other State audit offices for audit tools, due to QAO ceasing to support those tools.
- 28. An increase in supplies and services due to ongoing cost increases in providing IT and information services.
- 29. An increase in payments for non-financial assets mainly due to higher capital works expenditure for change to office accommodation.

Major variations between 2017-18 Estimated Actual and the 2018-19 Budget include:

- 30. A decrease in other inflows due to lower revenue received from other State audit offices for audit tools, due to QAO ceasing to provide support.
- 31. An increase in employee costs due to approved salary increases under enterprise bargaining arrangements.
- 32. An increase in payments for non-financial assets mainly due to higher capital works expenditure for change to office accommodation.

Reporting Entity Financial Statements

Reporting Entity comprises:

- Department of the Premier and Cabinet (excluding Administered);
- Corporate Administration Agency for the period 1 July to 31 December 2017.

Explanations of variances for each entity are included in the individual budget financial statements located in this Service Delivery Statement.

The machinery-of-government changes effective 1 January 2018, resulted in the transfer of Corporate Administration Agency to the Department of Environment and Science.

Reporting entity income statement

Department of the Premier and Cabinet	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
INCOME				
Appropriation revenue		177,442	187,753	107,172
Taxes	
User charges and fees		20,415	20,534	3,271
Royalties and land rents	
Grants and other contributions		453	356	1,436
Interest		205	374	400
Other revenue		67	1,404	4,091
Gains on sale/revaluation of assets	
Total income		198,582	210,421	116,370
EXPENSES				
Employee expenses		65,700	68,538	55,321
Supplies and services		60,653	57,357	33,141
Grants and subsidies		42,470	53,785	22,167
Depreciation and amortisation		24,976	24,964	548
Finance/borrowing costs		205	374	400
Other expenses		4,578	5,403	4,793
Losses on sale/revaluation of assets	
Total expenses		198,582	210,421	116,370
Income tax expense/revenue	
OPERATING SURPLUS/(DEFICIT)	

Reporting entity balance sheet

Department of the Premier and Cabinet	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CURRENT ASSETS				
Cash assets		4,134	4,107	3,893
Receivables		3,456	19,858	5,932
Other financial assets	
Inventories		15	..	..
Other		470	600	588
Non-financial assets held for sale	
Total current assets		8,075	24,565	10,413
NON-CURRENT ASSETS				
Receivables		5,282	6,951	20,777
Other financial assets	
Property, plant and equipment		6,361	3,015	2,917
Deferred tax assets	
Intangibles		2,518	2,247	2,394
Other	
Total non-current assets		14,161	12,213	26,088
TOTAL ASSETS		22,236	36,778	36,501
CURRENT LIABILITIES				
Payables		3,096	3,662	3,606
Current tax liabilities	
Accrued employee benefits		1,878	2,364	2,243
Interest bearing liabilities and derivatives		1,298	15,641	1,715
Provisions	
Other		..	29	29
Total current liabilities		6,272	21,696	7,593
NON-CURRENT LIABILITIES				
Payables		..	813	813
Deferred tax liabilities	
Accrued employee benefits	
Interest bearing liabilities and derivatives		5,283	6,951	20,777
Provisions	
Other	
Total non-current liabilities		5,283	7,764	21,590
TOTAL LIABILITIES		11,555	29,460	29,183
NET ASSETS/(LIABILITIES)		10,681	7,318	7,318
EQUITY				
TOTAL EQUITY		10,681	7,318	7,318

Reporting entity cash flow statement

Department of the Premier and Cabinet	Notes	2017-18 Adjusted Budget \$'000	2017-18 Est. Act. \$'000	2018-19 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Appropriation receipts		178,765	182,675	107,006
User charges and fees		20,803	20,922	3,343
Royalties and land rent receipts	
Grants and other contributions		453	356	1,436
Interest received	
Taxes	
Other		9,847	11,184	7,298
Outflows:				
Employee costs		(65,814)	(68,652)	(55,442)
Supplies and services		(65,930)	(62,889)	(36,056)
Grants and subsidies		(42,799)	(54,114)	(22,337)
Borrowing costs	
Taxation equivalents paid	
Other		(6,758)	(7,583)	(4,865)
Net cash provided by or used in operating activities		28,567	21,899	383
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of non-financial assets	
Investments redeemed	
Loans and advances redeemed		271	271	15,789
Outflows:				
Payments for non-financial assets		(9,816)	(6,524)	(597)
Payments for investments	
Loans and advances made		(14,996)	(17,346)	(15,000)
Net cash provided by or used in investing activities		(24,541)	(23,599)	192
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		9,721	12,071	15,000
Equity injections		8,458	8,095	..
Outflows:				
Borrowing redemptions		(271)	(271)	(15,789)
Finance lease payments	
Equity withdrawals		(24,367)	(27,367)	..
Dividends paid	
Net cash provided by or used in financing activities		(6,459)	(7,472)	(789)
Net increase/(decrease) in cash held		(2,433)	(9,172)	(214)
Cash at the beginning of financial year		13,156	18,356	4,107
Cash transfers from restructure		(6,589)	(5,077)	..
Cash at the end of financial year		4,134	4,107	3,893

Glossary of terms

Accrual accounting	Recognition of economic events and other financial transactions involving revenue, expenses, assets, liabilities and equity as they occur and reporting in financial statements in the period to which they relate, rather than when a flow of cash occurs.
Administered items	Assets, liabilities, revenues and expenses an entity administers, without discretion, on behalf of the Government.
Agency/entity	Used generically to refer to the various organisational units within Government that deliver services or otherwise service Government objectives. The term can include departments, commercialised business units, statutory bodies or other organisations established by Executive decision.
Appropriation	Funds issued by the Treasurer, under Parliamentary authority, to agencies during a financial year for: <ul style="list-style-type: none"> • delivery of agreed services • administered items • adjustment of the Government's equity in agencies, including acquiring of capital.
Balance sheet	A financial statement that reports the assets, liabilities and equity of an entity as at a particular date.
Capital	A term used to refer to an entity's stock of assets and the capital grants it makes to other agencies. Assets include property, plant and equipment, intangible items and inventories that an entity owns/controls and uses in the delivery of services.
Cash Flow Statement	A financial statement reporting the cash inflows and outflows for an entity's operating, investing and financing activities in a particular period.
Controlled items	Assets, liabilities, revenues and expenses that are controlled by departments. These relate directly to the departmental operational objectives and arise at the discretion and direction of that department.
Depreciation	The periodic allocation of the cost of physical assets, representing the amount of the asset consumed during a specified time.
Equity	Equity is the residual interest in the assets of the entity after deduction of its liabilities. It usually comprises the entity's accumulated surpluses/losses, capital injections and any reserves.
Equity injection	An increase in the investment of the Government in a public sector agency.

Financial statements	Collective description of the Income Statement, the Balance Sheet and the Cash Flow Statement for an entity's controlled and administered activities.
Income statement	A financial statement highlighting the accounting surplus or deficit of an entity. It provides an indication of whether the entity has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation.
Outcomes	Whole-of-government outcomes are intended to cover all dimensions of community wellbeing. They express the current needs and future aspirations of communities, within a social, economic and environment context.
Own-source revenue	Revenue that is generated by an agency, generally through the sale of goods and services, but it may also include some Commonwealth funding.
Priorities	Key policy areas that will be the focus of Government activity.
Services	The actions or activities (including policy development) of an agency which contribute to the achievement of the agency's objectives.
Service area	Related services grouped into a high level service area for communicating the broad types of services delivered by an agency.
Service standard	Define a level of performance that is expected to be achieved appropriate for the service area or service. Service standards are measures of efficiency or effectiveness.



Queensland Budget 2018–19

Service Delivery Statements

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